

# *Active Communities Malvern Hills District: A Vision for the Future*

## **Malvern Hills District Sport and Leisure Strategy 2014 - 2024**

Chapter 12:  
Existing Built Leisure Provision  
Currently Being Supported by  
Malvern Hills District Council



## CONTENTS

<b>12. EXISTING BUILT LEISURE PROVISION SUPPORTED BY MALVERN HILLS DISTRICT COUNCIL</b>	<b>4-25</b>
12.1 Introduction	4
12.2 Malvern Splash Leisure Complex	4-7
12.3 Upton Hill Community Centre	8-9
12.4 Malvern Vale Community Centre	10
12.5 Priory Park Bowling Club	11
12.6 Spring Lane Playing Fields	11
12.7 Sling Lane Playing Fields	11
12.8 Sport Martley Leisure Centre	12-15
12.9 Sport Dyson Perrins Leisure Centre	16-19
12.10 Tenbury Swimming Pool	20-24
12.11 Tenbury Swimming Pool Needs Assessment	24-25
ANNEX A. Leisure Facility - Cost Per Head and Usage Analysis	28-30

## LIST OF TABLES

Table 52.	Council capital expenditure for Malvern Splash.....	4
Table 53.	Council revenue expenditure for Malvern Splash .....	5
Table 54.	Throughput Malvern Splash, 2008-2013 .....	5
Table 55.	10 year forecast of annual expenditure – Malvern Splash.....	6
Table 56.	Throughput Upton Hill Community Centre, 2008-2013 .....	8
Table 57.	Council revenue expenditure for Upton Hill Community Centre .....	8
Table 58.	10 year forecast of annual expenditure – Upton Hill Community Centre .....	9
Table 59.	10 year forecast of annual expenditure – Malvern Vale Community Centre .....	10
Table 60.	Throughput Sport Martley, 2008-2013.....	13
Table 61.	Council revenue expenditure for Sport Martley.....	13
Table 62.	Council revenue expenditure for Sport Dyson Perrins Leisure Centre.....	16
Table 63.	Throughput Sport Dyson Perrins Leisure Centre.....	17
Table 64.	Council revenue expenditure for Tenbury Swimming Pool.....	21
Table 65.	Throughput Tenbury Swimming Pool, 2008-2013.....	21
Table 66.	10 year forecast of annual expenditure – Tenbury Swimming Pool .....	21

## LIST OF FIGURES

Figure 3.	Throughput, Malvern Splash, 2008/09 – 2012/13.....	6
Figure 4.	Income and expenditure, Malvern Splash, 2002/03 – 2012/13.....	7
Figure 5.	Utility costs, Malvern Splash, 2002/03 – 2012/13.....	7
Figure 6.	Throughput, Sport Martley 2008/09 – 2012/13.....	13
Figure 7.	Income and expenditure, Sport Martley, 2008/09 – 2012/13 .....	14
Figure 8.	Utility costs, Sport Martley, 2010/11 – 2012/13 .....	14
Figure 9.	Income and expenditure, Sport Dyson Perrins, 2009/09 – 2012/13.....	17
Figure 10.	Throughput, Sport Dyson Perrins, 2008/09 – 2012/13 .....	18
Figure 11.	Utility costs, Sport Dyson Perrins, 2008/09 – 2012/13.....	18
Figure 12.	Income and expenditure, Tenbury Swimming Pool, 2002/03 – 2012/13 .....	22
Figure 13.	Throughput, Tenbury Swimming Pool, 2008/09 – 2012/13 .....	22
Figure 14.	Utility costs, Tenbury Swimming Pool, 2002/03 – 2012/13 .....	23

## 12. EXISTING BUILT LEISURE PROVISION CURRENTLY BEING SUPPORTED BY MALVERN HILLS DISTRICT COUNCIL

### 12.1 Introduction

Malvern Hills District Council has a mixed portfolio of sport and leisure provision based as standalone facilities, dual use facilities and community centres. Given the rural nature of the district, the built sport and leisure provision tends to be focused around the main populations within the district. This section describes the provision, the costs borne by the council in supporting facilities and the condition of the facilities where information is available.

#### Facilities owned by Malvern Hills District Council:

### 12.2 Malvern Splash Leisure Complex

Malvern Splash is a wet and dry side facility located near the centre of Great Malvern. The facility consists of a 5 lane 25m leisure pool, a small learner pool, a 60 station health and fitness suite and a studio. The facility also has a sauna and steam room.

The facility was built in 1989, but has since undergone various renovations to the studio in 2003, the gym in 2007 and the pools in 2010. It is owned by Malvern Hills District Council.

The facility is currently operated by Sport and Leisure Management Limited (SLM) under a management contract through to 31<sup>st</sup> March 2015.

This large wet and dry facility is costly to maintain, with the council investing c. £406k of capital over the last five years in repairs and maintenance. The council's capital expenditure for Malvern Splash is set out in table 52.

**Table 52: Council capital expenditure for Malvern Splash Leisure Complex**

Malvern Splash - Council Capital Expenditure	
Year	Total
2008-2009	£35,727.08
2009-2010	£84,717.79
2010-2011	£105,076.22
2011-2012	£49,561.64
2012-2013	£131,375.08
<b>TOTAL</b>	<b>£406,457.81</b>

In addition to this, other associated costs run between c£45k and c£60k per annum. The council's revenue expenditure for Malvern Splash is outlined in table 53.

**Table 53: Council revenue expenditure for Malvern Splash Leisure Complex**

Malvern Splash - Council Revenue Expenditure				
	Management fee*	Repairs and Maintenance	Other	Total
2008-2009	£ 12,559.87	£ 3,136.69		<b>£ 15,696.56</b>
2009-2010	£ 13,192.00	£ 23,583.38		<b>£ 36,775.38</b>
2010-2011	£ 14,770.14	£ 33,071.79		<b>£ 47,841.93</b>
2011-2012	£ 15,934.40	£ 26,065.67	£ 3,679.88	<b>£ 45,679.95</b>
2012-2013	£ 17,332.80	£ 42,667.18	£ 384.20	<b>£ 60,384.18</b>
<b>TOTAL</b>	<b>£ 73,789.21</b>	<b>£ 128,524.71</b>	<b>£ 4,064.08</b>	<b>£ 206,378.00</b>

\* The council has not released the management fee to SLM due to their failure to adhere to the contract for any of the 5 years in question.

Given the age of the facility, there will need to be an identified investment profile to maintain the building for its operational life. At some point (likely to be in circa 10 years' time) the council may wish to seek to close the facility and seek to enable cost effective re-provision subject to business case and funding.

Given the specialist nature of the facility, the council will need to use an external specialist contractor such as the existing operator, SLM.

Currently, repairs and maintenance responsibilities lie principally with the council, who are responsible for the upkeep of the roof, external cladding and curtain walling, all structural elements of the building other than the flume and associated staircase, and all underground foul and surface water drainage.

Provided that SLM operate and undertake all routine maintenance in accordance with the manufacturer's instructions and recommendations, the council is also contracted to contribute towards additional repair, maintenance and replacement of mechanical and electrical plant and equipment, as follows:

- First £1,000 – Nil council contribution
- Next £3,000 – 50% council contribution
- Remainder – 100% council contribution.

This arrangement encourages the operator to delay maintaining services until their cost of replacement switches to the council's responsibility.

The current arrangements represent a considerable risk for the council and these will need to be addressed in the design of any future contract. SLC would recommend this arrangement is challenged in the future contract and a more sensible approach is developed.

The facility typically receives between 350,000 and 400,000 visits per annum. The throughput of the centre over the past 5 years is outlined in table 54.

**Table 54: Throughput Malvern Splash, 2008-2013**

	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013
<b>Malvern Splash</b>	409,178	390,064	368,637	359,859	360,856

The main findings of a condition survey undertaken in 2013 are summarised below:

- building in satisfactory condition but regular redecoration and minor repairs required to keep the building in acceptable condition due to environment and heavy usage
- mechanical service installations in satisfactory working order (recent investment)
- external service yard in poor condition. Rubbish and redundant equipment needs removal and derelict store and neighbouring derelict building could pose health and safety risk and should be fenced off.

Table 55 outlines the annual expenditure forecast for the next 10 years from the condition survey report.

