

Executive

12 July 2018

Report of the Corporate Director Children, Education and Communities and the Corporate Director of Health, Housing and Adult Social Care

Portfolios of the Executive Member for Culture, Leisure & Tourism and the Executive Member for Adult Social Care & Health.

Delivering improved Sport and Active Leisure facilities at Burnholme

This report will seek consent for investment in improved sports facilities at the former Burnholme Community College site, continuing the plans to create a Health and Wellbeing campus. The report sets out how this project at Burnholme will complement the growing range of sports facilities across the city including the new community stadium and leisure facility at Monks Cross currently being built and the existing Energise Leisure Centre and Yearsley Swimming Pool. Burnholme will focus on offering local opportunities for residents to participate. The report will also seek agreement to the vision for sport and management arrangements for the site. Members' agreement will be requested for venture fund borrowing to cover the short term operating cost, capital investment, the preparation and submission of a planning application for the work and for the proposed timetable of work.

Recommendations

1. The Executive will be asked to:
 - a) Agree that net investment of £2.45m should be made to deliver improved sports facilities at the Burnholme Health and Wellbeing campus and further enabling works to facilitate the delivery of sports, health and housing on the site and that an application for planning permission be prepared and submitted for these works.
 - b) Recommend to Council that the net investment of £2.45m for the Burnholme Sport facilities capital investment works and sport, health and housing enabling works are added to the Capital Programme and funded from receipts secured by the Older Persons' Accommodation Programme (and Section 106 contributions

received for improving sports facilities).

- c) Agree, that in light of the recommendation 2 and other minor changes set out in the report, to recommend to Council a revised total capital budget for the Burnholme development of £8.529m.
- d) Agree the extension of the Greenwich Leisure Ltd (GLL) leisure facilities operation service contract dated 16th November 2017 to cover the Burnholme Sports provision on the terms described in the report and for the term of that contract.
- e) Approve the use of the Venture Fund to manage the early years deficits on the Burnholme operations, up to a total of £0.2m, to be funded from surpluses due in the later years.

Reason: So that improved sports and active leisure facilities are made available for the benefit of the citizens of York.

Background

- 2. A Business Case agreed by Executive in May 2016 for the Burnholme Health & Wellbeing Campus confirmed that the site will continue to offer a range of sport and active leisure facilities to support the health and wellbeing of local residents. The Burnholme Campus will realise a range of strategic and financial benefits, including:
 - a) public health, educational development and social inclusion outcomes;
 - b) access to good quality residential care beds at a favourable market rate; and
 - c) homes for local people.
- 3. The retention of existing community sports activity on this site forms a key part of this vision. These activities – primarily delivered via local teams and clubs – include Badminton, Balance Bikes, Football, Fight Fit Combat, Rugby, men's Fitness, Netball, Sambarca, Disability Athletics, Handball and Basketball. Activities are very inclusive and attract a wide age and ability range into sport and active leisure. This is to be celebrated and replicated. An example timetable of the current use can be seen at Annex 4.
- 4. The current on-site facilities which include a sports hall, school gym, changing rooms, toilets, small office, 3g pitches and outdoor grass sport fields have continued to be temporarily managed by the Council's YorWellbeing Team during the demolition and redevelopment process

for the wider site. It is however acknowledged that this is not a long term viable operational solution for the provision of these facilities.

5. The facilities are currently only available for approximately 20 hours per week and employ one part time leisure assistant, based on the original community lettings hours when the former school was in operation.
6. Public Consultation events prior to the start of redevelopment on site highlighted the importance of the sports facilities to the local community. Priorities for consultees were:
 - increased access to the grass pitches and open space;
 - the re-opening of the cycle track to neighbouring Derwenthorpe and the Sustrans cycle track beyond;
 - the sports hall retained for its many and varied uses; and
 - the provision of a gym and fitness facilities.
7. The Sports hall roof was replaced during summer 2107 as it had become a priority for the ongoing operation of the site.
8. The next phase of the Burnholme Health & Wellbeing Campus is now to confirm the long term vision for sport at Burnholme. It has already been acknowledged that this will involve some capital improvement works to the sport facility buildings.
9. The Programme has completed a high level options appraisal on the viable long term operational solution for these sport facilities. This options appraisal outlined a preference solution for GLL (as the operator of other Council leisure facilities) to take over the operation of the site, should it be financially viable to all parties. All other Council leisure sites are now operated by GLL under a minimum 13 year Design, Build, Operate and Management (DBOM) contract which commenced on 1 December 2017.

