

**OLDHAM COUNCIL**

**FUTURE LEISURE SERVICES  
PROVISION IN OLDHAM**

**MARCH 2011**

**FINAL Report By:**

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## **Section 1 Introduction**

### **Introduction and scope of work**

- 1.1 Sports Solutions GB (SSGB) was appointed in December 2010 by Oldham Council (the Council) to undertake a review of the leisure service and recommend options for both the future provision of leisure facilities and the future management of these facilities. The desired outcome of the study was to present a strengthened strategic vision for the future of the service, based on a robust assessment of current and future facility needs.
- 1.2 This report presents the outcome of this work and provides a clear range of options that have been reviewed and a robust evidence base provided upon which the Council can make effective decisions on the future leisure service.
- 1.3 The background context for this work is understood to be as follows:
  - The current management contract in place between the Council and Oldham Community Leisure Limited (OCLL) is due to expire in November 2011 (and may be extended further) and therefore the procurement process for the new contract needs to begin by the Spring of 2011.
  - Following cuts to its funding from Central Government, the Council needs to identify potential savings from its budgets across all services including leisure and to generate external capital investment
  - The need for achieving financial savings and the timing of the renewal of the leisure management contract has prompted the Council to seek independent advice on how it could achieve the necessary savings and also attract external investment.
  - Consideration is being given by the Council to the potential rationalisation or transfers of facilities to other providers over a period of time in order to support a more effective and efficient leisure service and raise capital funding for new or refurbished facilities.
  - The programme of new BSF and academy schools which are moving forward provide an opportunity for these new schools to support the provision of community leisure facilities.
  - The Council has an aspiration to develop a major new family leisure destination in Oldham town centre which would support wider regeneration proposals being developed.
- 1.4 The main focus of the study has been on the leisure services and facilities currently managed by OCLL. Therefore, SSGB has focused on examining options relating to the following facilities:

## Section 1 Introduction

Facilities within the current contract with OCLL

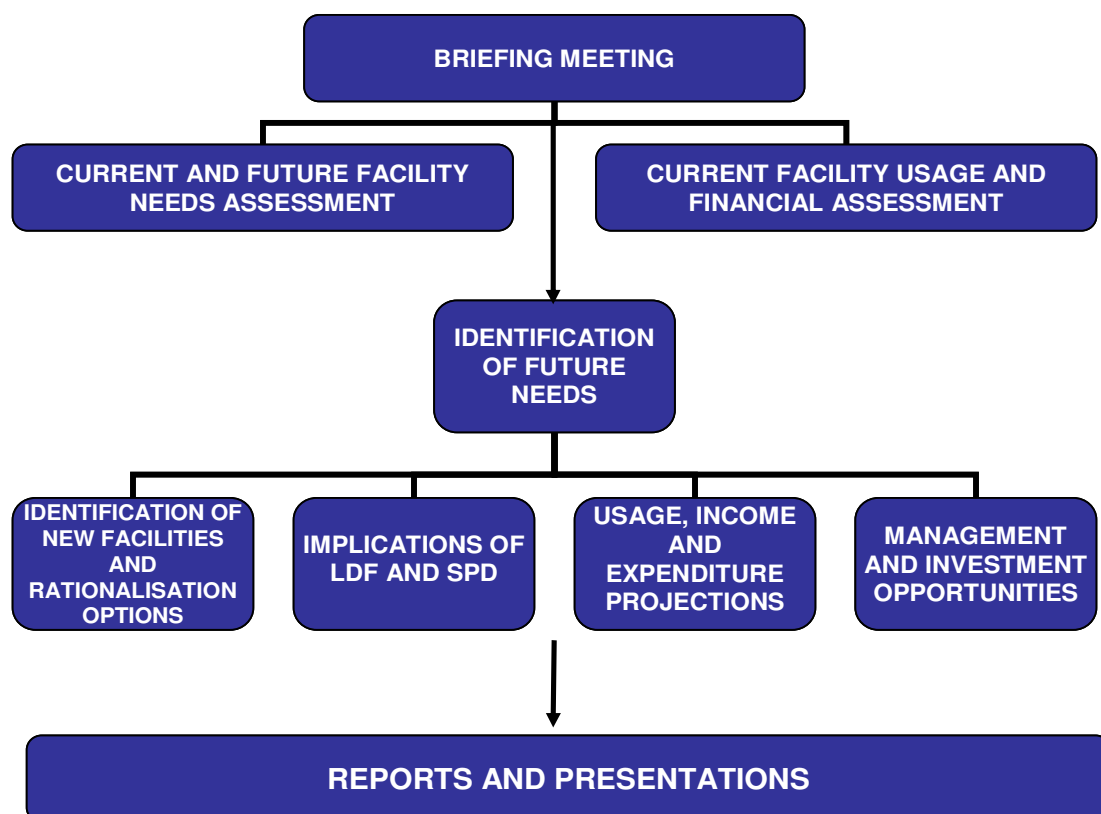
Type of facility	Name of site managed by OCLL
Swimming pools and sports centres	Chadderton Wellbeing Centre Crompton Pool and Fitness Centre Failsworth Sports Centre Glodwick Pool Grange Sports Centre Oldham Sports Centre Radclyffe Athletics Centre Royton Sports Centre Saddleworth Pool and Fitness Centre
Artificial Grass/ Synthetic Pitches	Chapel Road Synthetic Pitch Grange Synthetic Pitch Royton and Crompton Synthetic Pitch Breezehill Synthetic Pitch (currently closed)
Golf	Bishop's Park Pitch and Putt