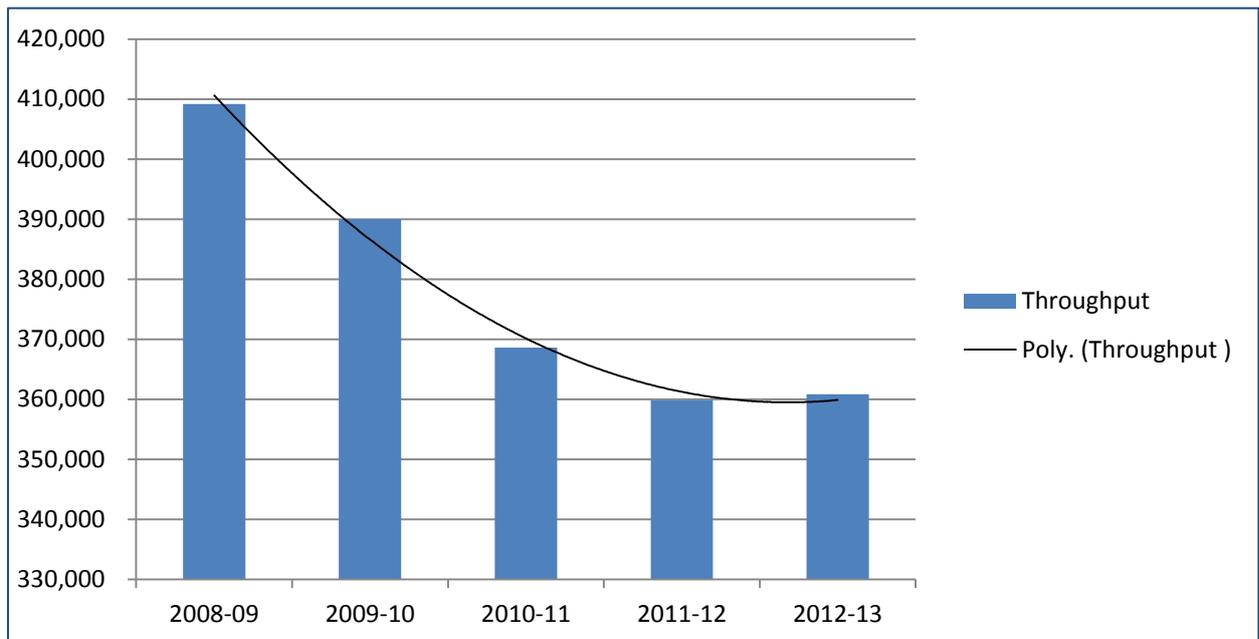
**Table 55: 10 year forecast of annual expenditure – Malvern Splash**

Year 0	£14,550		Year 6	£4,900
Year 1	£17,650		Year 7	£101,750
Year 2	£8,250		Year 8	£84,550
Year 3	£42,250		Year 9	£750
Year 4	£65,750		Year 10	£122,050
Year 5	£113,550		<b>Total</b>	<b>£576,000</b>

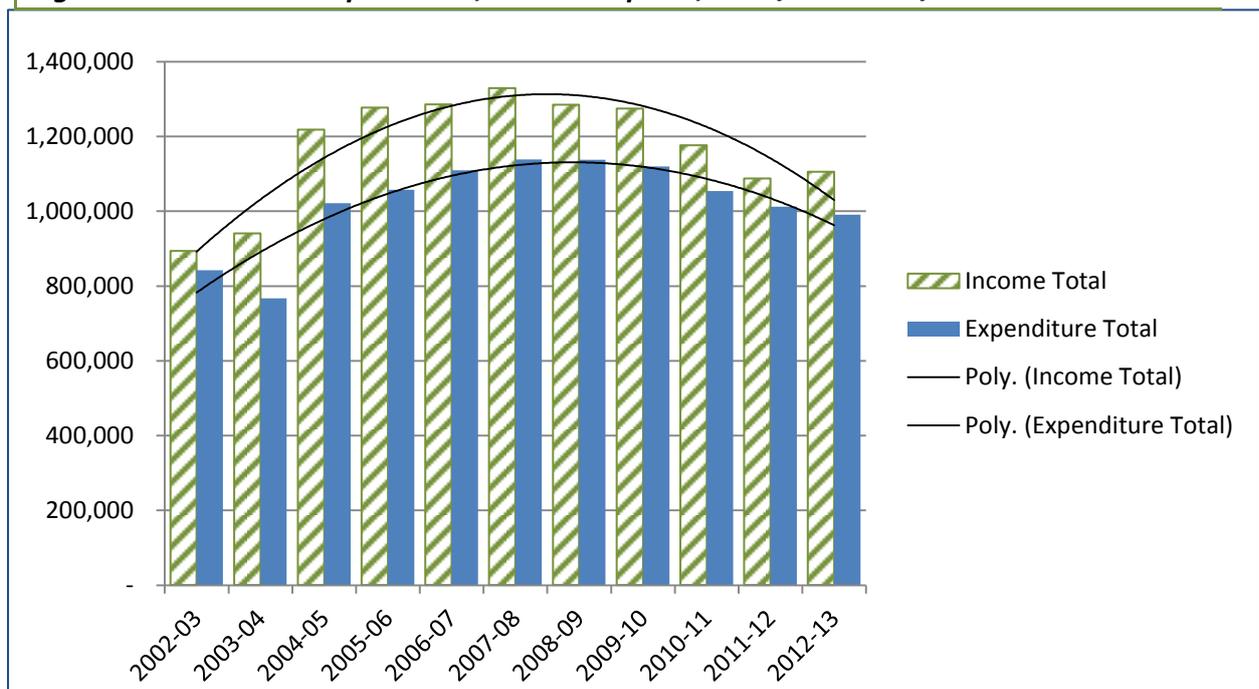
Figures 3, 4 and 5 show the throughput, income and expenditure and utility cost trends for Malvern Splash. These figures show that:

- There has been a slight year on year drop in throughput since 2008-09
- Malvern Splash has experienced a slight drop in income from a peak in 2007-08, expenditure has remained relatively stable, dropping only slightly over the same period
- Utility costs have increased significantly over the 10 year period.

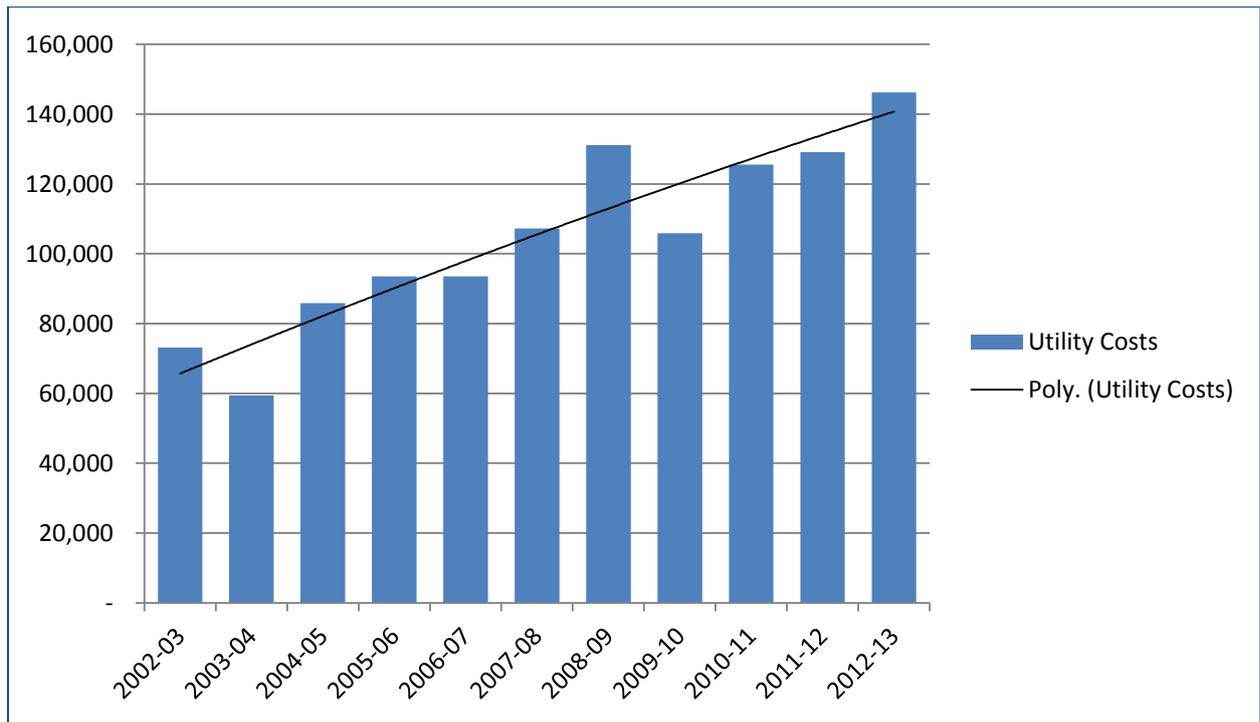
**Figure 3: Throughput, Malvern Splash, 2008/09 – 2012/13**



**Figure 4: Income and expenditure, Malvern Splash, 2002/03 – 2012/13**



**Figure 5: Utility costs, Malvern Splash, 2002/03 – 2012/13**



### 12.3 Upton Hill Community Centre

Upton Hill Community Centre is a community facility which offers a range of facilities and activities to local residents. It is located in Upton-upon-Severn in the south west of the district. Worcestershire County Council owns the facility, but the district council hold the lease running from 1994 to 2119.

The facility consists of 2 community rooms with a capacity of 90 and 25 people respectively, kitchen, a 1 court sports hall / studio, and 2 full size grass football pitches and 2 changing areas.

The facility typically receives between 20,000 and 35,000 visits per annum. There has been a notable rise in throughput following the transfer to YMCA management. The throughput of the centre over the past 5 years is outlined in table 56.

**Table 56: Throughput Upton Hill Community Centre, 2008-2013**

	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013
<b>Upton Hill Community Centre</b>	22,437	20,059	26,127	32,065	34,722

The facility is currently operated by Worcestershire YMCA under the terms of a management agreement between themselves and the council which terminates on 31<sup>st</sup> March 2015. Under the terms of this agreement, the YMCA received or will receive from the council a management fee of £7.5k for 2012-13, £5k for 2013-14 and £2.5 for 2014-15. Including maintenance and running costs, the council invest circa £20k per annum into Upton Hill Community Centre, excluding officer time. The council's revenue expenditure for the Upton Hill Community Centre over the past 5 years is set out in Table 57.

