



## Report to Environmental Wellbeing Scrutiny & Policy Development Committee 17<sup>th</sup> March 2020

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**Report of:** Executive Director - Place

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**Subject:** Sport, Leisure and Entertainment Strategy Development

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**Author of Report:** Tammy Barrass, Head of Partnerships and Special Projects

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### Summary:

This report provides an update on the development of the Sport, Leisure and Entertainment Strategy. This update was requested by Scrutiny Committee Members following a previous discussion regarding the financial stability of the Sheffield City Trust (SCT) in October 2019.

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**Type of item:** The report author should tick the appropriate box

Reviewing of existing policy	
Informing the development of new policy	
Statutory consultation	
Performance / budget monitoring report	
Cabinet request for scrutiny	
Full Council request for scrutiny	
Call-in of Cabinet decision	
Briefing paper for the Scrutiny Committee	✓
Other	

### The Scrutiny Committee is being asked to:

The Scrutiny Committee is asked to note the content of the report.

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### Background Papers:

None

**Category of Report:** OPEN

## **Report of the Executive Director of Place**

### **Sport, Leisure and Entertainment Facilities Strategy Development**

#### **1. Introduction/Context**

- 1.1 Officers and members are currently working to develop the future vision for Sport, Leisure and Entertainment in the city. Working collaboratively with Sheffield City Trust and supported by Turner Townsend and Sport and Leisure Consultancy (SLC).
- 1.2 Sheffield City Trust was set up in 1987 as an independent charity to oversee the running of the City's sport and leisure facilities, linked to the Major Sporting Facilities (Ponds Forge, Hillsborough Leisure Centre and the Arena) that were built for the 1991 World Student Games. The Council's existing contractual relationship with the Trust for the management of Major Sporting Facilities is due to come to an end in 2024.
- 1.3 In October 2019 a report was presented to this Committee to provide an update on the current financial position of Sheffield City Trust (SCT). The report identified a number of financial issues for SCT that have arisen as a result of difficult trading conditions and a long period of austerity, together with some of the assets being quite dated and maintenance costs are increasing.
- 1.4 The Council has now agreed a package of financial support for SCT that has stabilised their financial position. This includes up to £2.8m revenue subsidy and up to £3.5m contribution for essential maintenance and repairs to buildings within the SCT Leisure and Entertainment estate.
- 1.5 Having stabilised the current financial position the Council is working to develop a refreshed long term strategy for Sport, Leisure and Entertainment facilities. SCT are supporting the Council with this work.
- 1.6 This provides the Council with a window of opportunity to review the current provision and explore opportunities to transform and modernise the Sport, Leisure and Entertainment offer in the city. This report provides a progress update on the strategy development.

#### **2. Main body of report, matters for consideration, etc**

##### **Background**

##### **2.1 Current financial challenges**

- 2.1.1 The Council has faced ten years of austerity with significant funding cuts and a subsequent increase in the maintenance backlog across the

council's assets. This is also true for council owned facilities that are leased to SCT.

- 2.1.2 The October 2019 report to this Committee highlighted the ongoing revenue deficit that SCT are running. This was stabilised in the short term by the recent Cabinet report providing up to £2.8m per year of subsidy support – higher than planned for the year, but still a significant reduction on pre-austerity levels of over £5m. The Council's 2020/21 budget provides for this revenue support to continue until 2024.
- 2.1.3 The Council continues to work closely with SCT to monitor the Trust's cashflow position. This close working, together with improved cash flow modelling and reporting at the Trust should ensure that any cash flow issues are identified early, allowing any appropriate action to be taken.
- 2.1.4 The action that the Council has taken has stabilised the Trust's cash position. However, the Trust's trading position remains challenging and there is no guarantee that further support will not be required if trading conditions deteriorate.