- 1.5 It has been recognised that through the course of this study, the Council needs to acquire additional advice on how the current and future school-based sports and leisure facilities can be utilised more by the community and how potential duplication of facilities in some areas can be minimised. In this study, SSGB has highlighted where the key opportunities for this exist but has not had sufficient time to explore how these opportunities could be delivered.
- 1.6 Also separate to this study, the Council has commissioned condition surveys and site valuations for the facilities listed above and it is noted the full set of information from this work is not yet available.

## Section 1 Introduction

### Our methodology

1.7 The approach which SSGB has taken for this study is presented below.



1.8 The research work which SSGB has undertaken in order to identify future needs and potential options has been conducted as two strands of work:

- Needs assessment – an examination of the supply of facilities versus demand for them and any gaps in provision or oversupply/ duplication
- Review of facility usage and financial performance – an analysis using Key Performance Indicators (KPIs) to identify the strong and weak performing centres

1.9 The above work has been supported by consultation with OCLL and Council Officers covering youth development, neighbourhoods, strategic projects, education, property, finance, planning and the Director of Public Health.

1.10 The outcome of the needs assessment and the financial appraisal was presented to the Council at a Project Team Meeting and a number of future options were discussed. SSGB then undertook some further financial assessment of the impact of these future options on the overall revenue subsidy and undertook a soft market testing exercise with private sector management operators to gauge the levels of interest in investing and managing these facilities in the future.

1.11 The report is structured to follow the steps taken and comprises:

- Section 2: Needs Assessment

## ***Section 1 Introduction***

- Section 3: Current Facility Usage and Financial Performance
- Section 4: Future Facility Needs and Delivery Options
- Section 5: Future Management and Investment Opportunities
- Section 6: Conclusions and Next Steps

## Section 2 Needs Assessment

### Introduction

2.1 It is critical that any major decisions regarding the future of leisure facilities in Oldham are taken following a robust assessment of current and future facility needs. SSGB has conducted a detailed assessment of facility needs by carrying out the following tasks:

- Review of the strategic context
- Identification of all facilities in Oldham and the wider vicinity through an audit of facilities provided by the public, private, education and other sectors
- Utilisation of a range of tools available to assess supply and demand levels which highlight any gaps in provision and any duplication/ overprovision
- Examine the impact on the supply and demand position following the completion of the new BSF and academy schools programme plus other new facility developments being planned
- Collation of all data and analysis into a summary of current and future facility needs both at an overall borough-wide level and at Partnerships level.

### 2A Strategic context

2.2 A review of relevant strategy and background documents was undertaken to inform the project team of any previous research work or data which is relevant to consider for this study.

2.3 It is important to note that whilst quite a lot of information and data does exist relating to facility provision and market needs in Oldham, a lot of it is considered out of date. However, a review of this information was still undertaken and some of the key headlines are presented in the table below.

Strategy/ background document	Key headlines of relevance to this study
Facility Review and Future Strategy for Oldham 2003 and 2006 (PMP)	<p>This strategy was first produced in 2003 and then updated again in 2006. Key findings which are relevant for this study include:</p> <ul style="list-style-type: none"><li>• A small oversupply of pool provision exists in Oldham</li><li>• There is potential for overprovision of sports halls due to the BSF and academy programme</li><li>• No further artificial pitches are needed and there is potential for overprovision once new schools are completed</li><li>• There is a shortage of publically managed health and fitness gyms in some areas of Oldham</li><li>• All OCLL managed centres report high levels of use</li><li>• Expenditure on staffing at the OCLL sites was considered too high</li><li>• Pricing structures could be more commercial in parts of the borough</li><li>• Reviewing facility needs and provision levels on a district by district basis was suggested as a model for the future</li></ul>

