

# ***Luton Aquatics Centre project***

## **Outline business case**

**April 2009**

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## **1. Executive Summary**

### **1.1. Introduction**

The purpose of this document is to present an outline business case for the development of the Luton Aquatics Centre to support the consideration of the project by Luton Borough Council's Executive and as part of the Local Education Partnership's new project approval process.

The project was born out of twin needs: to replace Luton's existing main swimming pool at Wardown Swimming and Leisure Centre and address the worsening health issues in Luton caused by low levels of activity and obesity. What is proposed are world class facilities for swimming, diving, other aquatic sports and 100 plus station health & fitness centre that are part of a superb community sports centre.

The outline business case demonstrates that the Luton Aquatics Centre is achievable – it is affordable, sustainable and will have significant benefits for Luton.

### **1.2. Strategic context and business need**

#### **1.2.1. Strategic analysis**

A strategic review of the context of the project to identify drivers and constraints has been carried out. Key drivers include:

- Addressing health and obesity problems, especially in the young.
- Providing better quality sports facilities to improve participation in sports and active recreation.
- Tackling the health inequalities that exist in Luton to make improvements in life expectancy and the quality of life in later life.
- Re-energising the town by providing infrastructure for the 21st century

#### **1.2.2. Public perceptions**

Sport England's Active People Survey measures participation in sport and active recreation across the country through six key performance indicators including participation, volunteering and satisfaction with sports facilities. All but one of the KPI results for Luton are in the bottom 10% nationally and falling. The very low level of participation, 15%, is the worst in the Eastern region and a real cause for concern as it will lead to significant levels of long term health problems and obesity. The KPI results for volunteering, club membership, tuition and competition indicate that sport and recreational activity are being lost to the town as the infrastructure that supports them weakens. The large drop in satisfaction, falling 6% to 60%, is the most concerning of all the results - reducing satisfaction will drive reducing participation

LBC's Place Survey is carried out by the authority every two years. The results are used to measure progress against several targets in the local area agreement. The survey shows an even lower level of satisfaction with sports and leisure facilities in Luton than the Sport England survey. Overall the indication is that people aren't happy with sport and leisure facilities, many people they think they need to be improved and few people think that they are actually improving. It is likely that the low level of satisfaction is driving low levels of usage.

The inescapable conclusion of both surveys is that there is a low level of satisfaction with sports provision and facilities in Luton that is, at least in part, a cause of worsening levels of participation and affecting the sporting infrastructure.

### **1.2.3. Existing services**

The Aquatics Centre will enable the provision of new and additional sports, leisure and recreational services and provide many of the services currently provided through three existing centres – Wardown Swimming and Leisure Centre, Luton Regional Sports Centre and Putteridge Recreation Centre.

Wardown was built in the late 60's and is Luton's main pool and the principal venue for school swimming, teaching and development. It used for sub-aqua diving, canoe and water polo as well as some dry activities. The building has passed its economic life and is suffering from a number of condition issues. An additional £200k is currently being spent on the works to keep the pool running. The facilities don't meet modern requirement for swimming. The diving facilities are recognised as a world class diving training centre by British Swimming but only have boards up to 5m, instead of the 10m used for national and international competition.

Luton Regional was built in the late 60's and early 70's and is the most popular leisure centre in Luton. The principal facilities are the three interconnecting sports halls that are used for a variety of sports and other events and two smaller rooms that are used for martial arts and similar activities. The main sports hall building is coming towards the end of its service life and there are issues with the outdated building services and poor insulation. Asbestos is present throughout the building and, although it is effectively managed to ensure safety, presents significant obstacles to any modernisation or refurbishment work. There are significant problems with the roof and £0.5 million has been set aside for essential repairs. The only access to the centre is by St Thomas's Road, a residential road that cannot cope with the volume of traffic generated and is often congested.

Putteridge is a community leisure centre, built in 1975, that shares its facilities with Putteridge High School and incorporates a 25m pool, sports hall and activity rooms. The centre is the least used of Luton's leisure centre, partly due to the opening hours that are restricted by school use. The facilities are showing signs of age and the centre is in need of modernisation to provide appropriate facilities. Putteridge High School is part of the Building Schools for the Future programme with work starting in June 2010. The DCSF's rules on BSF investment exclude any of the centre's facilities not required to deliver the school's curriculum, including the pool, because of its dual use. The school's facilities management contract will also exclude these facilities for the same reason. When the centre closes, the control of the building passes to the school and more of the facilities, though not the pool, could be refurbished and maintained under the BSF project. The most likely result is that the pool will close as part of the BSF project. The decision on the future of the pool rests with school but the impact of the Council's decision to close Putteridge Recreation Centre on the school has to be recognised.

All three Centres have Quest accreditation, the quality mark for leisure facilities. The feedback from the assessments highlights strengths in service delivery but issues with the qualities of the facilities. The same trend is highlighted in the customer engagement and consultation work that Active Luton carries out.

The annual maintenance costs for all three centres are high due to their age:

- Wardown                    £284k
- Luton Regional       £105k
- Putteridge                £128k

Utilities are the most significant cost amounting to more than half of all costs. The maintenance backlog for all three centres is £3.8 million and highlights the poor condition of the buildings.

### **Demand**

*Swimming* - In 2007/8 there were 390,000 swimming visits to Active Luton's pools compared to Sport England's forecast that demand for swimming in Luton should be nearly 600,000 visits per annum. This indicates that there is significant latent demand for swimming. If the Council achieves its objective to increase participation by 50% of 07/08 levels by 2011, there will be a significant rise in swimming as the most popular sport/activity. This will go some way to release this latent demand and increase usage prior to the planned opening of the Aquatics Centre in 2012.

The long term provision of water space in the Borough is also an issue. The majority of Luton's water space is provided on school sites or through school pools that were built by 1980 and are now reaching the end of the economic life. Whether or not they are refurbished they will remain expensive for schools and the Council to maintain. The most significant cost is energy and this will become more expensive in the long term.

*Sports Halls* – Luton Regional accounts for nearly 30% of the sports hall in the town with three five-court halls – a floor area of 1900m<sup>2</sup>. The Aquatics Centre will include a reduced provision of a four-court sports hall but across the town there will be an overall increase in capacity through the BSF programme. There will be new 4 court sports hall at five schools and refurbished halls at five other high schools over the next four years. The net effect of the BSF programme will be an increase in sports hall provision with high quality, well maintained facilities that are locally accessible across the town. Luton Regional currently fulfils an important role as the only venue in the town that can cater for large tournaments, competitions and events because of the ability to use more than one hall. This would not be possible in the current proposal for the Aquatics Centre and further work is under way to look at how best to address this need.

*Health and Fitness* – The draft Luton Sports Facilities Strategy highlights that there are very limited publically available 'pay as you go' health and fitness clubs in Luton. The strategy estimates a deficit of more than 160 stations in 'pay as you go' provision across the town. Approximately 50% of current users of the Council's gyms do so on a 'pay as you go' basis. Also 'pay as you go' access is more attractive to non and infrequent users as they can try out activities without making a longer term commitment. The figures suggest that a 100 station gym is the minimum level of provision required and would address in part a shortfall in provision within Luton and beyond.

### **1.3. Project objectives**

#### **1.3.1. Objectives**

The Council is aware of the importance of having clear and measurable objectives which will allow it to monitor the long term impact of the project.

The objectives of the project are:

- Increasing the quality and quantity of sports participation within Luton through:
  - providing a high quality community sport and leisure facility,
  - providing a regionally important swimming centre,
  - providing world class swimming and diving facilities,
  - providing an accessible and affordable programme of community sports activities and development,
- To provide a high quality sport and leisure facility that is affordable, value for money and sustainable.
- To contribute to improving the health and well being of Luton's communities through the activities closely integrated with the Council's partners.
- To contribute to the wider regeneration of Luton.

### 1.3.2. Outcomes

The outcomes sought from the project are to:

- Increase the level of participation in sport, and particularly swimming in Luton
- Increase the number and performance of club and elite swimmers
- Increase the levels of customer satisfaction with leisure in Luton
- Improve health and well-being within Luton
- Have a positive impact on the wider development East Luton
- Reduce social exclusion, crime, and anti-social behaviour

### 1.3.3. Measures of success and targets

The OBC sets out the measures of success and the targets over the first 3 years of the facility's operation.

## 1.4. Project Options appraisal

### 1.4.1. Long List

The OBC analyses five different project options:

*Do nothing* - Only reactive maintenance would be carried out and the life of Wardown would not extend much beyond the short term - In effect this option only postpones dealing with the issue. There is a legal requirement to meet DDA legislation so the facilities would require some level of investment. A longer term solution is required by the Council that provides greater value for money than reactive maintenance to aging assets.

*Do Minimum* - Refurbish the centres - This does address concerns over the long-term delivery of the service from ageing assets, and the lack of flexibility. There are also issues surrounding changes needed to meet DDA legislation and the high subsidy required at these facilities. This option delays rather than solves the problem.

*Modernise the Centres* - Refurbish Luton Regional and Putteridge and replace Wardown with a new 25m facility at another site in the town - This option will increase participation and go some way to providing a long term solution but does not meet the objective of providing a 50m pool and will be difficult to fund as there is no capital funding allocated.

*New Centre at another site* - Provide a new wet and dry leisure centre with the 50m pool at another (undetermined) site to replace Wardown, maintain Putteridge and Luton Regional. – This option delivers a 50m pool with dry side sports and would have a positive impact on participation and regeneration. Identifying a site will produce considerable delays and is likely to impact on the affordability because of the possible cost of site acquisition.

*New centre at Luton Regional* – This option scores highest in terms of the stated non-financial objectives of the project. The projected throughputs will make a significant difference in terms of participation in the town. This option will rationalise the Council's sport facilities and is most economically sustainable.

The revenue and capital cost implications of the options are:

	<b>Do minimum £000</b>	<b>Modernise the centres £000</b>	<b>New centre on another site £000</b>	<b>New centre at Luton Regional £000</b>
Annual operating costs	1,450	1,100	1,450	800
Capital investment required	16,000	25,500	30,500	25,000

The reduced annual operating costs, longer life of the building balanced with the lower capital costs lead to the conclusion that option 5 presents the best value for money of all the options.

On the basis of both the non-financial and the financial evaluations option 5, to build the new centre at the Luton Regional site, is recommended option.

#### **1.4.2. Short list**

Three options for developing the Aquatics Centre at the Luton Regional site were identified:

- New build pool with renovation and updating of some existing facilities
- New build centre on the site of the existing buildings
- New build centre on the A505 Hitchin Road

Each of the three options was developed to provide preliminary designs and outline capital costing. The resultant designs were subject to a public consultation exercise including users, sports clubs and Stopsley residents. Each option was evaluated against criteria used in the long list evaluation with the addition of the results of the public consultation exercise:

On the basis of the appraisal results, option 3, a new build centre on the A505 Hitchin Road is the selected development option.

#### **1.4.3. Planning**

The Green Belt designation of the site means that the development may be contrary to local planning policy and will need to be offered to the Government Office for the Eastern Region to decide whether they will call in the planning application. Improving the overall quality of the design of the Centre will help justify this departure from Green Belt policy as will keeping within the existing footprint of the existing centre

#### **1.4.4. Procurement – Operations**

Active Luton is the trust that manages all of the Council's leisure and sports facilities. As part of the process leading to its appointment in 2005, Active Luton demonstrated its capacity and capability to deliver quality leisure services that are value for money. It currently manages the services provided through the existing centres that are expected to be provided through the Aquatics Centre when it opens/This amounts to a variation in the Funding and Management Agreement between the Council and Active Luton. Under the terms of the agreement, the Council is required to give Active Luton the opportunity to bid to manage any new facilities opened by the Borough.

Active Luton was asked to establish if it had the capability and capacity to operate the Centre and provide value for money by submitting a proposal covering:

- Business plan for the Centre
  - Facilities Management Strategy
  - Lifecycle investment- 25 year investment plan
  - Outline method statements and KPIs.
- Usage Development Plan
- Luton Swimming Development Plan
- Project Development Team

Its initial proposal did not demonstrate that it has the capability or capacity to manage the Aquatics Centre or provide value for money in doing so. The Project Board agreed that a revised proposal should be sought from Active Luton covering:

- Business plan for the Centre
- Project Contribution
- Leisure Service
- Luton Aquatics Strategy

- Customer Care, Reception and Helpdesk

The revised proposal met the expected standards for service delivery. The value for money assessment concluded that the proposals submitted by Active Luton did not provide long term value for money to the Council. Active Luton submitted a revised business plan that provided improved value for money to the Council, more comparable with the costs expected if an alternative 3rd party operator managed the new facilities.

Active Luton has demonstrated that it has both the capability and capacity to operate the Aquatics Centre and provide value for money in doing so.