The vision for sport at Burnholme

10. The Council has been clear in its vision for sport on this site: that it should be many and varied, should be community focused and that it should be inclusive of all ages and abilities. In line with the city's Health & Wellbeing Strategy the over-arching need is for an accessible sports and active leisure offer at Burnholme which will help to improve the health and wellbeing of local residents, some of whom are amongst the most economically, socially and health deprived in the city.

11. This will also support the Local Area Teams and Local Area Coordinators who operate in the local wards to offer support and engagement to those hardest to reach.
12. To help the Council achieve this vision and these outcomes they will work with Greenwich Leisure Ltd (GLL), the Council leisure facilities operations service provider who began managing the council's leisure facilities in December 2017.
13. GLL have been engaged since January 2018 with Council colleagues to understand the site better and assess its potential. In March presenting a business proposal to the Council for GLL to take over the operation of the site from 2019/20, following the redevelopment work.
14. Officers have worked with GLL to develop a proposal which will be tailored to meet the needs of local residents and create more opportunities for sport. Together we propose a programme of activities which will attract a wide range of users of all ages and abilities, encouraging young people who use the site informally and to transition to more formal use while also to deliver a programme that is attractive to older people, to families and to those with medical conditions and which allows them to be active.
15. The city's Sports Facilities Strategy (2014) highlights the shortage of sports hall space and the lack of pay and play opportunities in sports halls, as most are in schools and further and higher education establishments.
16. As a complementary leisure offer for the city, Burnholme would operate alongside Yearsley, Energise and The Stadium Leisure Centre. The proposed redeveloped leisure facilities on the Burnholme site would be tailored to meet the needs of the local demographic. Therefore, it is proposed that the sports offer at the site will include:
 - a) Approximately 75 hours of operation per week, up from the current 20;
 - b) A fitness gym, with inclusive/ accessible equipment;
 - c) Fitness studios with a programme of exercise classes targeting those who are least active, including specialist classes in partnership with the neighbouring health centre;
 - d) An extensive junior gymnastics coaching programme, there is a shortage of gymnastics opportunities in the city and the extension of the opening hours for the city will allow after school and weekend coaching;
 - e) Continued access for all current indoor and outdoor users;

- f) Pitch improvements to reduce disruption of fixtures due to poor weather and low level fencing around the pitches to deter dog mess;
 - g) Free open access to the open space around the pitches to encourage walking and informal recreational activity;
 - h) The sports centre will become the home of the city's GP exercise referral programme; and
 - i) Continued free access for local schools including Applefields who use the indoor and outdoor facilities.
17. The redeveloped leisure facilities on the site would be GLL's York hub for their Healthwise programme, giving life to our health and wellbeing ambitions for the Burnholme site. The Healthwise programme will complement the work of the Health Hub on the site, once it is operational.
18. To deliver this vision for sport, council officers and GLL are working with architects drawn up plans (see **Annex 1**) for the refurbishment and improvement of the sports facilities which will be shared at a community engagement event at Burnholme prior to the submission of a planning application. The works will include:
- a) The refurbishment of the old school gymnasium to create an equipped fitness gym and studio space for fitness classes;
 - b) Refurbishment of the existing school P.E. changing rooms to create fit for purpose facilities which will meet the needs of users. These will be dedicated indoor changing rooms;
 - c) Additional changing facilities designed to Football Foundation guidelines to serve the outdoor pitches. These will include officials changing rooms, to ensure that the site is able to accommodate league fixtures;
 - d) A second studio for fitness activities, designed to accommodate classes for those with long term medical conditions;
 - e) A new reception and circulation space to link the retained sports hall (which was re-roofed last summer) with the other facilities;
 - f) Pitch drainage and improvement work to increase the playing capacity of the pitches, and low height fencing around the pitches to protect the playing surface and prevent dog fouling;
 - g) Open up the remainder of the grassed area for walking and informal recreation; and
 - h) The pedestrian and cycle route between Derwenthorpe and Burnholme will be re-opened.