**Table 57: Council revenue expenditure for Upton Hill Community Centre**

Upton Hill Community Centre - MHDC Revenue Expenditure					
	Management fee	Repairs and Maintenance	Utilities	Other	Total
2008-2009	£7,650.00	£1,549.58	£15,708.27	£1,090.94	<b>£25,998.79</b>
2009-2010	£7,558.20	£1,942.29	£6,269.01	£3,923.24	<b>£19,692.74</b>
2010-2011	£7,958.78	£3,448.49	£8,607.73	£561.65	<b>£20,576.65</b>
2011-2012	£8,320.00	£6,876.43	£5,529.82	£915.70	<b>£21,641.95</b>
2012-2013	£7,500.00	£6,995.00	£4,884.85	£612.94	<b>£19,992.79</b>
<b>TOTAL</b>	<b>£38,986.98</b>	<b>£20,811.79</b>	<b>£40,999.68</b>	<b>£7,104.47</b>	<b>£107,902.92</b>

The current management arrangements with YMCA link to a lease and a management agreement. There could be an opportunity to simplify this in any future arrangements in line with that achieved at Malvern Vale Community Centre.

### Facility condition and investment profile

The facility has a very inefficient heating system which results in excessively high running costs borne by the council. Investment in this area is seen to be key to enabling the facility to remain sustainable in the long term.

The council is responsible for insuring the building structure, repair and maintenance of the building structure and fabric, and payment of all utility bills including charges for water, gas, electricity, telephone and internet access.

A business case to explore the impact of an 'invest to save' initiative in relation to the utility costs is essential. This would need to commence in 2014 to support the council's approach to procurement in 2015. Solar panels for the centre have been approved and should be in place by March 2014.

Given the council has a very long lease for Upton Hill Community Centre it may wish to explore options to transfer the lease to the town council or an operator with a community ethos such as YMCA, given this is a local facility. This is explored in greater detail in Appendix 7.

The main findings of a condition survey undertaken in 2013 are summarised below:

- building in satisfactory condition but some parts of building fabric are tired and refurbishment in the short term is recommended
- the timber block flooring in the sports hall is subject to some movement and will require repair to prevent further damage
- mechanical and electrical plant will require upgrading in the next 10 years.
- Table 58 outlines the annual expenditure forecast for the next 10 years from the condition survey report.

**Table 58: 10 year forecast of annual expenditure – Upton Hill Community Centre**

Year 0	£8,350		Year 6	£150
Year 1	£8,650		Year 7	£150
Year 2	£16,150		Year 8	£750
Year 3	£750		Year 9	£1,150
Year 4	£900		Year 10	£104,450
Year 5	£25,450		<b>Total</b>	<b>£166,900</b>

## 12.4 Malvern Vale Community Centre

The Malvern Vale Community Centre is a community facility located in the heart of the new Malvern Vale community in the Dyson Perrins ward of Malvern. The development of the facility, completed in 2012, costing £800k and was funded through section 106 funding from Persimmon Homes as part of the new housing development. The facility is owned by the council and has £420k allocated over the life of the building to repairs and maintenance.

The facility consists of a large meeting/activity room, a small meeting/activity room, a fully equipped kitchen, 1 full size football pitch, 1 junior football pitch and 2 changing areas.

The facility is currently operated by Worcestershire YMCA under the terms of a lease which terminates on 31<sup>st</sup> March 2015. Under the terms of this lease, the YMCA pays a rent of £1 per annum for the period 28<sup>th</sup> January 2013 to 31<sup>st</sup> March 2014, and a rent of £12,000 per annum for the period 1<sup>st</sup> April 2014 to 31<sup>st</sup> March 2015. The facility has run at zero cost to the council since its opening in January 2013.

The YMCA is responsible for payment of the recharge of the cost to the council of all utility bills in respect of the facility and the cost of insuring the property. The YMCA is also responsible for the repair and maintenance of the interior of the building, fixtures, fittings, equipment and furniture, boundary fences and grounds maintenance.

The main findings of a condition survey undertaken in 2013 are summarised are summarised below:

- Building has been recently constructed, and minor snagging items will be remedied by the developer
- Periodic redecoration to the external timber cladding and the internal walls will be required
- The extract ventilation fans in the main community room will be repaired or replaced by the developer shortly
- No key concerns or items for further investigation were noted.
- Table 59 outlines the annual expenditure forecast for the next 10 years from the condition survey report which will be covered by the maintenance contribution.

**Table 59: 10 year forecast of annual expenditure – Malvern Vale Community Centre**

Year 0	£700	Year 6	£200
Year 1	£750	Year 7	£200
Year 2	£200	Year 8	£800
Year 3	£800	Year 9	£11,450
Year 4	£11,450	Year 10	£11,200
Year 5	£200	<b>Total</b>	<b>£37,950</b>

12.4.1 Given this facility is still developing; it may take more time for it to establish a steady state operation. The facility will not ever be a commercially attractive facility and thus an operator with a strong community ethos is essential.

## **12.5 Priory Park Bowling Club**

The Priory Park Bowling Green in Priory Park, Great Malvern and associated pavilion are owned by the council. It was constructed on land donated to the council for the sole and specific use as a bowling green in 1937.

The Priory Park Bowling Club holds the lease for the green and pavilion until 2027. The council also supplemented funding that the club had received from a “Sport & Arts” grant in 1996, allowing the club to refurbish the pavilion, extending the changing rooms and function room, and improve the condition of the green.

The bowling club is responsible for the repair and maintenance of the green and pavilion, although they currently have issues meeting these responsibilities.

There are concerns over the sustainability of membership levels despite support provided through the Sports Partnership – Herefordshire and Worcestershire.

At some point in the future the council may wish to revisit its current lease arrangements with the bowling club to seek to identify a sustainable future for the facility and to ensure it remains a community asset rather than a dilapidated liability.

## **12.6 Spring Lane Playing Fields**

Malvern Rugby Football Club lease and operate a sports ground and club house on the outskirts of Great Malvern. The council is the freeholder. There are 19 years remaining on the current lease. The facility consists of 2 senior rugby pitches, a floodlit junior rugby pitch and a clubhouse.

The rugby club is responsible for the repairs and maintenance of the facility.

As a result of the growth of the club, the rugby club now feels that the existing premises are insufficient to furnish its needs and have expressed an interest in relocating to alternative venue. It has entered into initial dialogue with the council about scoping its options.

## **12.7 Sling Lane Playing Fields**

Sling Lane Playing Fields are owned by the council. The facility, recently enhanced and extended, consists of 2 full size grass football pitches, 2 mini soccer pitches and a changing room facility.

88% (£415,000) of the total project cost (£470,000) was secured by the council through external funding. The council invested £55,000, and received funding from Sport England (£42,700), Football Foundation (£282,904), section 106 contributions (£64,716) and Newtown Junior Football Club (£25,000).

It is the intention for Newtown Sports Junior Football Club to commence a 25 year lease from 1st April 2014. As part of the lease, the football club will take on responsibility for the maintenance of the playing fields and open space.

This arrangement is seen to be a best practice case study, as shown in Appendix 4, and may form the base model for a number of other community facilities.

## Facilities for which the council has contractual responsibility

### 12.8 Sport Martley Leisure Centre

#### Summary

Sport Martley is a dual use dry-side facility located at the Chantry School in Martley. The facility consist of a 4 court sports hall and small sports hall / studio, a 25 station gym, 3 outdoor tennis courts and a 15 rope climbing wall.

The council entered into a joint use agreement in relation to the sports facilities at the Chantry School with Worcestershire County Council, the English Sports Council and the Governing Body of the Chantry School, regulating the use of the sports facilities by members of the public during designated periods of community use. The school has subsequently transferred to Academy status. This agreement runs until 2019, with an option to extend by 38 years.

The facility is currently operated by Wychavon Leisure Community Association (WLCA) under the terms of a management agreement which terminates on 31<sup>st</sup> March 2015. Under the terms of the agreement, WLCA is responsible for the operation of the community use of the centre as set out by the Joint Use Agreement. WLCA receives a fixed management fee of £45,000 per annum. There is a VAT obligation for WLCA on the utility costs with this funding model.

Consultation with Andrew Dickenson the Head teacher was as follows:

- The school may in the future be seeking to develop its commercial activity
- The school acknowledges that more of its facilities may need to be incorporated into the community use mix through an operator to support sustainability
- The opportunity to achieve a break even or close to break even position is one that the school would actively support through the procurement process.
- The school acknowledges that the current level of subsidy paid by the council is unsustainable.

As with Sport Dyson Perrins Leisure Centre, the current arrangements have worked well to date, in what appears to be a generous management fee. Given the need to find savings moving forward, the current arrangements are unlikely to be able to continue to be funded in the same way to the same level post April 2015.

There will be the need to actively engage with the school to explore ways of reducing the operational costs of community use borne by the council. WLCA appears to be running a comfortable operation without any real proactive commercial activity, SLC would recommend that the council seek to challenge any future operator to sweat the asset harder than at present.

Given the outsourcing arrangements of sports development and coaching / holiday courses, SLC would encourage the council to expect that a future operator would seek to manage this activity directly to retain margins and control of an overarching offer.