#### **1.4.5. Procurement – Construction and Facilities Management**

A number of procurement routes are possible for a project of this size:

- Private Finance Initiative (PFI)
- Public Private Partnership (PPP)
- Local Education Partnership (LEP)
- Traditional

The available options were considered on the basis of:

- Affordability – the cost of the procurement process.
- Risk – how well project risks are managed – are they dealt with in the most cost effective way?
- Value for money – will the route deliver the best balance of cost against benefits for the delivered building over its whole life?
- Design quality – how the design will improve the functionality, impact and sustainability of the Centre.

Procuring the project through the Local Education Partnership will deliver the best possible value for money for the Authority through reduced procurement, development and management costs, reduced procurement risks, shorter lead-in times, improved quality and added value from training and local employment. The project development process includes a two stage approval process that will enable the Authority to select another route if the expected benefits are not realised.

### **1.5. Preferred option**

#### **1.5.1. Benefits**

The main benefits of the preferred project and procurement options are:

- Modern facilities supporting sports development and increased participation,
- Quality of facilities will raise the town's profile nationally and regionally,
- High visibility location enabling a greater impact and higher profile for the Centre,
- Lower whole life costs through a new build option at a Greenfield site,
- Lowest possible capital costs for the Luton Regional site,
- Reduced procurement timescale and costs through using the LEP
- Rationalisation of existing sports facilities reducing long term maintenance liabilities and risks,

#### **1.5.2. Affordability**

*Capital Expenditure* - The cost estimate for option 3 is £25.5 million with exclusions as detailed in the Feasibility estimate in appendix B. The estimate exceeds the maximum cost forecast in the feasibility study of £25 million and it will continue to be reviewed as the design



is developed to outline design stage (RIBA stage B). Further work will also continue to review the facilities mix to ensure the optimum balance between capital cost, cost of borrowing and income is achieved. The most likely route for funding the capital costs of the project remains through prudential borrowing funded as a first call on the dividend each year from London Luton Airport Limited. This would make the capital financing costs affordable, subject to the Council continuing to receive sufficient dividend and subject to the impact on the rest of the budget being affordable.

*Revenue Expenditure* - The revenue costs of the capital funding, assuming prudential borrowing, will depend upon the interest rates available at the time, and the number of years the building can reasonably be expected to last. They are likely to be between £1.5m and £2.2million per annum.

Revenue costs for the operation of the Centre have been split into two elements:

- Active Luton's operation of the building covering sports and activity, customer care etc,
- The LEP's management of the building including repairs, maintenance, utilities and life-cycle costing

The principal criteria for affordability, agreed by the Authority's Executive, is to ensure that the ongoing revenue costs can be met from within current levels of support.

<i>Existing annual subsidy</i>	<i>£000s</i>	<i>Forecast annual costs</i>	<i>£000s</i>
Putteridge	413	Operation	128
Luton Regional	230	Facilities management	800
Wardown	867		
<b>Total</b>	<b>1,510</b>		<b>928</b>

The current expenditure forecasts indicate that the Aquatics Centre will meet the requirement that revenue costs will not exceed those of the facilities it replaces.

### **1.5.3. Best Value**

There are two key processes in place to ensure the project delivers best value for the Authority;

- Independent cost and technical advisors: The authority has appointed Turner and Townsend PLC as cost and technical advisors to support the project team up until the financial close of the project.
- Value for money procedures within the Strategic Partnering Agreement: As part of the new project development procedure within the SPA there is a requirement that the LEP produce value for money assessments for both stages of the project development process. It also sets out how value for money will be assessed. The value for money assessments are considered as part of the approval criteria for each stage and the Authority may reasonably reject the proposal if the assessment doesn't establish that it will provide value for money.

## **1.6. Project Delivery**

### **1.6.1. Output Specification**

The Council's has used the Output Specification provided within the updated 4ps Standard Guidance and Procurement Pack for Leisure as a starting point. This includes:

- Building design requirements
- Building services requirements
- Facilities management of the leisure centre
- Sports and health development requirements
- Pricing requirements

- Programming requirements
- Participation rates

The latest version of the output specification is included in appendix C. The draft was developed in consultation with the Amateur Swimming Association, Sport England, swimming and sports club users, disabled user groups and other local authorities. The draft output specification will continue to be developed through wide ranging engagement with stakeholders, input from the Authority's technical advisors, the operator, and the LEP.

Stakeholder engagement in developing the output specification will continue in four areas:

- The standard and compliance of the sports facilities:
- Users with specialist needs:
- Casual users:
- Non-users:

The Authority's technical advisors will contribute to the development of the output specification as will the LEP and the operator. The finalised documentation will provide the LEP with a detailed specification against which to develop the project.

### **1.6.2. Risk register**

A risk register has been maintained throughout the project to date in accordance with 4p's guidance and accepted best practice. This has been developed to a single, unified register covering the LEP and Council. The latest version of the risk register is included in appendix D.

### **1.6.3. Payment mechanism**

The objectives of the payment mechanism are to:

- Define the maximum unitary charge
- Provide incentives for the service provider to meet the performance standards
- Provide incentives for the service provider to correct any failures as rapidly as possible and to avoid repeated failures
- Match payments to outputs to reflect relative importance
- Set out clearly the contractual obligations of the Authority and the service provider as far as the unitary charge and payment deductions are concerned

The draft payment mechanism is included in appendix E.

### **1.6.4. Contract terms – Design, Build and Manage**

The project agreement between the Authority and the LEP will cover the design and construction of the LEP. The key terms for the contracts with the LEP will build on the proven contractual terms as set out in the 4ps guidance and model contract for Leisure and Sport Procurement. The key areas include:

- operational arrangements
- contract length
- service availability
- TUPE
- payment mechanism
- termination of contract
- authority step in
- change in law
- monitoring arrangements

**1.6.5. Contract terms – Operation**

The operation of the Aquatics Centre by Active Luton will be governed by the existing Funding and Management Agreement with the Council although some variations will be required to incorporate the Aquatics Centre.

**1.6.6. Contract monitoring**

The contract will be a largely self-monitoring with the operator and FM contractor monitoring their own performance against the output specification. Each month the operator and FM contractor will be required to report its own performance to the Council which will monitor the contract through the existing performance monitoring procedures in the Housing and Community Living directorate. Where customer feedback and/or client monitoring provides evidence of under performance in certain areas the Council will monitor these areas more closely. If under performance continues the Council has the ability to undertake its own additional monitoring at the cost of the Contractor.

**1.6.7. Procurement timetable**

The latest procurement timetable is

<b>Task</b>	<b>Date</b>
Stage 1 design (RIBA stage C – concept design) starts	June 2009
LBC approval of New project Proposal	August 2009
Stage 2a design (RIBA stage D – design development) starts	September 2009
LBC approval of stage D design	November 2009
Stage 2b design (RIBA stage E – technical design) starts	November 2009
LBC approval of New Project Final Approval Submission	April 2010
Financial close	June 2010
Start on site	July 2010

**1.6.8. Project management**

The Authority will ensure that appropriate project governance and management arrangements are in place to deliver the project. The project will be managed by the Luton Aquatics Centre project board. The project board will report directly to the Council's Executive which will be responsible for all investment decisions and approvals to proceed with the project as outlined in the procurement timetable and elsewhere in this outline business case.

The project will be managed by a project team under the BSF Project Director.

**1.6.9. Sustainable development**

The LEP will be expected to meet the Council's requirements for sustainability set out in its '*Statement of principles for embracing the Nottingham Declaration on Climate Change*' that are included in appendix F.

The Council will be seeking a minimum BREEAM rating of Very Good for the centre and this has been factored into the capital and lifecycle costs. It has aspirations to achieve an Excellent rating and is currently reviewing the cost of achieving this.

**1.6.10. Design quality**

A Design Review Group (to include stakeholders and users) will oversee design quality and there will be a designated Design Champion. Design Quality Indicators (DQIs) are being developed.

## **2. Introduction**

The purpose of this document is to present an outline business case for the development of the Luton Aquatics Centre to support the consideration of the project by Luton Borough Council's Executive and as part of the Local Education Partnership's new project approval process.

The project was born out of twin needs: to replace Luton's existing main swimming pool at Wardown Leisure Centre and address the worsening health issues in Luton caused by low levels of activity and obesity. What is proposed is not just a like for like replacement but instead a significant investment to produce world class facilities for swimming, diving, other aquatic sports and 100 plus station health & fitness centre that are part of a superb community sports centre. The Aquatics Centre will be both a landmark building for the town and a landmark development for sports and activity in the town.

The project is part of, and connected to, a number of other significant developments in the Town:

- The Council's campaign to increase participation in sport and activity under the Government's Change 4 Life banner.
- LBC's 'Reshaping the Estate' asset management strategy.
- Work with Sport England to improve the Council's strategic planning of sports facilities through its Facilities Improvement Service.
- The Building Schools for the Future programme and its central thread of sport's contribution to achieving educational transformation.
- Development of the Local Development Framework and the core strategy for growth, especially in the East of Luton development.

The outline business case demonstrates that the Luton Aquatics Centre is achievable – it is affordable, sustainable and will have significant benefits for Luton.

## **3. Strategic context and business need**

### **3.1. Strategic analysis**

A strategic review of the context of the project to identify drivers and constraints has been carried out and is included in appendix A. Key drivers include:

- Addressing health and obesity problems, especially in the young. Nearly a quarter of Luton's children are obese by the time they are 11.
- Providing better quality sports facilities to improve participation in sports and active recreation.
- Tackling the health inequalities that exist in Luton to make improvements in life expectancy and the quality of life in later life.
- Re-energising the town by providing infrastructure for the 21st century.

The main constraints on the project come from:

- Delivering a sustainable building that will meet the Authority's commitments on climate change.
- Meeting the requirements of the Corporate Asset Management plan providing a building that is well located, accessible and gives a 'feel good factor'.
- Complying with planning requirements.

### 3.2. **Public perceptions**

#### 3.2.1. **Sport England's Active People Survey**

The survey is the largest ever survey of sport and active recreation to be undertaken in Europe. It identifies how participation varies from place to place and between different groups in the population. The most recent survey took place between October 2007 and October 2008, the previous one was undertaken between October 2005 and October 2006. The position is by comparison to all 354 local authorities with responsibility for sports and leisure (usually Borough, District or Unitary).

Key Performance Indicators	Result	Change	Position /354
KPI 1 <i>Participation</i> - taking part on at least 3 days a week in moderate intensity sport and active recreation	15%	-2.7% <sup>1</sup>	342
KPI 2 <i>Volunteering</i> to support sport for at least one hour a week'.	3%	-1.8% <sup>1</sup>	337
KPI 3 <i>Club membership</i> of a club particularly so that you can participate in sport or recreational activity in the last 4 weeks'.	19%	-3.6% <sup>1</sup>	331
KPI 4 <i>Receiving tuition</i> from an instructor or coach to improve your performance in any sport or recreational activity in the last 12 months'.	16%	-2.1% <sup>1</sup>	259
KPI 5 <i>Organised Competition</i> having taken part in any organised competition in any sport or recreational activity in the last 12 months'.	10%	-5.1% <sup>2</sup>	343
KPI 6 <i>Satisfaction</i> the percentage of adults who are very or fairly satisfied with sports provision in their local area.	60%	-5.6% <sup>2</sup>	321

*Table 1 – Active Places survey results*

All the KPIs dropped between the two surveys but only the changes for KPIs 5 and 6 are significant. KPI1 is used by DCLG as the basis for Local Area Agreement National Indicator 008, one of the Council's adopted indicators.

All but one of the KPI results are in the bottom 10% nationally and falling. The very low level of participation, the worst in the Eastern region, is a real cause for concern as it will lead to significant levels of long term health problems and obesity. The KPI results for volunteering, club membership, tuition and competition indicate that sport and recreational activity are being lost to the town as the infrastructure that supports them weakens. The large drop in satisfaction is the most concerning of all the results - reducing satisfaction will drive reducing participation

#### 3.2.2. **LBC's Place Survey 2008**

The Place survey is carried out by local authorities every two years. The survey is part of the new performance framework for local government. The results are used to measure progress against several targets in the local area agreement.

A number of the questions looked at priorities for and perceptions of public services and facilities in the town. Key results included:

- What most needs improving in their local area?
  - activities for teenagers      33%
  - sports facilities                17%

<sup>1</sup> Change not statistically significant

<sup>2</sup> Statistically significant change

- facilities for children 16%
- Satisfaction with sport/leisure facilities:
  - very/fairly satisfied 33%
  - fairly/very dissatisfied 19%
  - neither 29%
- 27% use the sport/leisure facilities at least once a month, 41% rarely using them and 19% have never used them.
- More people think that facilities for teenagers and children have got worse rather than better over the last three years
  - teenagers: 19% worse, 6% better;
  - Children: 13% worse, 10% better

Slightly more people think sports facilities have improved rather than got worse over the same period (11% better, 8 % worse).