19. At the same time as these works are undertaken, further enabling works will be undertaken including extension of the access road and services to the housing site.
20. The anticipated time table for the delivery of the sports facility improvements is:
 - User and community consultation and an engagement events about the proposals will be held prior to the end of July 2018. Feedback from this will be used to inform the planning application.
 - A planning application will be prepared for Submission Q3 2018.
 - Planning decision will be made during Q4 2018
 - Procurement of a construction partner Q4 2018
 - Start on site Q1 2019
 - Completion Q4 2019

The outcomes for the City

21. Improved health and wellbeing in the Burnholme area will have a positive benefit to that area and to the city as a whole.
22. One fifth of the City's 4-5 year olds are overweight or obese, this rises to 29% of 10-11 year olds, while 60% of the City's adults are overweight or obese.
23. The Heworth ward and surrounding wards experience some of the highest Indices of Multiple Deprivation (IMD) deprivation scores across York, with Heworth Ward having the joint 3rd highest in York of 16.9 IMD, and Hull Road Ward with the 6th highest at 14.6 IMD.
24. Health indicators for the specific wards including and close to the Burnholme site tell an interesting story about the need for a Health and Wellbeing hub in this area, and the multiple strands of service that it should offer.
25. Heworth Ward
 - a) Male and female life expectancy is in line with the city average.
 - b) % with limiting long term illness or disability is the same as the city average.

- c) % of obese adults is slightly less than city average.
 - d) % of adult's binge drinking, at 33.7%, is high as it is in the bottom 5 wards in city for this indicator.
 - e) % of adults eating healthily is less than city average: 27% compared 29.09% city wide.
26. The conclusion could be drawn from this information is that more information and guidance of healthy eating and drinking may be of benefit.
27. Heworth Without Ward
- a) Male and female life expectancy is higher than the city average.
 - b) % with limiting long term illness or disability is higher than the city average.
 - c) % of obese adults higher than city average: 23.5% compared to 22.68%.
 - d) % of adults binge drinking is less than city average.
 - e) % of adults eating healthily is slightly higher than city average.
28. From these indicators we could conclude that an older population and one which is slightly more obese than the city average may benefit from the varied active leisure programme offered by the Burnholme campus.
29. Hull Road Ward
- a) Male and female life expectancy is lower than the city average.
 - b) % with limiting long term illness or disability is the lowest in the city.
 - c) % of obese adults is lower than the city average.
 - d) % of adults binge drinking, at 33.3%, is high and places the Hull Road ward in bottom 5 wards in the city for this indicator.
 - e) % of adults eating healthily slightly lower than the city average.
30. From these indicators we could conclude that residents would benefit from the full range of services offered on the Campus.
31. Osbalwick and Derwent Ward
- a) Male and female life expectancy is slightly lower than the city average.

- b) % with limiting long term illness or disability is higher than the city average.
 - c) % of obese adults slightly higher than the city average.
 - d) % of adults binge drinking is less than the city average.
 - e) % of adults eating healthily is slightly higher than city average.
32. These indicators suggest that sport and active leisure could benefit the residents of this ward.
 33. The sport and physical activity hub at Burnholme will be ideally placed to tackle some of these issues. The GLL plan for the site would be for it to be a health hub during the day and more of a sports hub on an evening, helping to attract different demographics at different times of the day.
 34. In addition, it is noted that improved levels of health and wellbeing will benefit educational attainment, economic inclusion and lessen the use of NHS services.
 35. The model of sports and active leisure provision which is proposed at Burnholme will also serve as a beacon for other areas in York, allowing us to show what works and the many benefits that can flow an active lifestyle. The GP exercise referral programme which will be introduced in this area will be monitored and rolled out more widely once success is proved.
 36. We anticipate that, subject to planning consent being awarded, that approximately 80 new homes will be built on the land adjacent to the sports facilities, helping to address the housing shortage in the city.