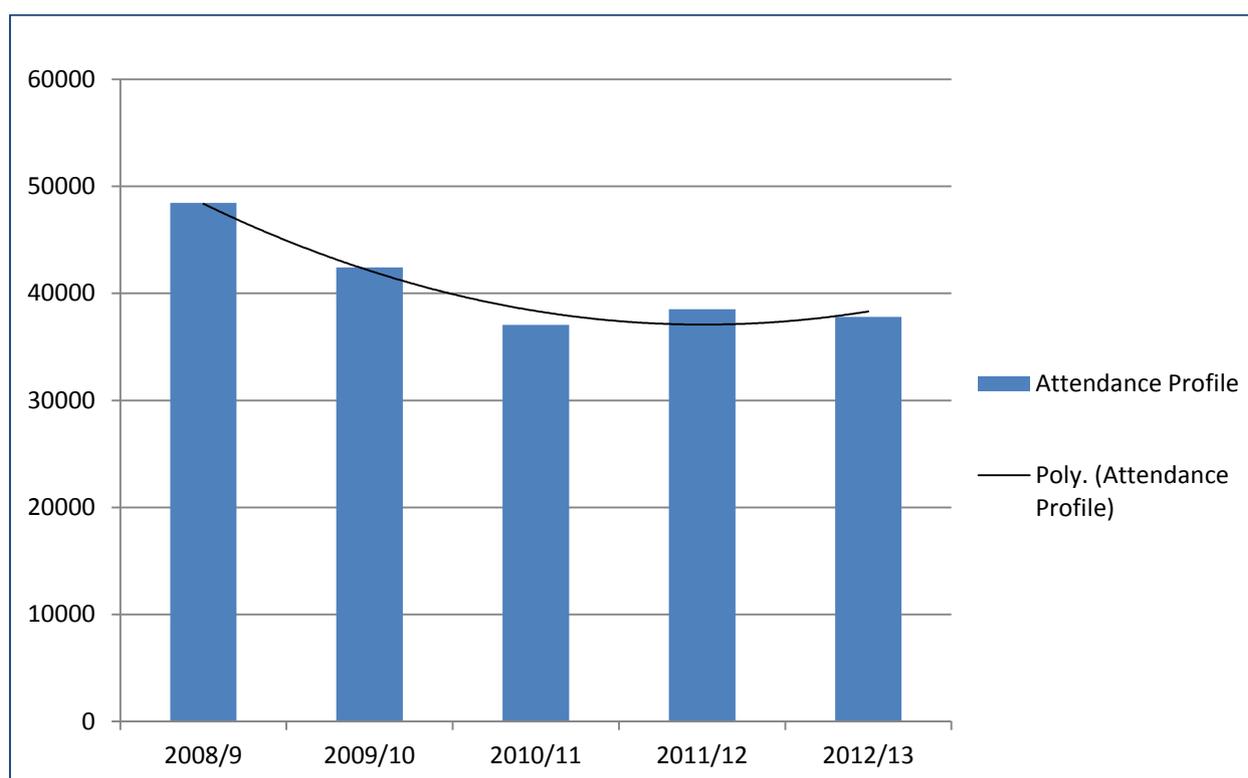
### Facility Usage and Expenditure

The facility typically receives between 37,000 and 48,000 visits per annum. The throughput of the centre over the past 5 years is outlined in table 60.

**Table 60: Throughput Sport Martley, 2008-2013**

	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013
<b>Sport Martley</b>	48,437	42,423	37,052	38,509	37,812

**Figure 6: Throughput, Sport Martley 2008/09 – 2012/13**



The council's revenue expenditure for Sport Martley over the past 5 years is outlined in table 61.

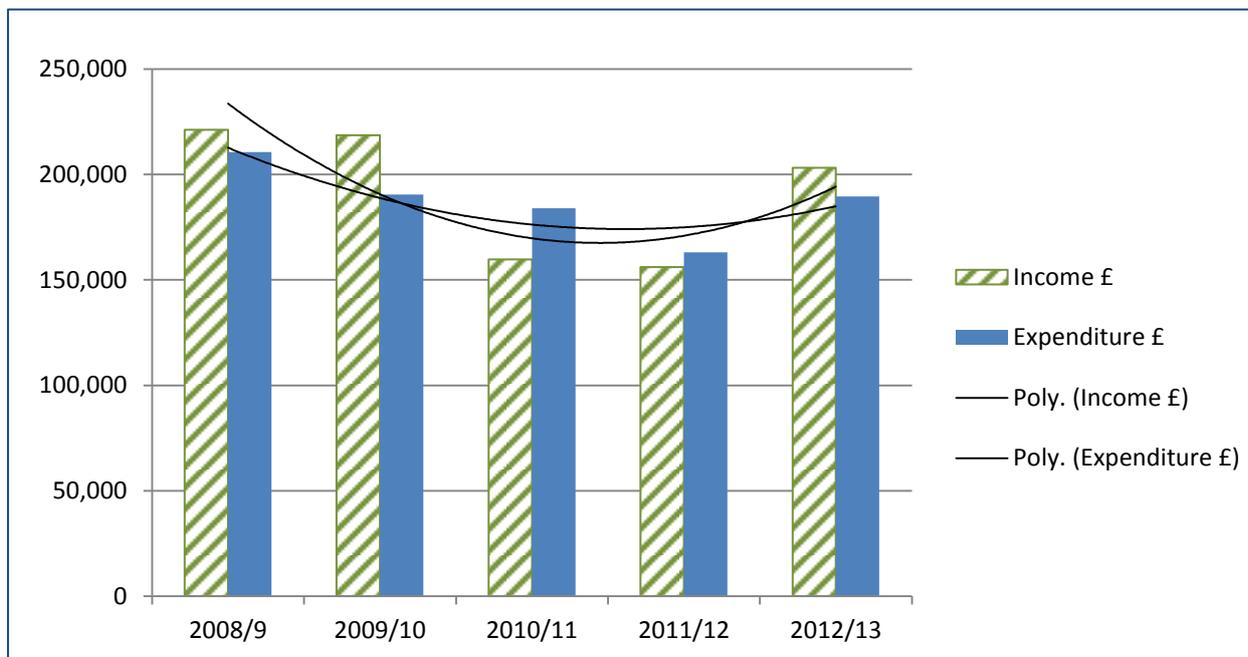
**Table 61: Council revenue expenditure for Sport Martley**

<b>Sport Martley - Council Revenue Expenditure</b>		
	<b>Management fee</b>	<b>Total</b>
2008-2009	£45,000.00	<b>£45,000.00</b>
2009-2010	£45,000.00	<b>£45,000.00</b>
2010-2011	£45,000.00	<b>£45,000.00</b>
2011-2012	£45,000.00	<b>£45,000.00</b>
2012-2013	£45,000.00	<b>£45,000.00</b>
<b>TOTAL</b>	<b>£225,000.00</b>	<b>£225,000.00</b>

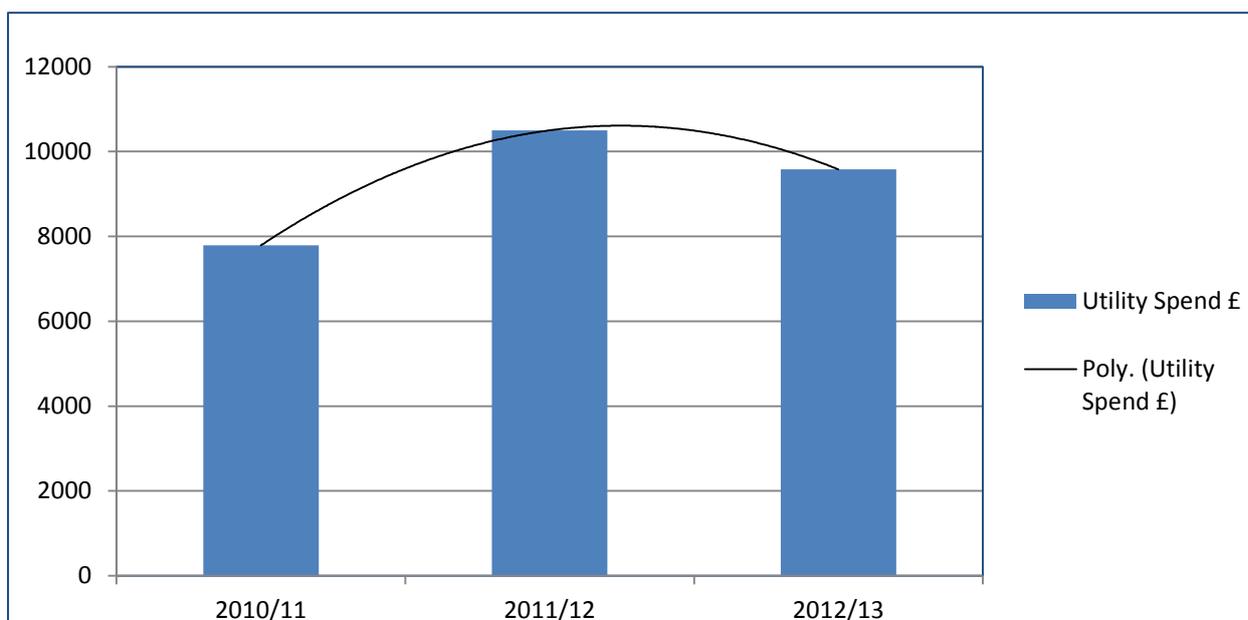
Figures 6, 7 and 8 show the throughput, income and expenditure and utility cost trends for Sport Martley. These figures show that:

- Throughput is stable following a slight decrease from an opening year high
- Following a dip in 2010-2012, income has recovered to close to original levels
- Utility costs are relatively stable.