The survey shows an even lower level of satisfaction with sports and leisure facilities in Luton than the Sport England survey. Overall the indication is that people aren't happy with sport and leisure facilities, many people they think they need to be improved and few people think that they are actually improving. It is likely that the low level of satisfaction is driving low levels of usage.

In the wider context, there is a clear view that facilities for children and teenagers are important to residents, have deteriorated in the last three years and are a priority for improvement.

### **3.2.3. Overview**

The inescapable conclusion of both surveys is that there is a low level of satisfaction with sports provision and facilities in Luton that is, at least in part, a cause of worsening levels of participation and affecting the sporting infrastructure.

### **3.3. Existing services**

The Aquatics Centre will enable the provision of new and additional sports, leisure and recreational services and provide many of the services currently provided through three existing centres – Wardown Swimming and Leisure Centre (WSLC), Luton Regional Sports Centre (LRSC) and Putteridge Recreation Centre (PRC). Across the Borough there should be no overall reduction in the capacity to provide services although there will be a net loss of some capacity between the Aquatics Centre and the centres it replaces. Investment in school sports facilities and greater community access to them through the Building Schools for the Future (BSF) programme will increase the number and availability of high quality facilities across the town.

The cost of delivering these services will be reduced as the Centre will reduce energy and maintenance costs, allow management efficiencies and provide greater opportunities for income generation.

#### **3.3.1. Wardown Swimming and Leisure Centre**

Wardown was built in the late 60's and comprises:

- 33 m main pool with diving boards up to 5m high
- 18 m teaching pool
- 6m 'baby' pool
- Multi sports room

The site is on Bath Road and is overlooked on two sides by residential properties, bounded by the river Lea and shares a boundary with the site of the former outdoor pool.

The building has passed its economic life and is suffering from a number of condition issues. There are condensation problems, the roof leaks and there are asbestos problems in several areas. The water purification and heating plant is unreliable, expensive to run and increasingly difficult to maintain as parts become more difficult to find. The changing rooms are outdated, inaccessible and not family friendly. An additional £200k is currently being spent on the works to keep the pool running including stripping the asbestos out of the boiler room and function rooms, repairing the leaking roof, replacement ceilings and lighting.

The main pool is the wrong length for competitive swimming and the main sports users, Luton Swimming Club, are unable to hold competitive events there, having to travel as far as Barnet to do so. The diving facilities are recognised as a world class diving training centre by British Swimming but only have boards up to 5m, instead of the 10m used for national and international competition. The dry-land training facilities are in a separate, temporary building.

Wardown is Luton's main pool and the principal venue for school swimming, teaching and development. It is used for sub-aqua diving, canoe and water polo as well as dry activities such as ball room dancing and short mat bowls.

### **3.3.2. Luton Regional Sports Centre**

Luton Regional was built in the late 60's and early 70's and comprises:

- 60 acres of parkland and sports fields including 20 full size and junior football pitches and 4 cricket pitches
- 3 sports halls each with the capacity for 5 badminton courts/3 5-a-side football
- 43 station health and fitness suite
- Activity rooms, bar and function rooms
- 6 outdoor tennis netball courts
- 2 squash courts
- Large petanque rink

The site is part of Stopsley Common and borders the A505 Hitchin Road.

Luton Regional is the most popular leisure centre in Luton. The main sports hall building is coming towards the end of its service life and there are issues with the outdated building services and poor insulation. Asbestos is present throughout the building and, although it is effectively managed to ensure safety, presents significant obstacles to any modernisation or refurbishment work. There are significant problems with the roof and £0.5 million has been set aside for essential repairs.

The principal facilities at Luton Regional are the three interconnecting sports halls that are used for a variety of sports and other events. The halls do not conform to standard sizes defined by Sport England. There are also two smaller rooms that are used for martial arts, table tennis and similar activities. Changing facilities are separated from the main sports hall in the older buildings that form the rest of the centre. These also provide the social facilities, some vending machines, changing rooms that serve the outdoor pitches and two squash courts. The only access to the centre is by St Thomas's Road, a residential road that also serves Stopsley High School and Stopsley Baptist Church. It cannot cope with the volume of traffic generated and is often congested.

Luton Regional is also used by Stopsley High School and Community College, a specialist sports college, to deliver parts of its PE and Sport curriculum.

### **3.3.3. Putteridge Recreation Centre**

Putteridge is a community leisure centre, built in 1975, that shares its facilities with Putteridge High School and comprises;

- Multi-use sports hall,
- 25 metre pool,
- 2 x large multi-purpose room,
- Spinning studio,
- Climbing wall,
- Outdoor synthetic pitches.

The centre is the least used of Luton's leisure centre, partly due to the opening hours that are restricted by school use. It originally included four squash courts that have been adapted to other uses including a climbing wall and spinning studio. It is home to the Luton Fliers basketball club and one of Luton's larger swimming clubs. The facilities are showing signs of age and the centre is in need of modernisation to provide appropriate facilities.

Putteridge High School is part of the Building Schools for the Future programme with work starting in June 2010. The DCSF's rules on BSF investment exclude any of the Recreation Centre's facilities not required to deliver the school's curriculum because of its dual use. The School's Facilities Management contract will also exclude these facilities for the same reason. When the Recreation Centre closes, the control of the building passes to the school and more of the facilities can be refurbished and maintained under the BSF project. All the facilities except the pool could be refurbished and maintained whilst some of the space can be used by the school to meet its accommodation needs as part of its expansion by 250 pupils.

BB98, DCSF's area guidelines for schools, excludes pools and sets guidelines for how much sports hall and activity hall space should be provided. If the Recreation Centre remains open only the sports hall, some changing facilities and one of the activity rooms will qualify for BSF investment.

In both scenarios there is no funding for refurbishing or maintaining the pool. Whilst refurbishment is not mandatory, some work will be required in the short term and there is a considerable maintenance backlog. The principal impact on the school will be the maintenance, especially utility costs. Currently the school makes a contribution to the running costs and Active Luton meets the rest. If the Centre remains open after the BSF project, the school will still need to contribute to the costs but will be spending its entire maintenance budget on the BSF FM contract. The costs would therefore have to be found from the school's main budget. If the Centre closes, the school would need to meet the full costs of running the pool – likely to be up to £100k p.a.

The most likely result is that the pool will close as part of the BSF project, reducing the school's cost and freeing up more space for its' expansion. It must be stressed that the decision on the future of the pool rests with school but the impact of the Council's decision to close Putteridge Recreation Centre on the school has to be recognised.

### **3.3.4. External assessments**

All three centres have Quest accreditation, the quality mark for leisure facilities, scoring;

- Wardown 66%;
- Luton Regional 67%;
- Putteridge 67%.

The process identified key strengths and areas for improvement at each centre



Centre	Strengths	Areas for Development
Wardown	The quality of staff training Wide range of programmes available Concessionary scheme in place Continuous improvement strategy in place	General appearance of the facility is poor. Changing facilities whilst functional and clean can only be regarded as 'frugally austere'
Luton Regional	Quality of staff induction and on-going training Exciting range of promotional offers Excellent partnership working with a wide variety of external partners	Detailed trend analysis to be undertaken more regularly Amalgamation of improvement plans into one document
Putteridge Recreation Centre	Concessionary scheme in place Quality of staff induction and on-going training Excellent partnership working with a wide variety of external partners	Maintenance and environmental issues need further developing Some areas of the facility require modernisation

*Table 2 –Quest accreditation feedback*

Active Luton runs a programme of mystery shopper visits to all its centres, the most recent scores (March 09) were:

- Wardown 58%
- Luton Regional 71%
- Putteridge 80%

### **3.3.5. Customer feedback**

*Annual customer survey results 2008*

Facility	Satisfied/very satisfied (%)	
	Overall quality of experience	Value for money
Wardown	91	92
Luton Regional	97	93
Putteridge Recreation Centre	94	93

*Table 3 – Customer satisfaction results*

Active Luton undertake analysis of customer comments on a monthly basis. Complaints are categorised as:

- Staff behaviour
- Management decisions
- Service standards
- Failure to provide a service
- Inadequate information
- Timeliness standards

55% of complaints received relate to service standards with 70% of these complaints relating to issues at Wardown. The issue is generally a perception of lack of cleanliness. The reality is that deep cleaning is undertaken on a regular basis but the age of the building is the

underlying cause. Due to the age of the building cleaning hours presently stand at over twice the industry norm.

#### *Customer and Club for issues*

Active Luton also engages with clubs and users through regular fore. The main issues raised are:

- Comments on pool water temperature (WSLC)
- Appreciation of the attempts to improve changing facilities and reception (WSLC)
- Long discussions on the need for new facilities that could make residents proud of their community (WSLC)
- Club issues relating to the non-standard size of the pool and therefore the inability to host championship galas (WSLC)
- Disquiet about the reduction in spectator space due to health & safety concerns (WSLC)
- Depth of teaching pool makes beginner classes difficult (WSLC)
- Quality and quantity of car park (LRSC)
- Reception very busy at peak times (LRSC)
- Lift constantly out of use (PRC)
- Leaking roof (PRC)
- Lack of investment in facilities, particularly changing areas (PRC)

#### **3.3.6. Quality of service**

Quality management systems are in place across each of the facilities, in line with their Quest accreditation. External consultants are contracted to provide quarterly audits of each of the facilities and mystery visit reports on a six-monthly basis. The most recent quarterly audits produced scores of

- Wardown 78%,
- Luton Regional 84%,
- Putteridge 76%
- National average 71%

#### **3.3.7. Asset condition and maintenance costs**

The buildings at all three centres are nearing or have reached the end of their economic lives, having been built in the late sixties and early seventies. The last condition survey, in 2003, for the centres estimates the repairs and maintenance backlogs at:

- Wardown £1.5 million
- Luton Regional £1.6 million
- Putteridge £678k

Costs updated to 2008.

The combined total of £3.8 million highlights the condition issues that affect all three centres – this is the amount required just to address existing problems and bring the buildings up to reasonable standards before any modernisation or improvement of the facilities.

The centres are also becoming increasingly expensive to maintain and run. The premises expenditure for 2007/8 is broken down in table 2.

	Wardown	Luton Regional	Putteridge
Landlord's (LBC) costs	£98,616	£15,398	£16,389
Utilities	£142,121	£55,527	£90,712

Active Luton's other costs	£43,380	£33,717	£20,635
<b>Total</b>	<b>£284,117</b>	<b>£104,642</b>	<b>£127,736</b>

Table 2 – Centre maintenance & running costs

More than half of the combined annual expenditure of £520k is spent on utilities – mainly energy costs for heating, a figure which will only increase in the long term as the cost of energy rises. The Council has the main responsibility for maintaining the buildings at all three centres with costs and liabilities increasing as the buildings get older. Currently the Council has not allocated any capital sums to cover modernisation or improvement of the centres.

### 3.3.8. Demand – Sports Facilities

*Swimming* - In 2007/8 there were 390,000 swimming visits to Active Luton's pools, 250,000 at Wardown and Putteridge. This compares to Sport England's forecast that demand for swimming in Luton should be nearly 600,000 visits per annum. Some of this apparently unmet demand may be accounted for by people from Luton swimming outside the town. There will also be some people from outside the town who swim in Luton but, given the attractiveness of the current facilities, this is won't be many. Sport England's forecast is based on average demand across the country but indicates that there is significant latent demand for swimming. If the Council achieves its objective to increase participation by 50% of 07/08 levels by 2011, there will be a significant rise in swimming as the most popular sport/activity. This will go some way to release this latent demand and increase usage prior to the planned opening of the Aquatics Centre in 2012.

In the longer term, Sport England's data predicts a 16 % increase in demand for swimming across the Luton, North Herts and Central Beds by 2031, partially accounted for by the growth areas planned for North and East of Luton. Most of this increase will be outside the Borough but the Aquatics Centre will be well placed to service much of the increased demand.

The long term provision of water space in the Borough is also an issue. The majority of Luton's water space is provided on school sites or through school pools:

- Challney High School For Boys & Girls
- Denbigh High School
- Lea Manor Recreation Centre (at Lea Manor High School)
- Lealands High School
- Putteridge Recreation Centre (at Putteridge High School)

All were built by 1980 and are now reaching the end of the economic life. They now need to be refurbished to meet current standard for energy efficiency, safety and accessibility. Costs are difficult to estimate but will be considerable and there is no provision for the work in the Council's capital programme. Whether or not they are refurbished they will remain expensive for schools and the Council to maintain. The most significant cost is energy and this will become more expensive in the long term.