Implications

Financial

Revenue

37. The current sports facilities at Burnholme cost approximately £60k net per annum to operate. This is funded from the surplus properties budget. The objective is to operate the new facilities at Burnholme at nil cost to the Council.
38. The proposal from GLL is to operate the centre over the remaining life of the Leisure Facilities Contract (11 years and 2 months) at an overall surplus to the council (at current prices) of £115k which equates to c £10k per annum.
39. It should be noted that in the early years of the contract (up to 2023/24) there is an ongoing deficit as the facilities take time for maximum revenues to be achieved. The maximum cumulative deficit totals £152k, after this date it provides an overall revenue surplus to the council.
40. It is proposed that this deficit be mitigated by use of the Venture Fund. A draw down of a maximum of £200k is recommended which will then be repaid when revenues are greater than costs from year 2024/25. It is envisioned that it will be fully repaid by 2028/29.

Capital

41. In May 2016 Executive approved the Business Case for the transformation of the Burnholme Community College site in order to deliver a Health & Wellbeing Campus at Burnholme. This was estimated to cost £7m at that point in time. The most recent projection of the cost of the project has increased to £8.5m due to the enhanced specification of the sports facilities.
42. The following table shows the original and revised estimates of the spend and funding of the campus:

Costs:	Original estimate £000	Revised Estimate £000	Variance
Enabling works	1,071	1,060	(11)
The Centre + Sports Roof	4,927	5,019	92
Sports facilities	986	2,450	1,464
Total	6,984	8,529	1,545

Funded by:	Original estimate £000	Revised Estimate £000	Variance
Sale of land at Burnholme	6,084	6,100	(16)
S106 contributions	650	472	178
Sale of Tang Hall Library	250	262	(12)
Use of Older Person's Homes receipts	0	1,695	(1,695)
Total	6,984	8,529	(1,545)

43. Members approved spend in May 2016 and December 2016 totalling £5.998m in regard to;
- The enabling works at the site (£1,071k)
 - the Centre build & associated costs (4,727k)
 - Repairs to the sports centre roof (£200k)
44. Members have regularly been alerted to the need to improve the sports facilities at Burnholme the cost of which was originally estimated at £986k. This brings the original estimate for the work at Burnholme to £6.984m.
45. This paper proposes a significantly improved specification for the sports facilities which will cost £2.450m, an increase of £1.464m. There is also likely to be a small overspend on the enabling work and the cost of the Centre's build of £81k that also needs addressing.
46. It was acknowledged in the Capital programme monitor 2 report 2017/18 that there would be a short term delay in obtaining the receipts from the sale of the land and this pressure was to be funded from the Council's expected general receipts and any surplus receipts generated by the Older Peoples Accommodation Project (OPAP).
47. £4m of capital receipts from the sale our homes was approved at the outset by members to be set aside to support the programme. Capital monitor 2 in 2017/18 detailed that £1.6m would be used for future developments and £2.4m would be used for project management and other associated costs. It is proposed to use £1.071m of the £2.4m to support this development of the Burnholme campus: the table below shows how the £4m is likely to be spent.

£000	Spend to date	Remainder of programme	Total
Project Management and associated costs	342	317	659
Burnholme Campus		1,071	1,071
Revenue cost of transforming services	582	70	652
Extra Care and future OPH developments		1,618	1,618
Total	924	3,072	4,000

48. A further £624k of receipts (in addition to the 4m set out above) are therefore needed to fund the proposal within this report and Members are being asked to agree the use of future receipts from the sale of the remaining Older People's Homes (OPH) for this purpose.
49. The Capital monitor 2 1718 described how that the estimated receipts for the sale of our OPHs was likely to be £8.008m and Council (14 December 2017) agreed that this extra £4.008m over and above the initial estimate would be used to fund the development at Burnholme until sufficient income from the sale of land at Burnholme was received to reimburse the OPAP capital receipts budget.
50. This request is asking that £624k of that additional funding is used for the enhanced development of the Burnholme campus, and that any future use of the £3,382k additional receipts is subject to further approval.
51. The value of the likely receipt from the sale of the housing land, care home and health centre at Burnholme is broadly in line with the initial estimate. This is based on current negotiations with prospective buyers of the care home and health sites and an external valuation of the housing land which gives assurance they are realistic projections.