**Figure 7: Income and expenditure, Sport Martley, 2008/09 – 2012/13**



**Figure 8: Utility costs, Sport Martley, 2010/11 – 2012/13**



### Facility condition and investment profile

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The facility is less than 15 years old and as such appears to be in good condition with no major large items of expenditure expected in the next 10 years according to the school. It is expected that repair and maintenance costs will remain stable.

Under the terms of the joint use agreement, the council is responsible for 60% of cleaning, caretaking and plant attendant staff, utilities, general rates and insurance costs, and maintenance costs. However, under the terms of the management agreement, these obligations are taken on by WLCA and covered by the fixed rate management fee of £45k per annum by the council. The council and school may wish to renegotiate this arrangement in future.

There are ambitions to site an STP on site linked to planning gain and this development would assist in generating additional revenue for the facility.

Prior to the procurement exercise in 2014/15 it is recommended that any suggestions for potential facility developments are encouraged through the market testing exercise.

## 12.9 Sport Dyson Perrins Leisure Centre

Sport Dyson Perrins is a dual use dry-side facility located at the Dyson Perrins C of E Academy, Malvern. The five year old facility consists of a 4 court sports hall and small sports hall / studio, a 30 station gym, 5 outdoor tennis courts and a full size 3G STP.

The council entered into a joint use agreement in relation to the sports centre at Dyson Perrins on 21 May 2007 with Worcestershire County Council and the Governing Body of the Dyson Perrins C of E School, regulating the use of the sports centre by members of the public during designated periods of community use. The school has subsequently transferred to Academy status. The joint use agreement is in place until 2028, with the option to extend for a further 30 years.

The facility is currently operated by Wychavon Leisure Community Association (WLCA) under the terms of a management agreement which terminates on 31<sup>st</sup> March 2015. Under the terms of the agreement, WLCA is responsible for the operation of the community use of the centre as set out by the joint use agreement. WLCA receives a management fee of £9,000 per annum (index linked) from the council, and there is a profit share agreement in place under which any profit generated annually in excess of £12,000 is equally divided between the parties.

In the last two years, this operation has required investment of c£30k (2011/12) and c35k (2012/13) respectively from the council including the management fee of £9k. The council's revenue expenditure for Sport Dyson Perrins over the past 5 years is set out in table 62.

**Table 62: Council revenue expenditure for Sport Dyson Perrins Leisure Centre**

Sport Dyson Perrins Leisure Centre –Council Revenue Expenditure					
	Management fee	Repairs and Maintenance	Utilities	Other	Total
2008-2009	£9,000.00	£1,338.03	£4,649.31	£7,154.48	<b>£22,141.82</b>
2009-2010	£9,207.00	£2,230.18	£8,989.83	£12,720.06	<b>£33,147.07</b>
2010-2011	£9,225.00	£1,971.42	£7,185.27	£11,359.54	<b>£29,741.23</b>
2011-2012	£9,704.70	£4,762.27	£7,459.51	£ 8,133.76	<b>£30,060.24</b>
2012-2013	£10,044.36	£4,301.68	£14,479.87	£6,956.78	<b>£35,782.69</b>
<b>TOTAL</b>	<b>£47,181.06</b>	<b>£14,603.58</b>	<b>£42,763.79</b>	<b>£46,324.62</b>	<b>£150,873.05</b>

Under the terms of the joint use agreement, the council is responsible for 60% of cleaning, caretaking and plant attendant staff, utilities, general rates and insurance costs, and maintenance costs.

The Academy has recently invested in a new 3G STP and is hiring this directly to the community. SLC understands this is sub contracted out to WLCA. This does not form part of the joint use agreement. SLC is of the view that the revenue from this facility should be contributing to the overall sustainability of community use.

WLCA operate the facility very well, but quite passively, with development work, coaching and holiday programmes being delivered by Zig Zag. Given the outsourcing arrangements of sports development and coaching / holiday courses, SLC would expect that a future operator would seek to manage this activity directly to retain margins and control of an overarching offer.

The current arrangements have worked well to date. Given the need to find savings moving forward, the current arrangements are unlikely to be able to continue to be funded in the same way and to the same level post April 2015.

The facility typically receives between 24,000 and 33,000 visits per annum. The throughput of the centre over the past 5 years is outlined in table 63.

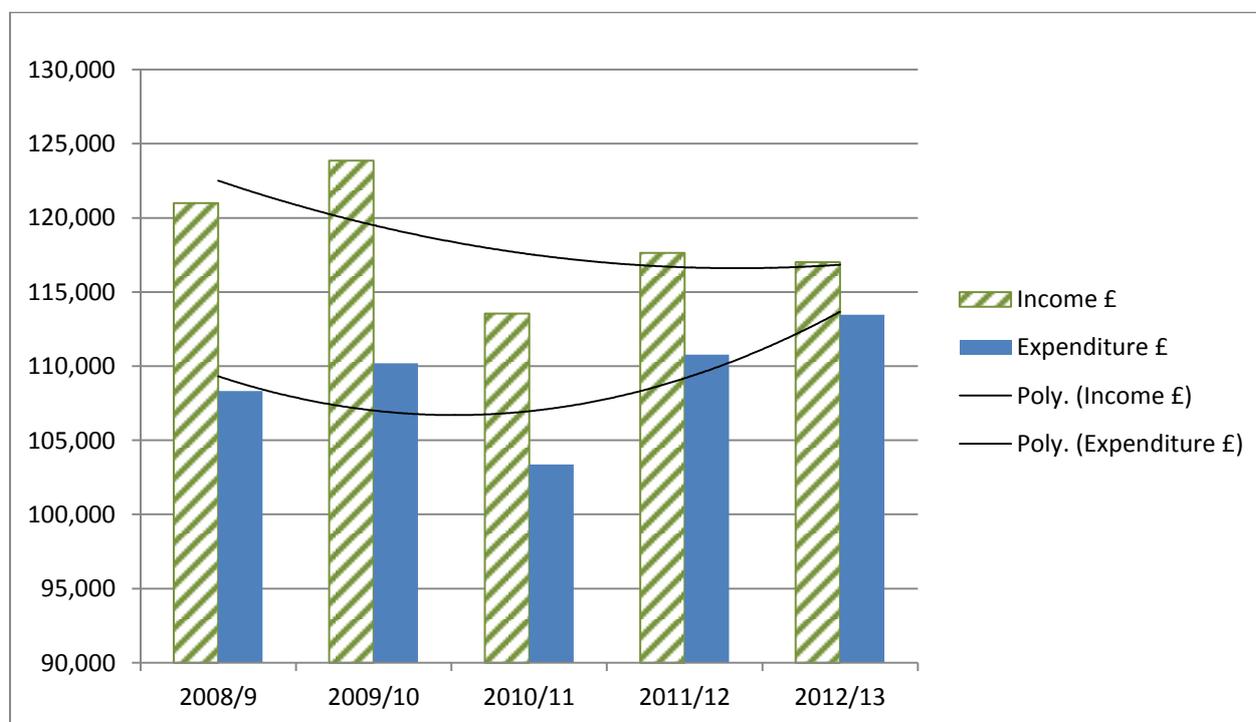
**Table 63: Throughput Sport Dyson Perrins Leisure Centre, 2008-2013**

	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013
<b>Sport Dyson Perrins</b>	24,030	25,313	27,430	30,790	32,354

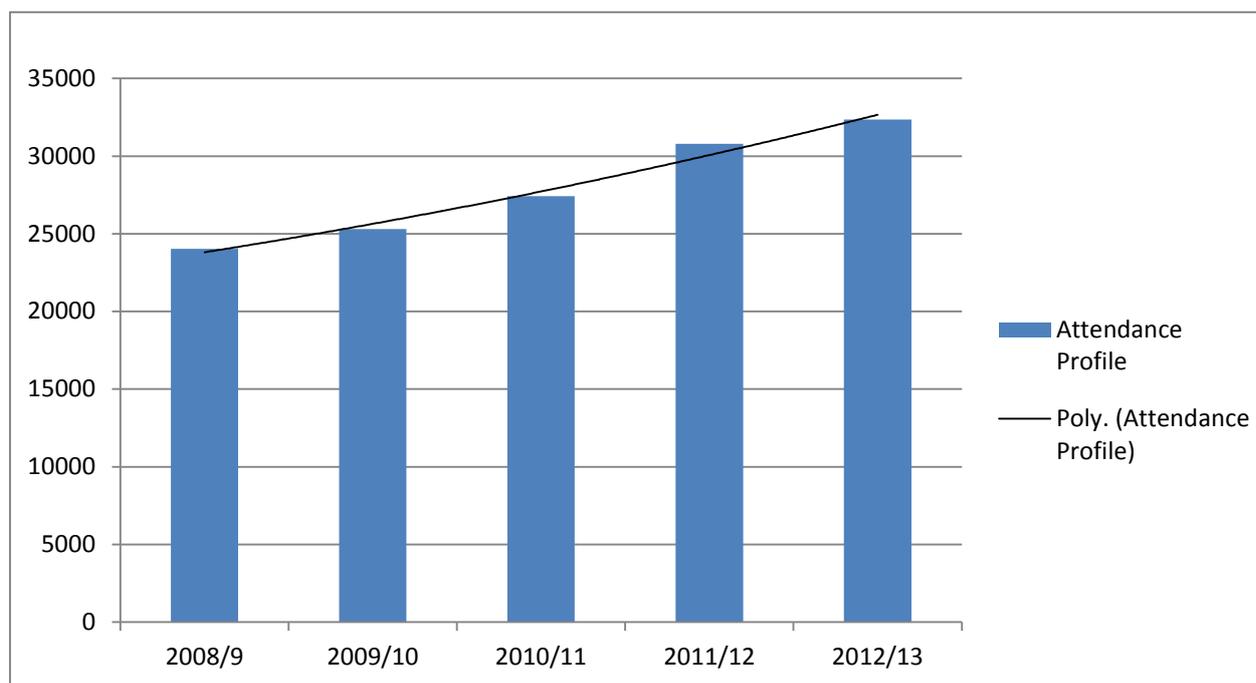
Figures 9, 10 and 11 show the income and expenditure, throughput and utility cost trends for Sport Dysons Perrins between 2008/09 and 2012/13 respectively. These figures show that:

- Income is relatively stable, and expenditure rising slightly
- Throughput figures are following a positive trend with year on year increases
- Utility costs have increased slightly.