All of the Schools are part of the BSF programme although Lea Manor Recreation Centre will not be affected. As previously detailed for Putteridge Recreation Centre, the refurbishment and maintenance of school pools is not funded by BSF. Without additional funding, some of these pools may close. The additional water space provided in the Aquatics Centre will ensure that the Town's needs are met in the medium to long term.

*Sports Halls* – Sport England's forecasts demand for sports halls at 464,000 visits per annum. In the long term, demand is expected to grow with population increasing by 3% in Luton and 16 % across Luton, Central Beds and North Herts by 2031.

Luton Regional accounts for nearly 30% of the sports hall in the town with three five-court halls – a floor area of 1900m<sup>2</sup>. The Aquatics Centre will include a reduced provision of a four-court sports hall but across the town there will be an overall increase in capacity through the BSF programme. There will be new 4 court sports hall at:

- Stopsley High School,
- the new Challney Girls School
- Icknield High School
- Barnfield South Academy
- Barnfield West Academy

and refurbished halls at five other high schools over the next four years. There will also be much greater availability of the facilities as part of the extended schools programme. The net effect of the BSF programme will be a increase in sports hall provision with high quality, well maintained facilities that are locally accessible across the town.

Luton Regional currently fulfils an important role as the only venue in the town that can cater for large tournaments, competitions and events because of the ability to use more than one hall. This would not be possible in the current proposal for the Aquatics Centre and further work is under way to look at how best to address this need.

*Health and Fitness* – The draft Luton Sports Facilities Strategy highlights that there are very limited publically available ‘pay as you go’ health and fitness clubs in Luton. Active Luton has 2 gyms at Luton Regional and at Lea Manor, providing around 90 stations in total. There are also public facilities within the catchment in Dunstable and Hitchin. Private sector providers have a significant presence in Luton and within the catchment.

The strategy highlights a deficit of more than 160 stations in ‘pay as you go’ provision across the town. Approximately 50% of current users of the Council’s gyms do so on a ‘pay as you go’ basis. Also ‘pay as you go’ access is more attractive to non and infrequent users as they can try out activities without making a longer term commitment.

The figures suggest that a 100 station gym is the minimum level of provision required (with scope to extend to 120 stations) and would address in part a shortfall in provision within Luton and beyond.

## **4. Project objectives**

### **4.1. Outputs and outcomes**

The Council is aware of the importance of having clear and measurable objectives which will allow it to monitor the long term impact of the project.

The objectives of the project are:

- Increasing the quality and quantity of sports participation within Luton through:
  - providing a high quality community sport and leisure facility,
  - providing a regionally important swimming centre,
  - providing world class swimming and diving facilities,
  - providing an accessible and affordable programme of community sports activities and development,
- To provide a high quality sport and leisure facility that is affordable, value for money and sustainable.
- To contribute to improving the health and well being of Luton’s communities through the activities closely integrated with the Council’s partners.
- To contribute to the wider regeneration of Luton.

These objectives have been used in formulating and evaluating the options appraisal in Section 5, and in drafting the output specification and payment mechanism.

## 4.2. Outcomes

The outcomes sought from the project are to:

- Increase the level of participation in sport, and particularly swimming in Luton
- Increase the number and performance of club and elite swimmers
- Increase the levels of customer satisfaction with leisure in Luton
- Improve health and well-being within Luton
- Have a positive impact on the wider development East Luton
- Reduce social exclusion, crime, and anti-social behaviour

## 4.3. Measures of success and targets

Table 3 sets out the objectives and outcomes of the project as well as the measures of success and the targets over the first 3 years of the facility's operation.

Objective	Outcome	Baseline Figures	Year 3 Targets
Increase quantity of sports participation	Increase total number of swims in Luton	390k visits p.a.	448k visits p.a.
	Increase number of club and elite swims in Luton	TBC	TBC
Increase quality of participation	Increase the level of customer satisfaction with the Council's sports facilities <sup>3</sup>	60%	65%
	Increase performance of club and elite swimmers	TBC	TBC
Increase value for money	Reduction in subsidy per user/visit for swims to Luton's leisure centres	TBC	TBC

Table 3 - Objectives, outcomes and targets

# 5. Project Options appraisal

## 5.1. Long List

### 5.1.1. Options

Option	Detail
1 Do Nothing	Active Luton would continue to operate Wardown and Putteridge until 2010 when the 5 year leases expires, at which time the Council could consider the option of extending the leases. Only reactive maintenance would be carried out and the life of Wardown would not extend much beyond the short term. Putteridge pool is expected to close as part of the BSF remodelling of the school that between June 2011 - June 2013. Luton Regional would continue to be operated by Active Luton

<sup>3</sup> As measured by the Active People survey.

		under a 25 year lease until 2030. Some essential maintenance works is planned and routine maintenance would continue. It is possible that Active Luton would upgrade some of the facilities at the Luton Regional.
2	Do Minimum - Refurbish the Centres	Undertake essential maintenance works at Wardown, Luton Regional and Putteridge to maximise the lifespan of the assets. Refurbish all 3 centres to extend life of these centres by at least 15 years All three facilities would require significant investment to extend their lives and be DDA compliant
3	Modernise the Centres	Refurbish Luton Regional and Putteridge and replace Wardown with a new 25m facility at another site in the town.
4	New Centre at another site	Provide a new wet and dry leisure centre with the 50m pool at another (undetermined) site to replace Wardown, maintain Putteridge and Luton Regional.
5	New centre at Luton Regional	Provide a new wet and dry leisure centre with the 50m pool at the Luton Regional site to replace Wardown, Putteridge and Luton Regional.

Table 6 – Long list options

### 5.1.2. Criteria for evaluation

Each project option has been reviewed against an agreed evaluation framework to establish which option offers the most viable and sustainable solution for the Authority. Each option has been evaluated according to weighted financial and non-financial criteria set out below:

- increase participation in sport in Luton,
- ability to deliver a 50m Pool and promote high performance swimming within Luton,
- contribute towards the regeneration of Luton,
- provide a long-term solution for sports facilities in Luton,
- affordability,
- design and functionality,
- deliverability,
- time-scale.

### 5.1.3. Results

Table 7 sets out the non-financial analysis of the options against the agreed evaluation criteria. The non-financial options have been scored out of 5, using the following scale:

Criteria	Score
Requirements met, no reservations at all	5
Requirements met, but with some reservations	4
Requirements met adequately, but with reservations	3
Requirements only partially met	2
Significant reservations & unlikely to be acceptable	1
Fails to meet requirements	0

*Table 7 – Evaluation criteria*

<b>Evaluation Criteria</b>	<b>Weight (%)</b>	<b>Option 1</b>	<b>Option 2</b>	<b>Option 3</b>	<b>Option 4</b>	<b>Option 5</b>
Increase participation in sport in Luton	<b>20</b>	0	0	4	5	5
Ability to deliver a 50m pool and promote high performance swimming within Luton	<b>15</b>	0	0	0	5	5
Contribute towards the regeneration of Luton	<b>20</b>	0	1	3	5	5
Provide a long-term solution for sports facilities in Luton	<b>15</b>	0	2	3	5	5
Affordability	<b>10</b>	2	2	2	3	4
Design and functionality	<b>5</b>	1	2	3	4	4
Deliverability	<b>10</b>	3	3	3	3	4
Time-scale	<b>5</b>	5	5	4	2	3
<b>Total</b>	<b>100</b>	<b>16</b>	<b>27</b>	<b>54</b>	<b>88</b>	<b>93</b>

*Table 8 – Evaluation results*

Option 1 - In effect this option only postpones dealing with the issue. There is a legal requirement to meet DDA legislation so the facilities would require some level of investment. The current facilities do not provide sufficient dry side health and fitness facilities. A longer term solution is required by the Council that provides greater value for money than reactive maintenance to aging assets. This option does not provide swimmers with 21st century facilities.

Option 2 - This does not score well due to concerns over the long-term delivery of the service from ageing assets, and the lack of flexibility to provide a facility which maximises service benefits in the key areas of health, physical activity and sports development. There are also issues surrounding changes needed to meet DDA legislation and the high subsidy required at these facilities. There is a lack of dry side health and fitness on these sites to complement the swimming facilities. This option does not provide swimmers with modern facilities. Like Option 1, Option 2 delays rather than solves the problem.

Option 3- This option scored well as it is will increase participation and go some way to providing a long term solution. However it does not meet the objective of providing a 50m pool and will be difficult to fund as there is no capital funding allocated. The facilities provided would be limited by the need to reuse the existing buildings.

Option 4 – The development of a 50m pool with dry side sports at undetermined location scored highly. It would have a positive impact on participation and regeneration and would provide a 50m pool. However identifying a site, other Luton Regional, will produce considerable delays and is likely to impact on the affordability because of the possible cost of site acquisition

Option 5 – This option scores highest in terms of the stated non-financial objectives of the project. The projected throughputs will make a significant difference in terms of participation in the town. This option will rationalise the Council's sport facilities and is most economically sustainable.

#### 5.1.4. Non-financial summary

Given the results of the non-financial evaluation, it is clear that 'Do nothing' is not an option as the buildings are in need of urgent refurbishment if they are to provide even a medium term solution. This option has therefore been discounted at this stage. The 'Do Minimum' option, whilst not meeting the needs of the Council, has been costed to provide a baseline comparison to each of the other options.

#### 5.1.5. Financial Summary

The financial summary gives an estimate of the likely costs of each option. It should be noted that the annual operating costs do not include life cycle costs – the cost of replacing major building elements i.e. plant, windows, flooring as they reach the end of their service life. In general these costs will be much higher for refurbished/ modernised facilities than for new build. The costs of lost business due to closure of facilities for extended work and any payments due to Active Luton for these shutdown periods are also excluded. Direct comparison between the options is difficult because the life spans of the refurbished buildings are considerable less than for the new build facilities.

	Option 2 £000	Option 3 £000	Option 4 £000	Option 5 £000
Annual operating costs	1,450	1,100	1,450	800
Capital investment required	16,000	25,500	30,500	25,000

Table 9 – Financial summary

The reduced annual operating costs, longer life of the building balanced with the lower capital costs lead to the conclusion that option 5 presents the best value for money of all the options.

#### 5.1.6. Combined Result

On the basis of both the non-financial and the financial evaluations option 5, to build the new centre at the Luton Regional site, is recommended option.

### 5.2. Short list

#### 5.2.1. Options

Analysis of the Luton Regional re site highlighted three key issues that could impact on the development of the Aquatics Centre:

- *Green Belt status* – the whole of the Luton Regional site and the rest of Stopsley Common is designated as Green Belt which significantly restricts development on the site.
- *Access* – the site is currently accessed via St. Thomas's Road which is already congested and could not take the additional traffic. A new access from the A505 Hitchin Road would be required
- *Reuse of the existing buildings* – the main sports hall building at Luton Regional, although built in 1976 and nearing the end of its economic life, may be capable of renovation and updating to provide the dry side facilities for the Aquatics Centre.

The three resulting development options are set out in table 7.

Option	Detail
1	New build pools with renovation and updating of some existing facilities A new centre based on the site of the existing buildings. New build wet facilities to include pools, changing rooms and plant room. Renovation and updating of the main sports hall



		to provide fitness suite, sports hall and other facilities. Provision of an access road from the A505 Hitchin Road.
2	New build centre on the site of the existing buildings	A completely new build centre on the site of the existing buildings. Provision of an access road from the A505 Hitchin Road.
3	New build centre on the A505 Hitchin Road	A completely new build centre on a site on the A505 Hitchin Road with access from Crawley Green Road. Demolition of the existing buildings and reinstatement to parkland when the new centre opens.

*Table 10 – Development options at the Luton Regional Sports Centre site*

### 5.2.2. Options Appraisal

Each of the three options was developed to RIBA work stage A/B to include preliminary designs and outline capital costing on the basis of the facilities requirement section of the initial Output Specification. The resultant designs were subject to a public consultation exercise including users, non-users, sports clubs and Stopsley residents. Each option was evaluated against the criteria used in the long list evaluation with the addition of the results of the public consultation exercise:

- Increase participation in sport in Luton,
- Ability to deliver a 50m pool and promote high performance swimming within luton,
- Contribute towards the regeneration of Luton,
- Provide a long-term solution for sports facilities in Luton,
- Affordability,
- Design and functionality,
- Deliverability,
- Time-scale,
- Public preference

### 5.2.3. Appraisal Results

The scoring criteria, given in table 7, were used. The results are given in table 11.