Legal

52. The existing GLL Contract to run our sports facilities were procured in 2017 in accordance with the Council's Standing Orders and EU procurement regulations. This has many years yet to run and has clauses written into the contract allowing for changes, although these

may not be sufficient to cover the inclusion of an entirely new site. However, legal opinion believes it permissible to include the operation of the new facilities at Burnholme without contravening the legislation or having to re-tender. The public procurement regulations allow this if the change does not render the contract materially different in character, does not change the economic balance in favour of the contractor, would not have attracted more bidders to participate originally or led to a different selection outcome. The market interest at the time of the tender was low and the selection choice would have been the same; the type of work is exactly the same and the terms of the inclusion of the site will be no more advantageous to GLL over the balance of the term of the contract. There is also a process within the contract to be followed to mutually agree the terms of the change with GLL, which has begun.

53. If the Council appoints an external entity (whether GLL or someone else) to operate/manage redeveloped leisure facilities at the Burnholme site on the Council's behalf, it is considered that there should be a lease of the relevant part of the site by the Council to the operator for a term equal to the period of the service contract. The lease would specify liability for various matters, such as undertaking any necessary repair and maintenance works. In the event that the relevant part of the site is considered to be accessed by the general public for recreation purposes, it may be 'open space' for the purposes of S.336 of the Town and Country Planning Act 1990. In this event, before any lease could be granted notification of this would need to be published in two consecutive editions of a local newspaper and consideration given to any comments/objections received.
54. If external consultants and contractors are appointed in connection with the design and construction of the proposed works, collateral warranties should be obtained from those parties in favour of any operator/tenant.

Human Resources

55. There is one part-time employee who is contracted to work at Burnholme leisure facilities and consultation with this employee is ongoing.
56. The relevant staffing and any TUPE transfer issues associated with the transfer of operations to GLL will be handled in accordance with Council policy.

Property Services

57. The Burnholme school site has been the subject of the relevant Department of Education consents to release parts from school use. It

has always been the intention that the 3g and grass sports pitches are retained and continue to be used for sports use. Any changes from this use would require Sports England consent.

58. The 11 acres of land associated with the sports facilities and pitches are in the ownership of the Council and can be made available to GLL under the terms of their Contract.

Equal Opportunities

59. We are guided by the July 2014 Equalities Impact Assessment which guides the work of the Programme in relation to Burnholme.

Better Decision Making Tool

60. Better Decision Making Toolkit form has been prepared and is attached as **Annex 2**. It shows that the project will have significant positive impacts on the health and wellbeing of the local community and will contribute to tackling health inequalities in the area. On going contract monitoring will be required to ensure that the vision for the site is fulfilled. Work will be required throughout the project to ensure opportunities are taken to improve the environmental impact of the scheme.

Risks

61. Key risks are kept under review and mitigations are pro-actively managed. The risks associated with this proposal relate to the obtaining of planning consent for the works, the securing of a construction contract within the agreed budget and agreement of the terms of operation with GLL. We have faced and addressed similar risks on similar projects and, therefore, believe that these risks are manageable.
62. Key risks and mitigations are as follows:

ref	Risk	Mitigating Action
a)	Inability to secure planning approval for proposals for new sports facilities.	Consultation with stakeholders and planning consultees has already begun and their views are being incorporated into the scheme.
b)	Construction costs exceed capital funds secured	Support, if necessary, to value engineering process. Further exploration of fund raising opportunities.

ref	Risk	Mitigating Action
		Opportunities to support further fundraising for the club will continue to be pursued.
c)	The provider of the service does not deliver as intended.	The provision of services will be guided by contract which includes performance management and other opportunities to influence and control outcomes.