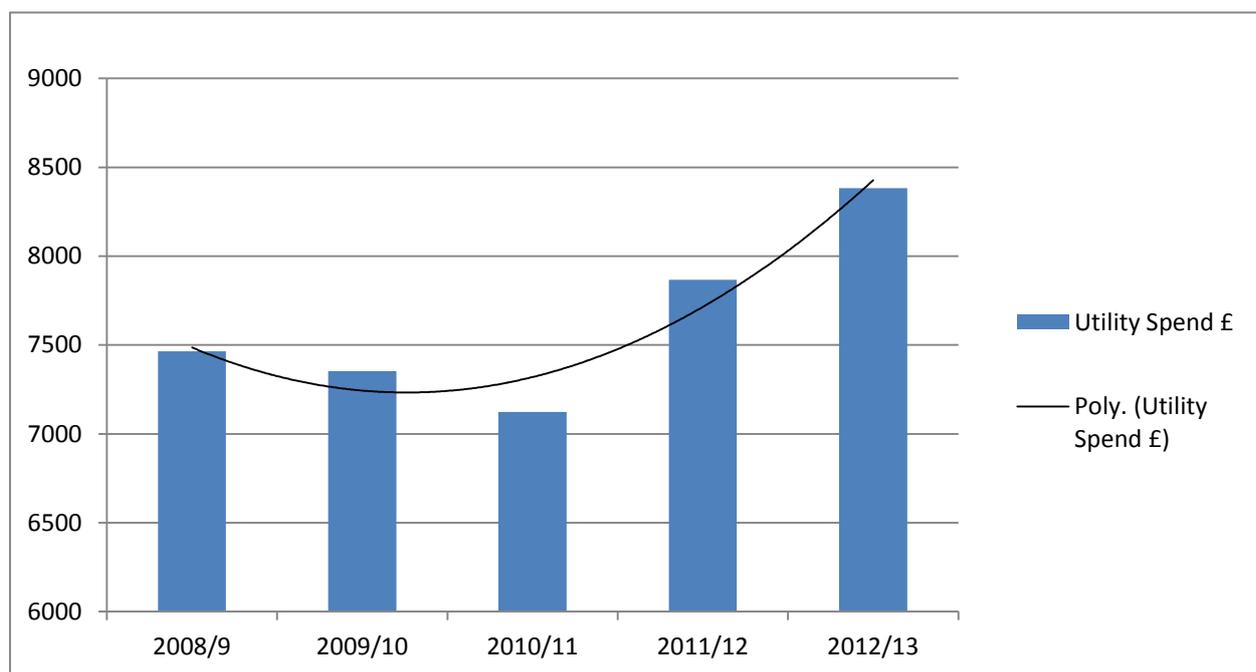
**Figure 9: Income and expenditure, Sport Dyson Perrins, 2008/09 – 2012/13**



**Figure 10: Throughput, Sport Dyson Perrins, 2008/09 – 2012/13**



**Figure 11: Utility costs, Sport Dyson Perrins, 2008/09 – 2012/13**



There will be the need to actively engage with the Academy to explore ways of reducing the operational costs of joint use agreement borne by the council. Given WLCA appears to be running a comfortable operation without any real proactive commercial activity such as children’s coaching or holiday courses and only limited Parties, SLC would recommend that the council seek to challenge any future operator to sweat the asset harder than at present. Other considerations include utilising more of the school’s community facilities – e.g. playing pitches, halls etc. to contribute to a sustainable mix of facilities available.

The current arrangements for allocation of cost (see 13.9.5) is another area where SLC would encourage the council to have dialogue and refinement to ensure each party is paying a realistic contribution towards running costs.

The facility appears to be in good condition with no major large items of expenditure expected in the next 10 years according to the school. It is expected that repairs and maintenance costs will remain stable.

From consultation with the Academy, it is clear that it wishes to explore taking on the operation of the whole site and operating this independently. It is recommended that this should be proactively explored by the council.

## Financially supported by the council

### 12.10 Tenbury Swimming Pool

Tenbury Swimming Pool is a wet and dry-side facility located in Tenbury Wells in the extreme North West of the district, near the district boundaries with Shropshire and the County of Herefordshire.

The facility consists of a 4 lane 25m pool, built in 1971, and a 25 station gym, added to the facility in 2003. The gym extension was built on land belonging to Tenbury Town Council with their permission. The Tenbury Swimming Pool Ltd is now a Company Limited by guarantee linked to the establishment of a new lease between Tenbury Town Council and Tenbury and District Swimming Pool Limited (TDSPL) for the site which recognises the Company as the new legal entity which owns the Pool. The town council own the land upon which the Pool sits.

In 1968, the former Rural Council of Tenbury (now Tenbury Town Council) granted a peppercorn lease of 999 years to the then Tenbury & District Pool Guild in respect of Tenbury Swimming Pool, which had been established as a Charitable Trust. The assets are in the process of being transferred to new a Charitable Company Limited by Guarantee, TDSPL, incorporated in 2012 and registered as a Charity on 19<sup>th</sup> December 2012.

The council has provided financial grant support and officer assistance, first to the Guild, and now the company. The parties are now seeking to legally formalise this arrangement under which the council is effectively meeting the operating and maintenance costs of the pool by way of a support grant. The council will provide support for the management and operation of the pool, while the charitable company will retain responsibility for all non-operational maintenance and repairs to the building, insurance of the building and its contents.

The facility is currently operated by SLM under a management agreement established in March 2013 and terminating on 31<sup>st</sup> March 2015, subject to the signing of agreements between the council and the Company.

The council has agreed in principle to provide continued financial grant support amounting to £70,000 per annum during this period of extension. This consists of £45,000 management fee paid to the Company who pass this to SLM, and £25,000 which is retained by TDSPL. The £25k retained by the company will be deployed by the Board to cover insurance obligations, update asset condition surveys, and ensure that SLM carries out a planned minor maintenance and repair programme in agreement with the Board until March 2015.

The council's revenue expenditure for Tenbury Swimming Pool over the past 5 years is outlined in table 64. The council has also provided capital funding of circa £150,000 towards urgent repairs in recent years.

**Table 64: Council revenue expenditure for Tenbury Swimming Pool**

Tenbury Swimming Pool Council Revenue Expenditure		
	Management fee*	Total
2008	£ 64,740.00	<b>£ 64,740.00</b>
2009	£ 82,467.52	<b>£ 82,467.52</b>
2010	£ 64,382.75	<b>£ 64,382.75</b>
2011	£ 67,429.20	<b>£ 67,429.20</b>
2012	£ 69,200.00	<b>£ 69,200.00</b>
<b>TOTAL</b>	<b>£ 348,219.47</b>	<b>£ 348,219.47</b>
* This is a grant to Tenbury Swimming Pool Ltd which they use as a management fee for SLM, less the cost of buildings insurance.		

12.10.1 The throughput of the facility over the past 5 years is outlined in table 65.

**Table 65: Throughput Tenbury Swimming Pool, 2008-2013**

	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013
<b>Tenbury Swimming Pool</b>	46,153	71,192	85,517	78,757	78,365

The main findings of a condition survey undertaken in 2013 are summarised below:

- building in satisfactory condition but some parts of building fabric are tired and refurbishment in the short term is recommended
- mechanical and electrical plant will require upgrading in the next 10 years
- loss of heat from the pool without a cover is costly
- further investigation into underground drainage is required (promenade drainage around the pool is not operational)
- repairs to damage due to vandalism are required (rainwater downpipes and graffiti).