Evaluation Criteria	Weight(%)	Option 1	Option 2	Option 3
Increase participation in sport in Luton	15	5	5	5
Ability to deliver a 50m pool and promote high performance swimming within Luton	10	5	5	5
Contribute towards the regeneration of Luton	15	3	4	5
Provide a long-term solution for sports facilities	10	3	5	5
Affordability	10	2	4	5
Design and functionality	5	3	5	5
Deliverability	5	3	4	5
Time-scale	5	4	4	5
Public preference <sup>4</sup>	25	9%	8%	83%
<b>Total</b>	<b>100</b>	<b>56</b>	<b>70</b>	<b>96</b>

*Table 11 – Options appraisal results*

<sup>4</sup> The public preference criteria were scored on the basis of proportion of the responses favouring a particular option.

On the basis of the appraisal results option 3, a new build centre on the A505 Hitchin Road is the selected development option.

### **5.3. Planning**

The Green Belt designation of the site means that the development may be contrary to local planning policy and will need to be offered to the Government Office for the Eastern Region to decide whether they will call in the planning application. Improving the overall quality of the design of the Centre will help justify this departure from Green Belt policy as will keeping within the existing footprint of the existing centre.

For Option 3 to be pursued, it must be on the basis that the existing Regional Sports Centre site is returned to greenspace, ensuring that there is no net increase in the footprint of built development overall. There must be significant provision for public transport access, cycle parking, etc. to discourage use of the private car. To justify a Green Belt setting for the development, it must be an "iconic" building. The impact of the development on the site in terms of landscape, trees, hedgerows and potential flooding issues will also need to be addressed.

### **5.4. Procurement – Operations**

#### **5.4.1. Evaluation Process – Initial Proposal**

Active Luton is the trust that manages all of the Council's leisure and sports facilities. It was set up in 2005 from parts of the Council's Leisure Services division and aims to provide a diverse range of sport & physical activities to improve health and the quality of life in Luton.

It is sustained by a combination of external funding and income generation, including an annual grant from Luton Borough Council. The Trust is a registered charity, which means that any surplus income generated must be invested in improving facilities and services for the people of the Borough.

As part of the process leading to its appointment in 2005, Active Luton demonstrated its capacity and capability to deliver quality leisure services that are value for money.

Active Luton currently manages the services provided through Wardown, Luton Regional and Putteridge. These services are expected to be provided through the Aquatics Centre when it opens and which amounts to a variation in the Funding and Management Agreement. Under the terms of the agreement, the Council is required to give Active Luton the opportunity to bid to manage any new facilities opened by the Borough.

The decision was taken to begin a dialogue with Active Luton to establish if it had the capability and capacity to operate the Centre and provide value for money.

#### **5.4.2. Evaluation Process – Initial Proposal**

Active Luton was asked to submit a proposal covering four key elements:

- Business plan for the Centre – A five year plan detailing income and expenditure, proposed staffing and management arrangement, initial programming and charges identifying the subsidy Active Luton will require each year. Additionally:
  - Facilities Management Strategy
  - Lifecycle investment- 25 year investment plan
  - Outline method statements and KPIs.
- Usage Development Plan – The plan should identify how Active Luton intends to build demand for the Centre in advance of its opening and how it will develop programming to maximise usage.

- Luton Swimming Development Plan – The plan should identify how Active Luton will mitigate the impact of the new Centre on existing facilities, how it will programme swimming across the Borough and what effect this will have in the medium and long term.
- Project Development Team- Sufficient capacity and quality of resource to ensure that LBC has the confidence that Active Luton will not delay the programme.

A framework for the proposal was developed by the project team comprising:

- Invitation to Submit a Proposal (ISP) – Detailed guidance on the purpose, format, content and the procedure for submitting the proposal.
- Evaluation Framework – Scoring criteria and weightings to be attached to the individual elements of the proposal.
- Model Output Specification (MOS) – A description of the facility requirements, technical and service specifications for the Aquatics Centre. As a decision on the site had not been made at the time, the (MOS) was based on a new build centre with facilities mix based on existing practice within the industry.

The approach and documentation are based on guidance and templates providing by 4Ps in its Sport and Leisure Procurement pack, recognised best practice in this field.

Active Luton submitted its proposal, in accordance with the requirements, on 2<sup>nd</sup> October 2008 that was evaluated with support from Sport England, the Amateur Swimming Association,. The financial model was also benchmarked by the Sport England National Benchmarking Service to determine whether the bid represented value for money.

#### **5.4.3. Evaluation of Active Luton's Initial Proposal**

Active Luton's initial proposal did not demonstrate that it has the capability or capacity to manage the Aquatics Centre or provide value for money in doing so. The Project Board agreed that a revised proposal should be sought from Active Luton focussing on the operation of the Centre with a subsidy that was in line with the median figures seen in the NBS benchmarks.

#### **5.4.4. Evaluation Process – Re-submitted Proposal**

Active Luton was asked to submit a proposal covering five key elements:

- Business plan for the Centre – A five year plan detailing income and expenditure, proposed staffing and management arrangement, initial programming and charges identifying the subsidy Active Luton will require each year.
- Project Contribution - a proposal for its contribution to the project team covering design input, consultation, business plan development, operational issues etc. to the project from the preparation of the Outline Business Case to Facility Operation.
- Leisure Service – to produce, revise and implement a Sports and Physical Activity Development Plan, to ensure that a wide range of recreational opportunities is provided to Users; contribute towards the Authority's achieving its LAA Improvement Targets by maximising usage of the facility by Users; produce and implement a Marketing and Communications Plan; successfully implement and operate the Authority Pricing Requirements
- Luton Aquatics Strategy - contribute to the development of a Luton Aquatics Strategy; manage the Borough's other swimming facilities in the medium and long term to accommodate changing demand; develop swimming across the Borough through programming, marketing and partnership working in the medium and long term.

- Customer Care, Reception and Helpdesk - produce, revise and implement a Customer Care Plan to ensure that the Contractor delivers a customer-focused service to Users and the Authority; operate a reception facility from the Reception Helpdesk to ensure that Users are welcomed at the facility, Users' queries are promptly dealt with and key services information is clearly and publicly presented; undertake an annual User Satisfaction Survey and achieve the required level of User satisfaction; and produce, revise and implement a Booking System procedure

Active Luton submitted its proposal, in accordance with the requirements, on 18<sup>th</sup> December 2008. The project team has evaluated it, with support from Sport England and the Amateur Swimming Association. The business model was review by Tribal Group, which has been involved as advisors in other similar developments in Bristol and Basildon to establish if it represented value for money.

#### **5.4.5. Results**

The evaluation of the proposal demonstrated that the proposal meets the expected standards for service delivery. The value for money assessment concluded that the proposals submitted by Active Luton did not provide long term value for money to the Council. The projected net costs of Active Luton managing and operating the Centre are significantly higher than would be expected if an alternative third party operator managed the new facilities.

#### **5.4.6. Re-submitted business plan**

Following discussions with the project team, Active Luton submitted a revised business plan on 11th March 2009. The business plan was reassessed by Tribal Group whose conclusion was that the revised proposals submitted by Active Luton provided much better value for money to the Council than those submitted in December. The projected net costs of Active Luton managing and operating the Centre were significantly lower than originally forecast. The costs were more comparable with those one would expect if an alternative 3rd party operator managed the new facilities.

#### **5.4.7. Preferred Procurement Option - Operator**

Active Luton has demonstrated that it has both the capability and capacity to operate the Aquatics Centre and provide value for money in doing so.

Although facilities management was excluded from the scope of operation, the way that Active Luton is funded means that there may be benefits for the Authority if Active Luton, rather the Authority, contracts out the facilities management of the Aquatics Centre. Further work will be required to establish whether this is viable and will give the benefits expected.

### **5.5. Procurement – Construction and Facilities Management**

#### **5.5.1. Procurement Options**

Choosing a contractor to design, build and manage the Aquatics Centre will be key to its success. The building is technically complex, is novel – few similar buildings exist - and needs high levels of management to operate effectively. The quality of the design and construction of the building will have a very significant impact on the long term costs of running it. The quality of the management of the building will impact on how effectively the project fulfils its objectives.

A number of procurement routes are possible for a project of this size:

- Private Finance Initiative (PFI)
- Public Private Partnership (PPP)
- Local Education Partnership (LEP)

- Traditional

The available options were considered on the basis of:

- Affordability – the cost of the procurement process. All routes will have direct and indirect costs, these need to be balanced against the benefits of the route.
- Risk – how well project risks are managed – are they dealt with in the most cost effective way?
- Value for money – will the route deliver the best balance of cost against benefits for the delivered building over its whole life?
- Design quality – how the design will improve the functionality, impact and sustainability of the Centre.

#### **5.5.2. Private Finance Initiative (PFI)**

The Department for Culture, Media and Sport has previously provided PFI credits for this type of project but has none for the 2007 – 2010 spending round and PFI funding is not available from any other source.

#### **5.5.3. Public Private Partnership (PPP)**

A long term agreement with a private sector partner to finance, design, build and manage the Aquatics Centre. The Authority pays the partner according to its performance in running the Centre.

- Affordability - This option would be comparatively expensive because a competitive procurement would have to be required that is more complex than other routes because it would involve agreements with several parties, including funders. This will increase the programme by between six and twelve months and add the cost of external advisors for the process and internal staff costs which alone could amount to £200k. The private sector partner would need to secure funding on the open market at a time when credit is expensive and difficult to come by.
- Risk - is transferred to the partner best able to manage it. The bidding consortia retain most of the key risks. Long term maintenance risk can be transferred.
- Value for money - PPP provides greater cost certainty than traditional procurement methods. The consortium will include a risk premium in their price for taking most of the risk, and therefore value for money assessment is crucial.
- Design quality – the design team is more likely to have experience and expertise in the field. This expertise is likely to increase the innovation in design quality. Transfer of responsibility for lifecycle costs gives the designer more incentive to produce a high standard of facility to reduce maintenance costs.

#### **5.5.4. Local Education Partnership (LEP)**

The LEP is the delivery vehicle for the Building Schools for the Future (BSF) programme in Luton. It is a formal partnership between the Authority, the Government and a private sector partner who will deliver construction, ICT, FM, educational transformation and other services. The remit of the LEP enables the Authority is able to procure projects to deliver other local services i.e. leisure facilities, housing, through the LEP. Luton has selected QED Wates as its preferred private sector partner. The LEP will be formed in May 2009 following successful financial close with QED Wates.

Development of new project with the LEP is governed by the Strategic Partnering Agreement between the Authority and the LEP. This identifies a two stage approval process designed to ensure that projects meet the Authority's requirements and provide value for money whilst protecting the commercial viability of the LEP.

The Authority will provide a New Project Request (NPR) to the LEP detailing its requirements and other key aspects of the project which the LEP must respond to within twenty working days to indicate if it wishes to proceed with the project. If it does it will submit a New Project Proposal to the Council within 3 months

The New Project Proposal that will include:

- a description of the New Project;
- an outline design to RIBA stage B,
- an explanation of how the project meets the Local Authority Requirements;
- an assessment as to the most appropriate contractual route to deliver the Aquatics Centre;
- a fixed project management fee
- an estimated programme indicating the likely timescale in respect of taking the project through to contract signature;
- a value for money assessment:

On receipt of the proposal the Authority will consider it on the basis of whether it meets its requirements and whether the LEP has performed adequately in the other projects before approval can be given for the project to proceed. This is termed as stage 1 approval and would require Executive approval.

If stage 1 approval is given, the LEP will prepare a New Project Final Approval Submission (NPFAS). The submission will include:

- A draft of the project agreement
- details of the facilities management proposals and managed ICT solution in relation to the project;
- detailed design solutions (RIBA level D) reflecting an integrated approach to ICT and building services
- necessary plans and drawings for the Centre
- relevant detailed planning permissions and any other relevant planning approvals
- a financial model based on the agreed contractual route for the project
- an explanation (together with appropriate supporting evidence) as to why the NPFAS meets the Authorities requirements
- confirmation of the project management fee
- a value for money assessment explaining why the LEP's proposals represent value for money taking into account both estimated capital cost and whole life cost;
- a timetable and method statement setting out the stages and timescales for the period between achieving Stage 2 approval and the execution of the project agreements
- How the project will be delivered which shall include (but not be limited to):
  - proposals for the effective management of the construction programme;
  - confirmation that risks in relation to asbestos, latent defects ground conditions and/or contamination, if any, have all been fully addressed

- details of the nominated project service providers and sub-contractors together with evidence and explanation of the benchmarking and market testing undertaken by the LEP in relation to the project.
- a completed risk register for the project showing the potential risks identified in relation to the delivery of the project

A more detailed breakdown of the submission is given in the OBC.