Strategy/ background document	Key headlines of relevance to this study												
	<ul style="list-style-type: none"> <li>• Health inequalities exist in the central wards of Oldham and the future leisure service should take this into account</li> <li>• Recommended that facilities in Chadderton and Saddleworth need investment (this has since been implemented)</li> <li>• Recommended that a new central sports and leisure facility be built, potentially co-located with health, learning and other community facilities</li> </ul>												
Oldham Playing Pitch Strategy (2004)	<p>Overall, the strategy identifies a shortfall in pitch provision in every district in the borough.</p> <table border="1" data-bbox="587 616 1050 907"> <thead> <tr> <th>Area</th><th>Deficiency (ha per 1,000 people)</th></tr> </thead> <tbody> <tr> <td>Chadderton</td><td>-0.42</td></tr> <tr> <td>Failsworth</td><td>-0.29</td></tr> <tr> <td>Oldham</td><td>-0.62</td></tr> <tr> <td>Saddleworth</td><td>-0.42</td></tr> <tr> <td>Royton and Shaw</td><td>-0.36</td></tr> </tbody> </table> <p>The strategy was therefore clearly recommending that no pitches are lost to development without being replaced and also recommended that an improvement programme is carried out. This programme included the following recommendations:</p> <p><b>Football</b></p> <ul style="list-style-type: none"> <li>• A new artificial football training facility is needed in Saddleworth (some new 3G pitches have now been provided at Saddleworth Pool).</li> <li>• New artificial football training centres are needed in West Oldham, Failsworth, Chadderton, Shaw and Royton (some of these areas now have new provision or future artificial pitches planned).</li> <li>• Many grass pitch sites across the borough are of very poor quality and in need of improvement and a tier/ priority system was recommended.</li> </ul> <p><b>Rugby League</b></p> <ul style="list-style-type: none"> <li>• Council operated rugby league pitches are under-utilised.</li> <li>• There are issues with the quality of pitches.</li> <li>• Private clubs should be encouraged to develop better pitches.</li> </ul> <p><b>Cricket</b></p> <ul style="list-style-type: none"> <li>• At least one cricket pitch should be located at each secondary school.</li> <li>• New cricket nets where possible should be attached to new artificial grass pitches (AGPs) – ideally in Saddleworth, East Oldham, West Oldham, Chadderton and Shaw and Royton.</li> <li>• Clubs should be encouraged to improve their own provision.</li> </ul> <p><b>Hockey</b></p> <ul style="list-style-type: none"> <li>• Some AGPs are highlighted as suffering from vandalism, particularly in central wards in Oldham and new fencing required and protection of goal areas was needed.</li> <li>• Better maintenance and supervision was recommended.</li> </ul>	Area	Deficiency (ha per 1,000 people)	Chadderton	-0.42	Failsworth	-0.29	Oldham	-0.62	Saddleworth	-0.42	Royton and Shaw	-0.36
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## Section 2 Needs Assessment

Strategy/ background document	Key headlines of relevance to this study
Local Area Plan for Football: Oldham (2007)	<ul style="list-style-type: none"> <li>• This report was commissioned by the FA as part of a pilot programme of local area assessments of football participation and facility provision. Oldham was selected as one of the areas for the pilot.</li> <li>• In terms of participation, Oldham has a lower level of participation in football than the national averages and lower than the county figures.</li> <li>• Levels of participation are lower in Oldham for both youth players and adult players. Female participation is more comparable with national and county levels.</li> <li>• The report identifies only three football clubs that own their own ground or have a lease (Oldham Athletic FC, Oldham Town FC and Chadderton FC). It is possible that since 2007 this figure has increased but there does appear to be reluctance from clubs to take on sites and be responsible for the maintenance and management of them.</li> <li>• One of the actions in the Playing Pitch Strategy Action Plan was to investigate whether any of the Council's playing fields could be transferred by means of a lease to local sports clubs. The work being done on this has not been completed but indicative views from Council Officers support the findings of the Local Area Plan by concluding that there are very few clubs with the capacity and willingness to take on a lease for the pitches they use.</li> </ul>
Oldham LDP/ SPD for Open Space, Sport and Recreation (2008)	<ul style="list-style-type: none"> <li>• The SPD provides information to support the Oldham UDP policies on how the Council will seek open space, sport and recreation provision where it may be lost through alternative development or sought as part of residential development. The SPD is therefore to ensure that developments which impact on open space, sport and recreation in the borough take a balanced approach to provision, considering the improvement of existing sites alongside the creation of new.</li> <li>• The SPD is relevant because there are a number of options being considered in this study which could result in the potential closures of some Council-owned sites and a smaller level of provision provided in its place. This would be contrary to the Council's own policy unless there is evidence that the facilities being lost are surplus to requirements and adequate alternative provision is available.</li> <li>• It is also important to note that the policy would not allow the closure of a facility until a replacement facility is provided or alternative access arrangements are made at other sites which are considered satisfactory to a majority of affected customers. A financial contribution could be secured by the Council through the proposed development opportunity at the closed site, to go towards supporting enhanced facilities or access to facilities elsewhere. This issue needs to be reviewed on a case by case basis and is commented upon again in Section 4 of this report.</li> </ul>
Children and Young People – Local Democracy Week Report 2010	<ul style="list-style-type: none"> <li>• This report documents the findings from events held for children and young people during democracy week 2010.</li> <li>• One of the four thematic priorities which came out of the consultation was facilities and activities for young people.</li> </ul>