12.10.2 Table 66 outlines the annual expenditure forecast for the next 10 years from the condition survey report.

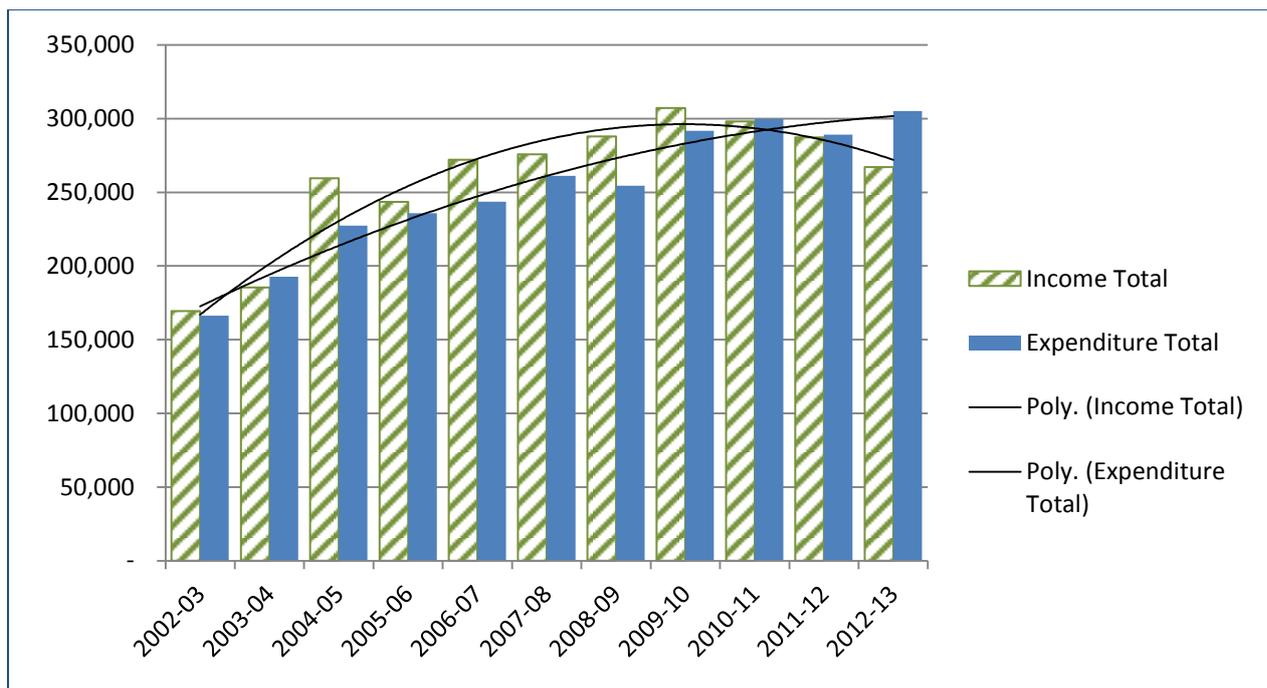
**Table 66: 10 year forecast of annual expenditure – Tenbury Swimming Pool**

<b>Year 0</b>	£39,950	<b>Year 6</b>	£500
<b>Year 1</b>	£65,500	<b>Year 7</b>	£500
<b>Year 2</b>	£51,000	<b>Year 8</b>	£2,000
<b>Year 3</b>	£500	<b>Year 9</b>	£86,700
<b>Year 4</b>	£26,700	<b>Year 10</b>	£103,100
<b>Year 5</b>	£81,100	<b>Total</b>	<b>£457,550</b>

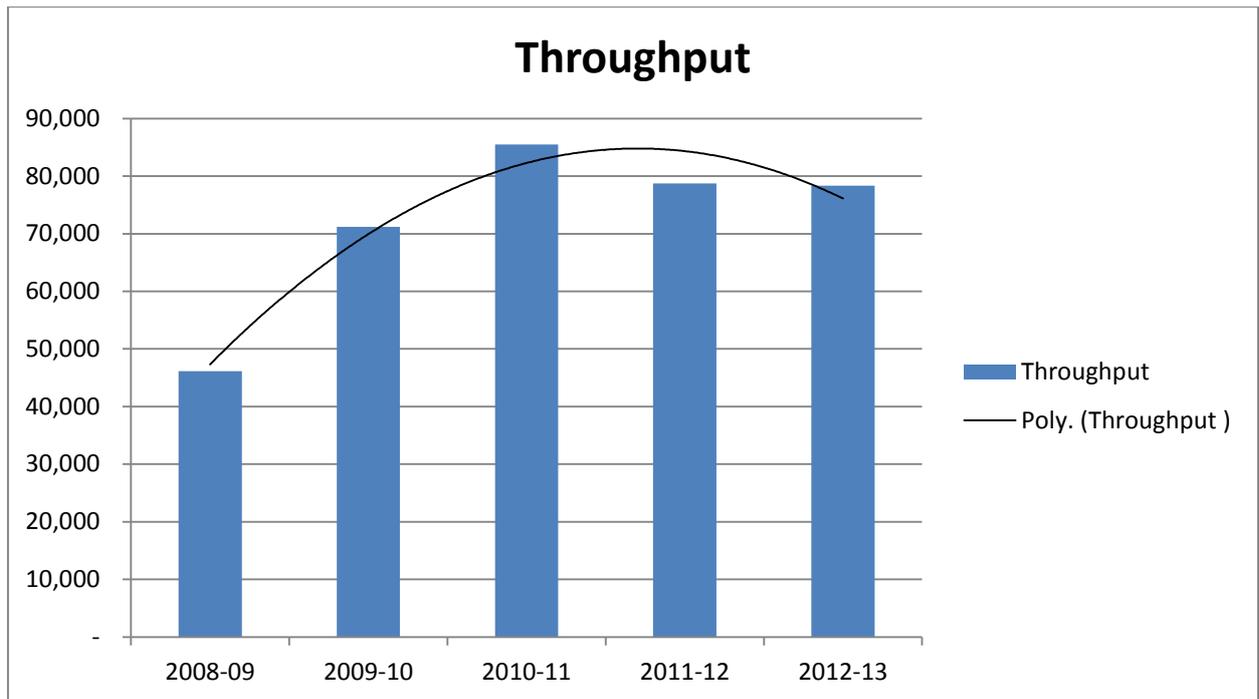
Figures 12, 13 and 14 show the income and expenditure, throughput and utility cost trends for Tenbury Swimming Pool. These figures show that:

- Income has followed a largely positive trend since 2002, but has experienced a drop since 2009-10
- Overall expenditure has increase year on year regardless of drop in income
- Following the introduction of a swipe card system in 2008/09 leading to improved monitoring, throughput has remained relatively stable. However, a peak in excess of 80,000 visits in 2010-11 demonstrates that there is capacity for greater usage.
- Utility costs are increasing as one would expect with an ageing facility.

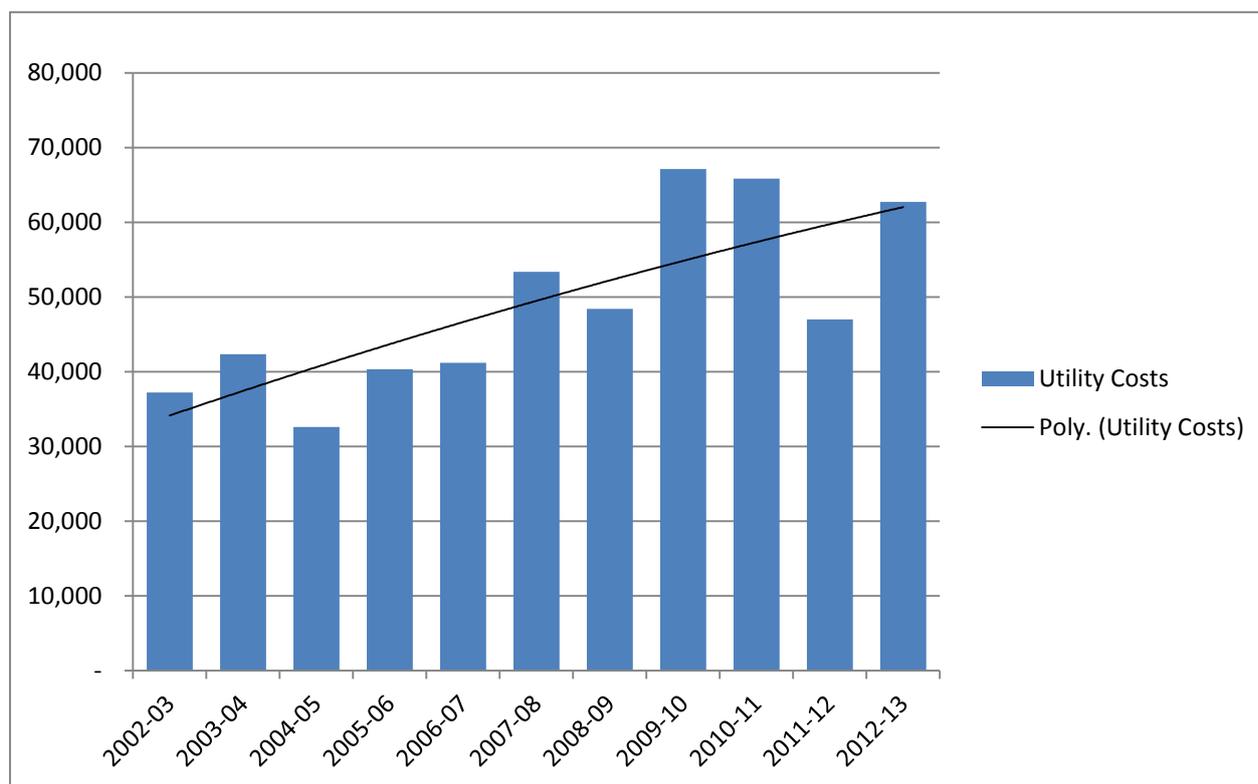
**Figure 12: Income and expenditure, Tenbury Swimming Pool, 2002/03 – 2012/13**



**Figure 13: Throughput, Tenbury Swimming Pool, 2008/09 – 2012/13**



**Figure 14: Utility costs, Tenbury Swimming Pool, 2002/03 – 2012/13**



The new Company Board is relatively new and inexperienced with little or no operational experience of swimming pool management. There is a strong community commitment and local attachment to the facility. The Board has had some external advice from an experienced leisure consultant Ken Watkins to develop a business plan which has been fully funded by the council. The plan, despite being commissioned over 12 months ago is still in draft form and does not address any long term sustainability or funding issues. It is very much a strategic guide for the new Company in relation to management and governance.