On receipt of the proposal the Authority will consider it on the basis of Authority's approval criteria,

- whether the costs of the project are within the target cost notified to the LEP by the Authority;
- whether it has been demonstrated that the project provides value for money;
- whether the Authority, acting reasonably, is satisfied that the NPFAS meets all the Authority's requirements;
- whether any changes or amendments to the form of the project agreement have been proposed;
- whether the NPFAS contains all the information required
- whether the implementation of the project would breach any Law.

before approval can be given for the project to proceed. This is termed as stage 2 approval. Executive approval would be required before a planning application is submitted, expected to be in November 2009, and for approval of the NPFAS, expected in March 2010 if decisions are made in line with the current project plan.

If stage 2 approval is given, project will then progress to financial and contractual close which would be expected in June 2010 with a start on site shortly after if decisions are made in line with the current project plan.

If, at any of the three approval points, the LEP fails to meet the approval criteria and there is no reasonable likelihood that their proposal will meet the Authority's requirement, the Authority will be able continue the procurement process through any of the procurement routes, utilising the design work completed to that point.

- Affordability – using the LEP will remove the need to go through the OJEU procurement process. This will reduce the programme by between six and twelve months and save the costs of external advisors for the process and internal staff costs which alone could amount to £200k.
- Risk – is transferred to the partner best able to manage it. The LEP will retain most of the key risks. Long term maintenance risk can also be transferred to the LEP.
- Value for money – The agreement with the LEP includes a two stage process for developing new projects in that includes a rigorous value for money assessment throughout the project development process. VFM must be demonstrated by the LEP through an agreed process that will include benchmarking and/or market testing. There are also continuous improvement target for LEP that require to improve the value for money of projects throughout the agreement. The LEP also provides added value through;
  - local labour and supplier initiatives
  - apprenticeships
  - mentoring
  - Work experience
  - Construction skill academy

The LEP will also be able to deliver economies of scale for all of the services it provides, especially FM as it will have a significant, long term presence in the town.

- Design quality – the LEP have already appointed a design team to support the preparation of the business case at their own risk. The team is led by S & P Architects who are responsible for the London 2012 Olympic Aquatics Centre and have considerable experience in delivering 50 m pools and major sports facilities. This expertise is likely to increase the innovation in design quality. Transfer of responsibility for lifecycle costs to the LEP will encourage design team to consider a whole life cost approach.

#### **5.5.5. Traditional**

The traditional route covers a variety of contract models where the design, build and management functions are provided by one or more contractors

- Affordability – Whichever model is used, the procurement regulations require that an OJEU competitive process This will increase the programme by between six and twelve months and add the cost of external advisors for the process and internal staff costs which alone could amount to £200k.
- Risk – Most risks will remain with the Council. Where design and build are separated there are risks associated with the buildability of the design and the interface between the two contractors.
- Value for money – One off procurements are less likely to deliver value for money as bidders will price for the risk of losing the work. Smaller contracts have less market appeal and will not necessarily attract sufficient, good quality competition.
- Design quality – Where the three functions are separated there is less incentive for designers to consider whole life costing or engage with operators and FM contractors which will impact on the long term design quality

#### **5.5.6. Preferred Procurement Option**

Procuring the project through the Local Education Partnership will deliver the best possible value for money for the Authority through reduced procurement, development and management costs, reduced procurement risks, shorter lead-in times, improved quality and added value from training and local employment. The project development process includes a two stage approval process that will enable the Authority to select another route if the expected benefits are not realised.

## **6. Preferred option**

### **6.1. Benefits**

The benefits of the preferred project and procurement options are:

- Modern facilities supporting sports development and increased participation,
- Quality of facilities will raise the town's profile nationally and regionally,
- Improved perception of the quality and attractiveness of the town's sporting facilities,
- High visibility location enabling a greater impact and higher profile for the Centre,
- Lower whole life costs through a new build option at a Greenfield site,
- Lowest possible capital costs for the Luton Regional site,
- Improved facilities for users of one of Luton's district parks that currently suffers from a lack of facilities,
- Improved traffic flows and safety at the Hitchin Road/ Butterfield Green / Cannon Lane junction,



- Reduced procurement timescale and costs through using the LEP
- Added value benefits delivered by LEP including local labour and supplier initiatives , apprenticeship etc,
- Rationalisation of existing sports facilities reducing long term maintenance liabilities and risks,
- Increased revenue costs certainty for facilities management and lifecycle costs through a long term third party FM agreement,
- Protection of the Authority's investment in the Centre through a long term FM agreement and lifecycle costing approach,

## 6.2. **Affordability**

### 6.2.1. **Capital Expenditure**

The cost estimate for option 3 is £25.5 million with exclusions as detailed in the Feasibility estimate in appendix B. This was produced by the LEP on the basis of the concept designs and an agreed accommodation schedule. It has been reviewed by the Authority's cost consultants, including benchmarking against similar projects and other industry data.

The estimate exceeds the maximum cost forecast in the feasibility study of £25 million and it will continue to be reviewed as the design is developed to outline design stage (RIBA stage B). Further work will also continue to review the facilities mix to ensure the optimum balance between capital cost, cost of borrowing and income is achieved

The most likely route for funding the capital costs of the project remains through prudential borrowing funded as a first call on the dividend each year from London Luton Airport Limited. This would make the capital financing costs affordable, subject to the Council continuing to receive sufficient dividend and subject to the impact on the rest of the budget being affordable.

The Authority's Model for Assessing Levels of Affordable Borrowing has been amended to allow borrowing for schemes determined to be the top capital priority for an administration, that meet key service priorities, where the costs of that borrowing can be met from unbudgeted airport dividend on an ongoing basis, and such borrowing is for a sustainable, practical scheme that provides value for money and improves the stewardship of assets. The changes were agreed at Full Council on 18<sup>th</sup> February 2009.

### 6.2.2. **Revenue Expenditure**

The revenue costs of the capital funding, assuming prudential borrowing, will depend upon the interest rates available at the time, and the number of years the building can reasonably be expected to last. They are likely to be between £1.5m and £2.2million per annum.

Revenue costs for the operation of the Centre have been split into two elements:

- Active Luton's operation of the building covering sports and activity, customer care etc,
- The LEP's management of the building including repairs, maintenance, utilities and life-cycle costing

The principal criteria for affordability, agreed by the Authority's Executive, is to ensure that the ongoing revenue costs can be met from within current levels of support.

<i>Existing annual subsidy</i>	<i>£000s</i>	<i>Forecast annual costs</i>	<i>£000s</i>
Putteridge	413	Operation	128
Luton Regional	230	Facilities management	800
Wardown	867		
<b>Total</b>	<b>1,510</b>		<b>928</b>

*Table 12 – Affordability summary*

These figures are based on subsidy for 2008/9. The outturn costs for both operation and facilities management are likely to change as the design is developed and the facilities mix is optimised. The Authority funding of Active Luton benefits from gift aid and this will need to be considered in the final analysis of affordability,

The current expenditure forecasts indicate that the Aquatics Centre will meet the requirement that revenue costs will not exceed those of the facilities it replaces.

### **6.3. Best Value**

There are two key processes in place to ensure the project delivers best value for the Authority;

- Independent cost and technical advisors: The authority has appointed Turner and Townsend PLC as cost and technical advisors to support the project team up until the financial close of the project. They are providing expert cost consultancy and technical expertise in specialist areas such as structural and building services engineering. Their role is to review the LEP's proposals at every stage of the design process to ensure that they will meet the authority's requirements are appropriate and affordable. They are also providing continuing support to the project team to develop the output specifications and payment mechanism.
- Value for money procedures within the Strategic Partnering Agreement: As part of the new project development procedure within the SPA there is a requirement that the LEP produce value for money assessments for both the New Project Proposal and the New Project Final Approval Submission. It also sets out how value for money will be assessed. The most rigorous procedures are required for new projects where no previous projects carried out by the LEP can provide a basis for benchmarking, as is the case for the Aquatics Centre. Where external, independent benchmarks are available the Authority may require their use either on their own or in conjunction with some market testing. If no suitable benchmarks are available, the presumption is for market testing, in accordance with the requirements of the SPA.

The value for money assessments are considered as part of the approval criteria for each stage and the Authority may reasonably reject the proposal if the assessment doesn't establish that it will provide value for money.

## **7. Project Delivery**

### **7.1. Output Specification**

#### **7.1.1. Guidance**

The Council's has used the Output Specification provided within the updated 4ps Standard Guidance and Procurement Pack for Leisure as a starting point. This includes:

- Building design requirements
- Building services requirements
- Facilities management of the leisure centre
- Sports and health development requirements
- Pricing requirements
- Programming requirements
- Participation rates

The latest version of the output specification is included in appendix C. The draft was developed in consultation with the Amateur Swimming Association, Sport England, swimming and sports club users, disabled user groups and other local authorities. The output specification will continue to be developed during the design process through more detailed

engagement with user groups, national governing bodies for sports, schools and other interest groups.

#### **7.1.2. Operator and FM Contractor Responsibilities**

The delivery of some services will be split between the operator and the FM contractor, especially elements of the 'soft FM' – cleaning etc. Further work is required with both parties to determine who is best placed to deliver which elements of these services. Protocols to establish responsibility where there is a failure to deliver services are also needed.

#### **7.1.3. Building design**

The Council recognises the importance of high quality design and will require the LEP to provide facilities that are both fit for purpose and designed to accommodate innovative features. It will also require the use of materials that optimise the facilities and provide environmental benefits, whilst still providing value for money. The LEP will be required to work with the Council to ensure that designs are sympathetic to the site and that Sport England standards are met.

#### **7.1.4. Building services**

The specification will include clear outcomes and quality and performance standards covering the following areas:

- Design Life
- Residual Life
- Space planning
- DDA compliance and design consultation
- Structure
- Internal and external finishes
- Heating and ventilation
- Water installations and drainage
- Gas and electricity systems
- Alarm systems
- CCTV
- Furniture and equipment.
- BREEAM rating

#### **7.1.5. Facilities management and Life-cycle Maintenance**

Facilities management will include cleaning, housekeeping, maintenance and the health and safety management of the facility. Some tasks, including specialist cleaning, may be shared between the operator and the FM contractor where appropriate and the output specification will detail responsibilities for the operator and the contractor to ensure clarity for all parties.

Life cycle investment will be a key element of the FM agreement and the output specification will set out the standards required for planned and programmed maintenance and the procedures to follow in planning maintenance schedules.

#### **7.1.6. Sports and health development**

Sports development is a key element of the Output Specification, which will include, as a requirement of the Specification, the operator developing the programming, coaching sessions, pricing and activities for target groups for the facilities. This will be in coordination with sports development programmes and objectives.

The operator will be required to provide the Council with data to support the effectiveness of the activity programme and provide annually the proposed programme for the facilities, and in particular the main pool, community pool, studios and sports hall.

Increasing participation, especially amongst target groups, is one of the key objectives of the project and the output specification will set out how the Authority's target are cascaded into targets for the operator, how they will be measured and reported.

### **7.1.7. Pricing**

The specification will include maximum prices that the operator may charge for specific activities, sessions and user groups. The operator will also be required to operate the Councils 'Go For Less' concessionary system. These prices will be reviewed each year and agreed with the Council, in line with their strategy across the town. The operator will be free to set prices where they are not set by the Council.

### **7.1.8. Programming**

Programming of the Aquatics Centre's resources are key to delivering the project's objectives for increased participation and sports development but will also need to ensure that the operator is able to generate enough income to make the Centre financially sustainable. The Council will set specific activities within the programmes to ensure that particular users within the community have access to the facilities at the most appropriate time of the day and the operator will be obliged to deliver these activities. Outside of these activities the operator will have freedom to innovate in its programming and deliver activities that meet the overall objectives of the project. Highlighted groups at this stage include schools, special interest groups and local clubs.

### **7.1.9. Participation rates**

A key feature of the Specification is the requirement of the operator to achieve participation rate targets as set by the Council for specified user groups (e.g. people with a disability, young people, women and ethnic minority groups). The achievement of the participation rates links to the development and achievement of a Marketing Plan to be submitted by the operator to the Council for approval each year. The failure to achieve these participation rates may result in the operator or FM Contractor suffering a performance deduction if the agreed marketing plan has not been implemented adequately.

Where it can be demonstrated that the plan has been met, but participation rates have not been achieved, neither will be subject to deductions.

### **7.1.10. Further development**

The draft output specification will continue to be developed through wide ranging engagement with stakeholders, input from the Authority's technical advisors, the operator, and the LEP.

Stakeholder engagement in developing the output specification will continue in four areas:

- The standard and compliance of the sports facilities: ensuring that it meets the project objectives through further consultation with the Amateur Swimming Association and the national governing bodies for other sports, Sport England, swimming and sports club users.
- Users with specialist needs: Engagement will continue with those user groups who have specialist needs including schools, disabled user groups and seldom heard groups as well as representative bodies such as the Disability Access Forum.
- Casual users: Will be involved through Active Luton's existing and well developed communication and involvement processes including user forums.
- Non-users: The refreshed Luton Citizen's Panel will be the main means to engage non-users as part of the work to address low levels of participation.