## Section 2 Needs Assessment

Strategy/ background document	Key headlines of relevance to this study
	<ul style="list-style-type: none"> <li>• Key issues highlighted included more dedicated facilities or more time for dedicated youth activities at existing sports centres. These activities were also identified to be too expensive at present. A focus of the new activities should be on having fun and not be too skills focused.</li> <li>• Other issues included the need to improve all weather sports pitches and make use of empty spaces for sports activity.</li> <li>• When asked about the top priorities, a cinema in the Oldham area was identified as in the top 5 by both primary and secondary school pupils. Commercial leisure facilities featured in the top priority for secondary school pupils who identified a cinema, 10 pin bowling and ice skating facilities as key priorities.</li> </ul>
Oldham Retail and Leisure Study (June 2009), White Young Green	<ul style="list-style-type: none"> <li>• Purpose of the study was to undertake a Borough wide Retail &amp; Leisure study to inform the Local Development Framework evidence base.</li> <li>• The study included an analysis of the leisure provision within the main centres in the Borough and an assessment of how the provision is meeting local needs.</li> <li>• The study concludes that commercial leisure facilities in the borough are very limited. It considered that significant leisure trips (eg to cinemas) are directed to outside of the Borough</li> <li>• Consequently there is scope to improve the leisure offer and recommended there was capacity for a 10 screen cinema and a ten pin bowling facility</li> <li>• It recognized that this would be dependant on commercial demand and viability</li> <li>• WYG also concluded that in the context of development plan policy, the town centre would be the most appropriate location</li> <li>• There was also a further need to improve the evening economy I the town centre and district centres</li> </ul>

## **Section 2 Needs Assessment**

### **2B Facility audit**

- 2.4 In order to analyse the current and future provision of sports facilities within Oldham an in-depth facility audit has been undertaken. The audit categorises the types of facilities into; sports halls, health and fitness suites, swimming pools and synthetic turf pitches.
- 2.5 To fully understand the quantity, quality and accessibility of each facility the audit identifies the management type (public sector, private sector or voluntary sector), the year the facility was built, if there have been any refurbishments undertaken, the sporting provision at that site (number and size), the access type (pay and play, sports club/ community use or private use only) and the percentage of spare capacity available at the facility.
- 2.6 An extended five mile radius (travel distance) outside the borough was adopted for the audit to take into consideration the facility provision from neighbouring authorities. However, the audit clearly indicates which facilities are inside and which are outside the borough. The detailed facility audit is presented in Appendix A.

### **2C Supply and demand assessment**

- 2.7 Following the completion of the facility audit, SSGB has used a variety of supply and demand tools available to draw conclusions on the current and future sports facility needs in Oldham.
- 2.8 It is important that a range of tools and methods are used to assess supply and demand because each of the methods adopts a slightly different approach and perspective on assessing facility needs. It is recommended by Sport England and other sports and leisure agencies, that a blend of techniques should be used which are supported by consultation with local clubs and stakeholders before major decisions are made. In the cases where the data may be used to support decisions on potential closures and investment in new facilities, it is also recommended that a further level of analysis and scenario testing is commissioned and this is led by Sport England and the University of Edinburgh but can take between 3 and 6 months to complete.
- 2.9 SSGB has therefore approached this assessment using the most robust sources of data available during the period of the study. For facility information, Sport England's online database of facilities, Active Places, has been used and for local population and participation data, Sport England's annual survey, Active People, has been used. For more information on these sources of data, see Appendix B.
- 2.10 There is a "health warning" however as these sources of data, particularly the Active Places data, which is a little out of date (Winter 2009 at the last update). Sport England is expecting the data to be refreshed in the Spring of 2011. The Active Places database also does not include new facilities being planned eg the new schools. It has been important therefore that where possible, SSGB has applied its knowledge and more recently acquired data provided by the Council and other sources, to the analysis. The data and results presented in this section are therefore as up to date as possible and take into account new facilities built since 2009 and the net change in sports facility provision due to the new academy programme.
- 2.11 Before the results on facility provision are presented, the section below presents some important data about the population and market data relating to demand.