Contact Details

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<p>Report Approved</p>	<p>✓</p>	<p>Date</p>	<p>2 July 2018</p>	
<p>Specialist Implications Officer(s) Legal – Walter Burns (Ext 4402) and Gerard Allen (Ext 2004) Finance – Debbie Mitchell (Ext 4161) and Steve Tait (Ext 4065) Property – Philip Callow (Ext 3360) and Alan Thomas (Ext 3329) HR – Janice Lee (Ext 3664)</p>				
<p>Wards Affected: Heworth, Heworth Without, Osbaldwick and Hull Road</p>				
<p>For further information please contact the authors of the report</p>				

Annexes

- Annex 1 – Proposed design of new Sport Facilities
- Annex 2 – Better Decision Making Tool
- Annex 3 - Plan of the Burnholme Sports site
- Annex 4 – Example timetable of use of Burnholme sports facilities

Abbreviations:

- GP – General Practitioner
- GLL – Greenwich Leisure Ltd
- IMD - Indices of Multiple Deprivation
- NHS – National Health Service
- s106 – Section 106 of The 1990 Town and Country Planning Act
- OPAP – Older Peoples Accommodation Project
- OPH – Older Peoples Homes

Background Papers:

3 Mar 2015	Report to Executive seeking approval of revised proposals based on creating new Extra Care Housing and reforming the Council's existing ECH stock; building a new care home on the Burnholme site as part of wider health and community facilities; and working more closely with current care providers to deliver more specialist dementia accommodation across the city.
30 July 2015	Report to Executive seeking approval of the Business Case for the Older Persons' Accommodation Programme and agreement to proceed.
29 Oct 2015	Report to Executive regarding securing a viable future for the Burnholme school site in Heworth ward. Following extensive public consultation Members agreed to sanction further work to identify partners to progress the continued community and sports use of the site, complemented with wider health and enterprise services, the building and operation of a residential care home for older people and the provision of housing.
19 May 2016	Report to Executive that obtained consent to begin to deliver the Burnholme Health & Wellbeing Campus and secure a viable future for the former Burnholme Community College site (the Site) in Heworth ward.
28 Sept 2016	Report to the Audit & Governance Committee by the Programme Director, Older Persons' Accommodation, providing an update on progress of the Programme and actions taken to address External Audit recommendations.
7 Dec 2016	Report to Executive by the Corporate Director of Health, Housing and Adult Social Care. The report obtained consent to complete the next phase of delivery of the Burnholme Health & Wellbeing Campus including sanction for the investment of £4.73m in new and refurbished community and library facilities, subject to Department for Education (DfE) approval to dispose of redundant land, as well as £200,000 in urgent repairs and works to the sports facilities on site.
16 March 2017	Report to Executive by the Corporate Director of Health, Housing and Adult Social Care. The Executive received an update on progress made towards delivering health & wellbeing services at Burnholme and agreed to enter into a long lease with a care home developer over a portion of the Burnholme Health & Wellbeing Campus site. Executive also agreed to enter into a head lease over the Community & Library facilities and the disposal of the Tang Hall Library site.
28 September 2017	Report to Executive by the Corporate Director of Health, Housing and Adult Social Care and the Corporate Director of Children, Education and Communities. The Executive received

	<p>information that demonstrated the progress of the Older Person's Accommodation Programme towards delivering over 900 new units of accommodation with care for older people. The Executive gave consent to undertake consultation on the option to close two further Council run older persons' homes.</p>
<p>7 December 2017</p>	<p>Report to Executive by the Corporate Director of Health, Housing and Adult Social Care. The report dealt with two matters, both intended to deliver improved health and wellbeing facilities for York:</p> <ul style="list-style-type: none"> a) The provision of sports pitches and related facilities on land at Askham (Ashfield Estate) and the granting of consent to lease the pitches to Bishopthorpe White Rose Football Club, delivering the commitments already made by Executive to deliver new football pitches in the West of the city and enable the development of the Lowfield Green site. b) The dispose (by way of a long lease) of land at Burnholme to facilitate the provision of a health hub and the provision of an update on the provision of sports facilities at Burnholme.