The Authority's technical advisors will contribute to the development of the output specification as will the LEP and the operator.

The finalised documentation will provide the LEP with a detailed specification against which to develop the project.

## **7.2. Risk register**

A risk register has been maintained throughout the project to date in accordance with 4p's guidance and accepted best practice. This has been developed to a single, unified register covering the LEP and Council with both sides inputting and managing risks according to who is best placed to manage them cost effectively. This approach will be continued throughout the rest of the project. The latest version of the risk register is included in appendix D.

## **7.3. Payment mechanism**

### **7.3.1. Aims and Objectives**

The objectives of the payment mechanism are to:

- To set out how the Service Provider can achieve the maximum possible Unitary Charge over the life of the Contract by achieving the performance standards set out in the Output Specification
- Define the maximum Unitary Charge
- Provide incentives for the Service Provider to meet the performance standards by placing the Unitary Charge at risk for failure to meet those standards
- Provide incentives for the Service Provider to correct any failures as rapidly as possible and to avoid repeated failures by the use of rectification periods and escalation of deductions
- Match payments to outputs to reflect relative importance
- Set out clearly the contractual obligations of the Local Authority and the Service Provider as far as the Unitary Charge and payment deductions are concerned
- Provide an incentive for the Service Provider to innovate and secure efficiency gains over the life of the Contract
- Set out how variations to the service are to be paid for
- Assist the Council to meet its Best Value obligations for the leisure project.

The payment mechanism is based on a single Unitary Charge in monthly instalments, together with a series of performance standards against which the performance of the Service Provider will be judged, with adjustments being made from the Unitary Charge if those standards are not attained. The performance standards and the methods for monitoring performance are set out in the Output Specification.

The draft Payment Mechanism is included in appendix E.

### **7.3.2. Relationship between the Output Specification and Payment Mechanism**

The Authority is following 4ps guidance in drafting the detailed payment mechanism, and will be assisted by Turner & Townsend in ensuring the mechanism is workable and provides sufficient incentives the operator and FM contractor to deliver a high quality service.

## **7.4. Contract terms – Design, Build and Manage**

The project agreement between the Authority and the LEP will cover the design and construction of the LEP. As set out above the contract arrangements for the facilities management will depend on an evaluation of the benefits of procurement through Active

Luton. If the potential benefits aren't realisable there will be a separate contract between the Authority and the LEP governing facilities management.

The key terms for the contracts with the LEP will build on the proven contractual terms as set out in the 4ps guidance and model contract for Leisure and Sport Procurement. The key areas include:

- operational arrangements
- contract length
- service availability
- TUPE
- payment mechanism
- termination of contract
- authority step in
- change in law
- monitoring arrangements

**Operational arrangements:** The services will be provided through a design, build and manage contract structure. It is expected that the LEP will put in place separate design, build and FM sub-contracts.

**Length of contract:** the FM contract is expected to be 5 – 10 years although lifecycle maintenance costs cover the first 25 years of the life of the building.

**Service availability:** No payments will be made to the FM contractor until the building specification and the facility requirements are met. When this is achieved a Certificate of Service Availability will be issued and payments from the Council to the contractor will commence subject to satisfactory performance.

**TUPE & Employee Issues:** The LEP will be expected to address the issue of the transfer of existing staff through the application of the TUPE regulations.

**Payment mechanism:** In order to comply with FRS5 and the Local Authority Capital Finance Regulations, the contract will include a payment mechanism that will calculate deductions from the annual unitary charge arising from nonavailability of any of the facilities and/or poor performance by the Contractor.

**Termination of the contract:** The termination of the contract and any compensation payable by either party will be calculated using the standard contract terms as set out in the Standardisation of PFI Contracts (SOPC 3) documents.

**Change in law:** The Contractor is expected to construct and manage the Aquatics Centre in accordance with relevant legislation. Any change to legislation that does not specifically relate to either a Local Education Partnership project or leisure facilities will remain the responsibility of the Contractor although where capital expenditure is incurred this may be capped.

**Further development:** The Council has appointed external legal advisors to assist in developing the detail of the contract, which will be developed over the next few months in line with the principles noted above.

### **7.5. Contract terms - Operation**

The operation of the Aquatics Centre by Active Luton will be governed by the existing Funding and Management Agreement with the Council although some variations will be required to incorporate the Aquatics Centre.

### 7.6. **Contract monitoring**

The contract will be a largely self-monitoring with the operator and FM contractor monitoring their own performance against the output specification. Each month the operator and FM contractor will be required to report its own performance to the Council in a format prescribed by the client. The Council will provide monitoring of the contract through the existing performance monitoring procedures in the Housing and Community Living directorate. The Council will be reliant on customer feedback to provide evidence as to how the Contractor is performing on key issues such as cleanliness, programming, pricing and staffing. Customer satisfaction levels are one of the key performance measures within the contract. The Council will therefore monitor closely the systems and processes in place for enabling customers to provide feedback and comments on the quality of the services provided. Where customer feedback and/or client monitoring provides evidence of under performance in certain areas the Council will monitor these areas more closely. If under performance continues the Council has the ability to undertake its own additional monitoring at the cost of the Contractor.

The breakdown of the areas which will be monitored together with the frequency of reporting and monitoring is given in table 11.

<b>Service element</b>	<b>Reporting</b>	<b>Monitoring</b>
Pricing Schedule	Annual	Monthly
Planned Preventative Maintenance Programme	Annual	Annual
Schedule of Opening Hours Annual	Annual	Monthly
Programme of Use	Annual	Monthly
Health and Safety Procedures manual	Annual	As required
Equipment Inventory	Annual	Annual
Cleaning Method statement	Annual	Monthly
Annual Customer Comments and Feedback Report	Annual	Monthly
Sports Development Plan	Annual	Monthly
Marketing Plan	Annual	Quarterly
Quality Assurance Plan	Annual	Annual
Lighting Report	Annual	Monthly
Fire Certificate	Annual	Annual
Electrical Certificates	Annual	Annual
Sport England National Benchmarking Service	Annual	Annual
Annual Services Report	Annual	Monthly
Major Incident and Accident Reporting	As required	As required
Maintenance Programme Update	Annual	Annual
Programme Of Use Progress Update	Monthly	Monthly
Major Accidents and Incident reports	Monthly	Monthly
Cleaning Report	Monthly	Monthly
Customer Comments and Feedback Report	Monthly	Monthly
Sports Development Progress	Monthly	Monthly
Performance Management Framework Report	Monthly	Monthly
Membership and Utilisation Data	Monthly	Monthly
Performance Monitoring Report	Monthly	Monthly
Financial Performance	Annual	Annual
Participation Targets Progress Report	Quarterly	Quarterly

*Table 11 – Breakdown of performance monitoring*

## 7.7. **Procurement timetable**

The latest procurement timetable is given in table 14.

<b>Task</b>	<b>Date</b>
Completion of Outline Business Case (preferred option to outline design stage)	May 2009
Submission of New Project Request to LEP	May 2009
LEP decision on whether it wishes to proceed	June 2009
Stage 1 design (RIBA stage C – concept design) starts	June 2009
LEP submit New Project Proposal for approval	August 2009
LBC approval of New project Proposal	August 2009
Stage 2a design (RIBA stage D – design development) starts	September 2009
LEP submit stage D design for approval	November 2009
LBC approval of stage D design	November 2009
Stage 2b design (RIBA stage E – technical design) starts	November 2009
Planning application submitted	November 2009
LEP submit New Project Final Approval Submission	March 2010
LBC approval of New Project Final Approval Submission	April 2010
Financial close	June 2010
Start on site	July 2010

*Table 14 – Procurement timetable*

## 7.8. **Project management**

### 7.8.1. **Project Governance**

The Authority will ensure that appropriate project governance and management arrangements are in place to deliver the project. The project will be managed by the Luton Aquatics Centre project board that comprises:

- Cllr Hazel Simmons, Leader of the Council, Chair
- Kevin Crompton, Chief Executive – Luton Borough Council
- Helen Barnett, Chief Executive – Active Luton
- Dave Kempson, Head of Corporate Finance
- Adrian Piper, Head of Capital and Asset Management
- Pam Garraway, Head Of Resources & Performance Review – Housing & Community Living
- Robin Porter, Building Schools for the Future Project Director

The project board will report directly to the Council's Executive which will be responsible for all investment decisions and approvals to proceed with the project as outlined in the procurement timetable and elsewhere in this outline business case.

### 7.8.2. **Project Team**

The project team comprises:

Project Sponsor:	Cllr Hazel Simmons
Project Director:	Robin Porter
Project Manager:	Huw Jenkins, BSF team
Finance:	John Hulme, Major Project Manager – Corporate Accountancy
Legal:	Viv Mercer, Principal Solicitor - BSF team
Design Champion:	Graham Neill, Principal Architect – BSF team
Cost Consultants:	Turner & Townsend PLC
Technical Advisors:	Turner & Townsend PLC



Legal Advisors: Addleshaws LLP

The project team is supported by the Building Schools for the Future team which provides technical, design, administrative and finance support.

### **7.8.3. Joint Appointment of the Design team**

QED Wates agreed to fund the design team at risk until financial close to reduce the costs and delays associated with novating a design team at a later stage and the due diligence required. After financial close the design team fees become part of the LEP's project management fee to the Authority.

The Authority has agreed a joint appointment of the design team with the LEP. The Authority will fund 50% of the fees payable up to financial close of the project. This will protect the Authority's ability to secure best value for the project by allowing it access to the design if the LEP is unable to establish that its solution provides value for money. There will be no additional costs to the Authority although some of the fees will be paid earlier than would otherwise have been the case.

### **7.8.4. Project Management Budget**

The Authority's executive has approved a budget to develop the project to the completion of the outline business case:

Revenue:	£451,000
Capital:	£300,000

to cover the internal costs, external advice and a proportion of design and survey costs incurred. To develop the project up to financial close, an additional £220,000 revenue will be required to cover additional internal costs and external support.

### **7.9. Sustainable development**

The LEP will be expected to meet the Council's requirements for sustainability set out in its '*Statement of principles for embracing the Nottingham Declaration on Climate Change*' that are included in appendix F.

The Council will be seeking a minimum BREEAM rating of Very Good for the centre and this has been factored into the capital and lifecycle costs. It has aspirations to achieve an Excellent rating and is currently reviewing the cost of achieving this.

### **7.10. Design quality**

A Design Review Group (to include stakeholders and users) will oversee Design Quality and there will be a designated Design Champion. Design Quality Indicators (DQIs) are being developed.

## **Appendix A: Strategic context review**

## Luton Aquatics Centre project

### Strategic Context Review

#### Purpose

To map the strategic factors that will impact on or influence the project. The review covers Corporate, Regional and National inputs and informs the process for setting the project objectives and aims. It will also influence the scoping of the project and the facilities mix of the Aquatics Centre.

#### Drivers

#### LBC & Partnerships

##### *Luton Forum - Sustainable Communities Strategy 2008*

Health and well being: Priorities

- Promoting healthy living and tackling the key risk factors which affect health

Children and Young people: Priorities

- Improving the health of children and young people

##### *Local Area Agreement 2008-11*

Priority	Indicator	Baseline	LAA Improvement Target			Partners who have signed-up to the target
			08/09	09/10	10/11	
Safer Stronger Communities	NI 008 - Adult participation in sport and active recreation	18.0%	19.0%	20.5%	22.5%	Active Luton, LBC, Luton tPCT, Luton Sports Network, Team and Beds Luton
Children & Young People	NI 056 - Obesity among primary school age children in Year 6	21.1	22	22	22	Luton tPCT, Luton Borough Council, Active Luton, MEND, Sustrans, voluntary & community sector, schools
	Local NI 057 - Children and young peoples participation in high quality PE & Sport	75% local proxy	New data collection to be introduced	2% increase on 08/09 baseline	2% increase on 9/10 baseline	LBC, Schools, School Sports Partnership, Active Luton, Youth Sport Trust
	NI 110 - Young peoples participation in positive activities	N/A	Target setting deferred until 2009			Voluntary & community sector, Schools, D of E award scheme, LBC - Youth Service
Adult health & well-being and	*NI 120 - All-age all cause mortality rate	791(m) 561(f)	*800 (m) 587(f)	*770(m) 575(f)	*730(m) 560(f)	Luton tPCT*, LBC, GPs, Job Centre Plus, Business & voluntary & community sector

tackling exclusion and promoting equality	*NI 137 - Healthy life expectancy at age 65	N/A	*Target setting deferred until 2009	Luton tPCT*, LBC, Local Strategic Partnership, voluntary & community sector
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## *LBC Corporate Plan 2011*

### Leisure

- 10% increase in satisfaction with cultural and recreational facilities
- Halve the gap in life expectancy

## *Luton Joint Strategic Needs Review 2008*

### Children and Young People:

- Obesity - Increase participation rates overall outside school
- Children and Young People with Disabilities - As the number of children and young people continues to increase services must be planned to meet this need accordingly.