### **SCT managed estate – ongoing lifecycle and maintenance requirements**

- 2.1.5 The SCT estate includes the following twelve facilities:
- Ponds Forge, Concord, Hillsborough and Springs Leisure Centres.
  - Heeley Pool and Gym.
  - English Institute of Sport Sheffield. (EISS)
  - Ice Sheffield.
  - Fly DSA Arena and City Hall.
  - Tinsley, Beauchief and Birley Golf Courses.
- 2.1.6 An Asset Review of SCT managed facilities was completed in June 2019. This identified that a significant amount of work is required over the next ten years to maintain the current facilities open to the public and fit for purpose.
- 2.1.7 Cabinet has recently agreed to provide SCT with up to £3.5m to ensure that facilities remain safe and operational until at least March 2021. This gives time for the Council to develop the longer term strategy and consider options to modernise and transform the current Sport, Leisure and Entertainment offer.
- 2.1.8 We know that a number of the facilities in the estate are reaching the end of their expected useful economic life. This review will enable the Council to evaluate whether investment in these buildings will provide best value for money or, whether other options should be considered. This could include replacement with new facilities.
- 2.2 Future Vision and Strategy for the provision of Sport, Leisure and Entertainment**

2.2.1 This work provides a real opportunity to explore the services currently on offer and assess whether they are fit for purpose, delivering the right outcomes and fulfilling the needs of Sheffield's residents.

2.2.2 Officers are currently working with Turner Townsend and Sport Leisure Consultancy (SLC) together with SCT to develop a range of options for the future delivery of Sport, Leisure and Entertainment. This work will build on the successes of the recent investment model developed for the Graves and Thorncliffe Leisure Centre developments.

### **2.3 Evidence and Insight**

2.3.1 The future strategy will be informed by insight from Sport England's Facility Planning Model (FPM) for swimming provision. This will provide the Council and SCT with an evidence base for swimming pool provision and will help to inform the Council's strategic planning for the future provision of swimming pools across the city. The overall aim of the FPM work is to:

- Assess the extent to which the existing supply of swimming pools meets current levels of demand (2019) across the council area.
- Assess the extent to which the existing supply of swimming pools would meet future demand, taking into account population increases across the council area and the projected scale and location of residential development within the city.

2.3.2 Turner Townsend and SLC are also undertaking feasibility work to explore the latest facility mix options (e.g. health and wellbeing, youth and family activities and flexible use areas). This will help the Council ensure that any future developments are informed by industry insight and offer an up to date and attractive offer for residents.

2.3.3 The Council and SCT are keen to ensure that any future investment into Sport Leisure and Entertainment supports the health and wellbeing of residents. The review will compliment SCC and Public Health strategies for physical activity, obesity and health inequality.

2.3.4 Once complete the insight work will support the Council to develop the vision for Sport, Leisure and Entertainment, and develop a sustainable pathway for the future transformation of facilities and services.

2.3.5 The review also provides an opportunity for the Council to ensure that facilities and services on offer meet the needs of the people of Sheffield and align to the revised contractual arrangements required for Sport, Leisure and Entertainment from 2024 onwards.

2.3.6 The future strategy will enable the Council to make positive steps to support the transformation of the portfolio, ensuring that any future investment is used to provide an up to date facility mix, located in fit for purpose buildings that, where appropriate, can support the development of co-located services.

## **2.4 Future timeline and decisions**

- 2.4.1 Turner Townsend and SLC are due to conclude their work in June 2020, this will provide Councillors with a range of options, intelligence and costings needed to inform the future strategy and provide the expected cost of implementation. Alternative options can then be considered alongside the known costs of maintaining the status quo.
- 2.4.2 A programme of public consultation will be developed to take place throughout the summer, delivered in a range of community settings (including consultation at summer festivals and events). This will ensure that the views of residents are captured and fed into the future decision making process.
- 2.4.3 The insight and feasibility work along with the outcomes from the community consultation, will inform a report to Cabinet towards the end of this calendar year. The report will set out the Council's future vision and strategy for Sport, Leisure and Entertainment and will enable any financial implications arising from the strategy to be considered and fed into the budget setting process for 2021/22.

## **3 What does this mean for the people of Sheffield?**

- 3.1 The facilities provided through SCT form a key part of the City's Sport, Leisure and Entertainment infrastructure. The work being done to stabilise the financial position of SCT and the work to develop a longer term strategy for Sport, Leisure and Entertainment in the city will ensure that high quality facilities continue to be available long into the future.

## **4. Recommendation**

- 4.1 The Committee are asked to note the content of this report.

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