The current facility is in need of modernisation and subject to business case, planning and funding, appears in need of an extension to broaden its appeal to a wider market. One obvious development area would be developing one or two exercise studios / flexible spaces and possibly linking this to redeveloping the very tired looking gym.

To support the long term sustainability of the facility SLC recommends the Company undertake such a study following receipt of the condition survey findings.

## 12.11 Tenbury Swimming Pool Needs Assessment

As part of the strategy work, SLC was appointed by Malvern Hills District Council to undertake a needs assessment of Tenbury Swimming Pool (the pool), which is located on the northern edge of district. The swimming pool in its current state is approaching the end of its life and will require significant investment to remain operational. There is still an on-going concern about its financial sustainability. The full report is available in Appendix 6b. This section highlights the executive summary.

A demographic analysis of the local catchment around the pool suggests a relatively elderly resident population with high levels of deprivation. Mobility (access to a private vehicle) is however higher than average for the area. This would be expected given the rural nature of the areas that lies outside Tenbury.

SLC calculates that the actual proportion of usage of the pool by Malvern Hills district residents is 37% with 63% usage from non-residents.

Based on Sport England participation research, there has been a decline in swimming participation across the entire area over the last five years, with participation rates declining most significantly in the district compared with neighbouring authorities. Sport England's market segmentation data suggests that the elderly local population are unlikely to increase their swim activities significantly (even with new facilities), given that physical capability and illness are the main barriers to participation. There is also limited population growth projected across the area, with the highest increase in those aged over 55, thus perpetuating the demographic profile of the catchment around the pool.

The pool serves a local catchment, with 55% of current swim members (based on SLM user data) residing within a 10-minute drive time catchment, 78% within a 15-minute drive time catchment and 91% within a 20-minute drive time catchment. In terms of operations at the pool, the throughput during peak periods has fallen over recent years, suggesting that the total capacity of the existing facility is significantly above what is required by the local community. This gap between capacity and utilisation is likely to grow over the next 10 years, given the trends in core swim activities at the site.

There is limited alternative provision within an expected travel time (20 minutes) of the pool. Residents of the district are not the main users of the pool (only account for 37% of the current user sample) although if the pool was lost this would impact these residents the most, in terms of accessibility to alternative facilities (based on travel times). However, if the catchment of the main alternative sites was extended to a 30 minute travel time, all current pool users within the district would be accommodated at alternative sites outside of the district.

Each of these sites is estimated to have (based on Sport England facility planning model (FPM) estimates) a significant amount of spare capacity at peak times to accommodate the transfer of users (and mitigate a decline in participation if the pool was to close). According to the FPM, the pool is operating at 41% of capacity. Based on actual data it is estimated to be closer to 53% (2013) but predicted to fall to 41% by 2016 (based on throughput trends). All figures are significantly below the industry target of 70% (commercially sustainable wet side facilities, accounting for a comfort factor).

Sport England's FPM suggests that approximate 191 visits per week during peak periods from Malvern Hills district residents would be unmet if the pool was to close. This is a

nominal figure when compared to total met demand across the District (total participation) and if the pool was lost the district would still have a supply of pool provision that is above the national average and which accommodates almost all internal demand.

It is therefore concluded that there is limited reason to justify further investment into the pool by Malvern Hills District Council and that facilitating access for the local population of Tenbury to alternative provision should be prioritised in the longer term. This links to the council's policy position to challenge where it provides financial support on the basis of historical arrangements and previous policy decisions.

## ANNEX A. LEISURE FACILITY – COST PER HEAD AND USAGE ANALYSIS

	Financial Investment			Facility Usage		Cost per head of population (75,400)	Average
	Capital	Revenue	Total	Throughout	Cost per head		
Malvern Splash	2008-2009	£35,727.08	£15,696.56	<b>£51,423.64</b>	409,178	£0.13	£0.68
	2009-2010	£84,717.79	£36,775.38	<b>£121,493.17</b>	390,064	£0.31	£1.61
	2010-2011	£105,076.22	£47,841.93	<b>£152,918.15</b>	368,637	£0.41	£2.03
	2011-2012	£49,561.64	£45,679.95	<b>£95,241.59</b>	359,859	£0.26	£1.26
	2012-2013	£131,375.08	£60,384.18	<b>£191,759.26</b>	360,856	£0.53	£2.54
	<b>5 yr Total</b>	<b>£406,457.81</b>	<b>£206,378.00</b>	<b>£612,835.81</b>	<b>1,888,594</b>	<b>£0.32</b>	<b>£8.13</b>

**NOTE:** £73,789.21 management fee has not been released to SLM

	Financial Investment			Facility Usage		Cost per head of population (75,400)	Average
	Capital	Revenue	Total	Throughout	Cost per head		
Tenbury Swimming Pool	2008-2009		£64,740.00	<b>£64,740.00</b>	46,153	£1.40	£0.86
	2009-2010		£82,467.52	<b>£82,467.52</b>	71,192	£1.16	£1.09
	2010-2011		£64,382.75	<b>£64,382.75</b>	85,517	£0.75	£0.85
	2011-2012		£67,429.20	<b>£67,429.20</b>	78,757	£0.86	£0.89
	2012-2013		£69,200.00	<b>£69,200.00</b>	78,365	£0.88	£0.92
	<b>5 yr Total</b>	<b>£0.00</b>	<b>£348,219.47</b>	<b>£348,219.47</b>	<b>359,984</b>	<b>£0.97</b>	<b>£4.62</b>

**NOTE:** £145,612 additional capital investment for unplanned works since 2004/05 not included

Dyson Perrins

Financial Investment			
	Capital	Revenue	Total
2008-2009		£22,141.82	<b>£22,141.82</b>
2009-2010		£33,147.07	<b>£33,147.07</b>
2010-2011		£29,741.23	<b>£29,741.23</b>
2011-2012		£30,060.24	<b>£30,060.24</b>
2012-2013		£35,782.69	<b>£35,782.69</b>
5 yr Total	<b>£0.00</b>	<b>£150,873.05</b>	<b>£150,873.05</b>

Facility Usage	
Throughout	Cost per head
24,030	£0.92
25,313	£1.31
27,430	£1.08
30,790	£0.98
32,354	£1.11
<b>139,917</b>	<b>£1.08</b>

Cost per head of population (75,400)
£0.29
£0.44
£0.39
£0.40
£0.47
<b>£2.00</b>

0.4

Sport Martley

Financial Investment			
	Capital	Revenue	Total
2008-2009		£45,000.00	<b>£45,000.00</b>
2009-2010		£45,000.00	<b>£45,000.00</b>
2010-2011		£45,000.00	<b>£45,000.00</b>
2011-2012		£45,000.00	<b>£45,000.00</b>
2012-2013		£45,000.00	<b>£45,000.00</b>
5 yr Total	<b>£0.00</b>	<b>£225,000.00</b>	<b>£225,000.00</b>

Facility Usage	
Throughout	Cost per head
48,437	£0.93
42,423	£1.06
37,052	£1.21
38,509	£1.17
37,812	£1.19
<b>204,233</b>	<b>£1.10</b>

Cost per head of population (75,400)
£0.60
£0.60
£0.60
£0.60
£0.60
<b>£2.98</b>

0.6

	Financial Investment			Facility Usage		Cost per head of population (75,400)		
	Capital	Revenue	Total	Throughout	Cost per head			
Upton Hill Centre	2008-2009		£25,998.79	£25,998.79	22,437	£1.16	£0.34	
	2009-2010		£19,692.74	£19,692.74	20,059	£0.98	£0.26	
	2010-2011		£20,576.65	£20,576.65	26,127	£0.79	£0.27	
	2011-2012		£21,641.95	£21,641.95	32,065	£0.67	£0.29	
	2012-2013		£19,992.79	£19,992.79	34,722	£0.58	£0.27	
	5 yr Total	£0.00	£107,902.92	£107,902.92	135,410	£0.80	£1.43	0.29
						total	3.84	

**Leisure Facility Cost - per head of population**

Over the past 5 years, the council has invested an average of **£3.83**/person/year in 'direct' revenue and capital expenditure.

In comparison : Worcester City = **£8.84**pp/yr, Wyre Forest = **£8.15**pp/yr, Bromsgrove = **£4.17**pp/yr, Herefordshire = **£11.15**pp/yr

**Community Services Cost - per head of population**

With the delivery of sport and recreation, Community Services proves excellent value for money for residents of the Malvern Hills district, compared to other councils.

Malvern Hills = **£6.36**/person compared to the Worcestershire average of **£10.27**pp and national district council average of **£11.77**pp

*Active Communities Malvern Hills District:  
A Vision for the Future*

**Malvern Hills District  
Sport and Leisure Strategy 2014 - 2024**

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