### Individual Lifestyle Factors

- Obesity, Diet and Physical Activity: Priorities for Action- Services, information and training should be targeted towards those who are a greatest risk of obesity.
- Physical Activity: Key Priorities:
  - High Levels of Inactivity - Target specific groups where activity is significantly lower than comparators
  - Low Levels of Female Participation - Further development of women only activity sessions.
  - Low Participation 16-34, 35-54, 55+ - Develop action plan to increase opportunities for 55+ age group on all 'Active Luton' sites
- Life Expectancy in Luton: Key Priorities - Coordinated multi-organisation attention needs to focus on proactive health improvement programmes that reduce the risk of chronic illness and disability.
- Deaths: Key Priorities - A strategy is required to focus on reducing premature deaths from cardiovascular disease and cancer and community engagement to reduce the risk of these diseases through the adopting of a healthier lifestyle.

Proposals to tackle the key issues identified in the JSNA through statutory and third sector initiatives

Priority area	Statutory sector	Voluntary and community sector
Obesity	Develop provision for whole family activities and green exercise	Bring exercise into the community and support targeted physical activity (e.g. football, cricket)
Children with disabilities		Provide out of school activities – for complex needs covering all disabilities

### Conclusions and Recommendations

- A specific focus is required for areas where the outcomes for Luton's children are relatively poor such as childhood obesity, low birth weight, perinatal mortality, teenage pregnancy and mental health.

### *LBC Children and Young Persons Plan Review – June 2007*

Challenges; Halt the year on year rise in obesity in 11 yr olds

### *Luton Regeneration Strategy 2004*

Objective 6: Infrastructure for the 21st century. Work with Partners to re-energise the town and improve visitor access.

### *LBC Community Cohesion Strategy - November 2006*

Tackle exclusion and deprivation

- Increasing access to services
- Tackling inequalities in health

### *LBC Luton Play Strategy 2007 - 2011*

Recommendations

- More facilities to engage young people

Outcomes

- Increase in number and range of play facilities
- More children and young people take part in a wider range of good, inclusive, accessible play experiences
- Greater safety
- Increased awareness of the importance of play and positive perceptions promoted

## Constraints

### *Statement of Principles for embracing the Nottingham Declaration on Climate Change*

#### Minimisation

- The Council will minimise its energy use to a level consistent with providing services at a suitable level
- The Council will invest in energy efficiency measures whenever the predicted payback at current energy prices is greater than the whole life cost.
- The Council will invest in energy efficient devices, including heating, cooling and lighting equipment, both in existing installations and in new-build
- The Council will ensure its estate is properly maintained to enable energy use to be optimised
- The Council will minimise its use of resources to deliver services and achieve its goals
- The Council will, through its 'Reshaping the Estate' initiative, seek to achieve the highest levels of sustainability practically achievable.
- The Council will maximise the use of grey and rain water and minimise the use of mains water

#### Green Sources

- The Council will use and promote energy and materials from renewable sources whenever it is available and affordable

### *Corporate Asset Management Plan 2007-2012*

All operational assets must be:

- Able to make a positive contribution to the Council's purpose, vision, strategic aims, corporate objectives and service priorities.
- In good condition to the extent that services can be provided from them in a comfortable environment for both staff and customers without interruption.
- Suitable and sufficient for the purpose for which they are being used in terms of size, type and layout of accommodation – including accessible to people with disabilities.
- In the right location to allow customers to access the services and staff who deliver it – including sharing with partners in service delivery.
- Able to demonstrate 'Best Value' in terms of balance between efficiency in operation, running costs and long-term sustainability.
- Good examples of sustainable development if new or extensively refurbished.
- Able to contribute something positive to the immediate environment, to give the 'feel good factor' – particularly where there is a need for physical regeneration in the locality.
- Able to convey a positive image of the Council and/or the service being provided.

### *LBC Local Plan 2001 – 2011*

L1 – Protection and Preservation of Green Spaces	No development on parks, playing fields, outdoor sports facilities etc except under limited circumstance Must minimise land taken and adverse impact on function and amenity
LC3 – Protection of Community Facilities	No loss of facilities
LC4 – New and Extended	Demonstrable need

Community Facilities	Related to the area it serves No unacceptable loss of amenity Doesn't take land allocated for other uses
ENV2 – Local Landscape Areas	No development in areas of great landscape value except to preserve/enhance it
ENV3 – Green Belt	Not for inappropriate development – no building except <ul style="list-style-type: none"> <li>• Essential, small scale development that preserves the openness of the land, doesn't conflict with purpose or</li> <li>• Limited extension/alteration, replacement of existing</li> </ul>
ENV5 – Protect and Enhance Nature Conservation	Not granted if fails to enhance environment or adverse affect on biodiversity unless Benefits outweigh value of site Alternative provision Secure existing facilities
EM1 - Development In Key Employment Areas	Meet a demonstrable need which: <ul style="list-style-type: none"> <li>• could not be provided elsewhere within a reasonable period of time and</li> <li>• will not have an adverse effect upon existing and potential uses in the employment area; or</li> </ul> Not classified in the Use Classes Order but are not out of character with the function of the area; and No unacceptable effect upon the amenities of neighbouring uses; and Enhance the appearance of previously developed land when viewed from outside the area.

*Luton and South Bedfordshire - Green Space Strategy  
Draft Supplementary Planning Document February 2008*

Action Plan Spatial Priorities - Luton	Who	Resource Requirements
Develop district parks, enhancing the quality of Great Bramingham Park, Leagrave Park, Wigmore Valley Park, Lewsey Park, Luton Regional Recreation Ground and Wardown Park	LBC, HBGT and Community Groups	Staff costs capital funding, grant funding developer contributions



## Contributors

### *Core Strategy Issues and Options Paper, June 2007*

Early informal and interim findings suggest that the following potential development areas are the best in planning terms to accommodate a greater or lesser amount of urban extension growth. In terms of the amount of residential development each of the potential development areas could and should accommodate to 2021, the current and still emerging assessment of all available background supporting material suggest the following area specific allocations:  
North East and/or East of Leighton Buzzard - 2,500;  
North of Dunstable and Houghton Regis - 7,000;  
North of Luton - 4,000;  
East of Luton - 5,500.

## Sport England/CSP

### *Planning Policy Statement - A Sporting Future for the Playing Fields of England*

#### Policy

Opposes planning permission for any development which would lead to the loss of a playing field, or land last used as a playing field, unless:

- There is an excess of playing fields in the catchment, and the site has no special significance to the interests of sport.
- Development is ancillary to the use of the site as a playing field and does not affect the quantity or quality of pitches or their use.
- Only affects land that can't be used as playing pitch, and does not affect any playing pitch.
- replaced by equivalent or better playing fields a suitable location before development starts.
- An indoor or outdoor sports facility of sufficient benefit to outweigh the loss of the playing field or playing fields.

### *Sport England, East of England - Creating Active Places, November 2007*

Identified sports facilities needs, based on consultation with National Governing Bodies and Local Authorities:

- Swimming High Performance Centre - all disciplines - central to region;
- 50m pool in each county
- Diving Centre, Luton - existing facility requires replacement
- Badminton - County Facility - capable of staging county matches

### *Active Bedfordshire & Luton Bedfordshire and Luton Sports Facilities Strategy 2008 – 2016 – Draft*

Identified sports facility investment requirements:

- 2.55 4 badminton court sports halls
- 0.69 x 4 lane x 25m pools
- 508 fitness stations
- Need to replace Wardown Swimming Pool; a 50 metre pool has been identified as a priority for the Council
- Diving Centre, Luton – existing facility, providing for training and competition; there is current discussion over a potential refurbishment/re-development of the facility given its condition
- Improved quality for overall community water space, Luton

## ***LBC Sports Facility Strategy – Draft***

### **Strategic Recommendation 2 – Replacement of Wardown Pool**

- It is recommended that Wardown Pool is replaced in the short to medium term on a new site; the minimum level of the replacement provision should be a 8 lane x 25m pool. The existing site should be released for alternative development, and at least part of the capital receipt allocated towards the new swimming pool development.
- It is also recommended that the existing diving club is relocated to a new facility, potentially the proposed large scale facility in the Growth Area.

## **Amateur Swimming Association**

### ***National Facilities for Swimming***

Objective – pools that are:

- Accessible
- Operate across the development continuum
- Widely available to the community
- Allow effective programming across a wide range of user groups and disciplines

#### **Swimming**

- Teaching
  - Every primary school to have access to indoor, shallow, warm water within 20 mins drive for teaching
  - Every Local Authority to provide a network of shallow water teaching facilities
- Development
  - Club access to 25m pools at appropriate times and cost
  - Every Local Authority to have a 25m, 6 lane pool with timing equipment and facilities to stage events
- Elite swimming
  - 50 m training pools

#### **Syncro**

- 1 x 2.5m depth pool in each LA

#### **Water Polo**

- 1 deep water pitch in each county

## ***Swimming's Strategic Plan 2005-2009***

### **Outcomes**

- Learn to swim - By 2009 5 out of 6 children able to swim 25m at Key Stage 2 (age 11)
- Lifelong participation - By 2009 the sport will be working with private and public sector partners to ensure that all children and adults have access to programmed swimming and quality water based fitness activities
- Facilities - By 2009 there will be a network of competition, training and teaching pools with affordable access, ensuring that the needs of all participants are addressed.

## ***H2O – Space for Swimming (From Health and participation for life 2 Olympic and Paralympic potential) - A Strategy for the development of Swimming in the East Region 2009-2013***

### **3 key objectives**

- To enable everyone to learn to swim
- To enable everyone to achieve their potential in Swimming via effective pathways and development
- To enable people to enjoy Swimming as part of a healthy lifestyle

## **Appendix B:    Feasibility Cost Estimate**

## **Appendix C:    Output Specification**

## **Appendix D: Risk Register**

## **Appendix E:     Draft Payment Mechanism**

**Appendix F: Statement of Principles for embracing the  
Nottingham Declaration on Climate Change**

## **Statement of Principles for embracing the**

### **Nottingham Declaration on Climate Change**

#### **1 Minimisation**

- The Council will minimise its energy use to a level consistent with providing services at a suitable level
- The Council will invest in energy efficiency measures whenever the predicted payback at current energy prices is greater than the whole life cost.
- The Council will invest in energy efficient devices, including heating, cooling and lighting equipment, both in existing installations and in new-build
- The Council will ensure its estate is properly maintained to enable energy use to be optimised
- The Council will minimise its use of transport and use the least environmentally damaging mode consistent with value for money (economy, efficiency and effectiveness).
- The Council will minimise its use of resources to deliver services and achieve its goals
- The Council in its own operations will seek to minimise waste, and then recover and re-use or, failing that, re-cycle as much of its waste material as is practicable
- The Council will assist businesses and the public to minimise waste, and then recover and re-use or, failing that, re-cycle, as much of their waste material as is practicable
- The Council will review its estate in order to prioritise buildings in greatest need of improvement to reduce use of physical resources
- The Council will, through its 'Reshaping the Estate' initiative, seek to achieve the highest levels of sustainability practically achievable.
- The Council will ensure sustainable land use policies are implemented within its area
- The Council will maximise the use of grey and rain water and minimise the use of mains water

#### **2 Green Sources**

- The Council will use and promote energy and materials from renewable sources whenever it is available and affordable



### **3 Information, Advice & Guidance to Staff & Public- Changing Behaviours**

- The Council will encourage and promote cycling and walking whenever it is practical and safe
- The Council will promote sustainable living to the residents of Luton by providing information about the likely consequences of energy usage and global warming and the changes they can make to reduce its impact.
- The Council will promote sustainable activities to business in the Borough

### **4 Partnership & Networks**

- The Council will participate in Local, Regional & National Networks for support
- The Council will work with partner agencies to reduce their environmental impact and with business organisations and businesses to reduce the environmental impact of all the human activity in Luton

### **5 Evaluation & Funding**

- The Council will evaluate all the significant implications of proposed measures to reduce carbon consumption and greenhouse gas emissions, not just those that are immediately apparent.
- The Council will consider the financial implications of all these commitments and, within the constraints of affordability, make appropriate provision in future budgets and medium term financial plans.

### **6 Adaptation**

- The Council, in partnership with other public protection agencies, will maintain its awareness of and preparedness for extreme weather events
- The Council will predict, plan and provide for the consequences for Luton of foreseeable climate change