## **Section 2 Needs Assessment**

### **Demographic profile of Oldham and market data relating to demand**

#### *General statistics*

2.12 Following a review of the basic demographic profile of Oldham, the following features are relevant for this study:

- Oldham has a total population of circa 217,000 people and is projected to increase by 1.9% by 2015 – this level of population growth is slightly less than the average for Greater Manchester as a whole (2.10%) and significantly less than the national average growth of 4.4%.
- In Oldham, compared to regional and national averages, there is a high proportion of young people aged between 16 and 24 and a low proportion of people over 65.
- There is a high proportion of non-white persons with 27% of the local population being of Asian origin (made up of Pakistani and Bangladeshi residents).
- There are some areas with very high levels of deprivation with many wards in East and West Oldham in the top 5% most deprived in the country and high levels of unemployment reported compared to regional and national levels.

#### *Sports participation and health profile of Oldham*

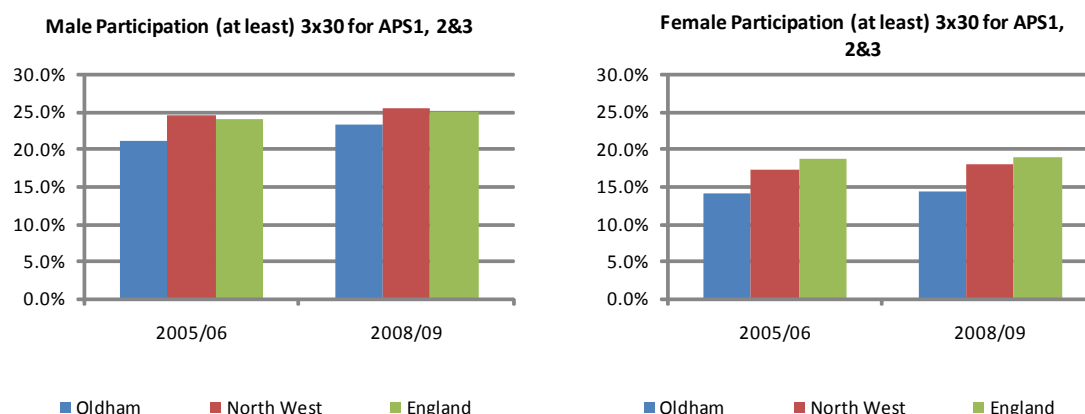
2.13 An analysis has been undertaken of the profile of Oldham in terms of participation in sports activities. Sport England's Active People data is a very useful source of information on a variety of measures of sports participation and health.

2.14 The main measure of participation in sport and physical activity is National Indicator 8 which measures the percentage of people taking part in sport and physical activity for at least 30 minutes, three times a week. According to the Active People Survey undertaken in 2008/09, 18.8% of the population in Oldham report that they take part in this level of activity which has grown slightly from 17.3% in 2005/06. This rate of participation is still low compared to the regional levels of 21.7% and national levels at 21.9%.

2.15 When the participation data is examined separately for males and females, it shows that males in Oldham have participation rates which are closer to the regional and national participation levels than the females in Oldham (see graphs overleaf). It is very difficult to accurately assess why this is the case but it is likely to reflect national trends suggesting that women participate in sport and physical activity less often than men but also because of the high proportion of Asian women living in Oldham compared to other areas. Reliable data on participation trends which pertain to women from Asian communities is scarce and there are a number of socio-cultural differences which are likely to influence this.

2.16 In the last two years however, a research paper published by the University of Bolton reports that interventions to increase participation by women from Asian communities is more successful when led by the health sector (with a focus on personal health and informal physical activity) than by the sports sector which can be very focused on competitive sport. This is explained in the report by the perception by women that competitive sport and leisure can be seen as less culturally acceptable compared to participation in informal physical activity and behaviour focused around health improvement which is more culturally acceptable.

## Section 2 Needs Assessment



- 2.17 The relatively low levels of participation in sport and physical activity by Oldham residents was quantified by the Department of Health (see table below) in a survey undertaken in 2006/7 which indicated that the health costs of sporting inactivity in Oldham were higher than regional and national levels per 100,000 people.

### Health costs of sporting inactivity

Geography	The Health Costs of Sporting Inactivity	
	Cost	Cost per 100,000 pop
Oldham	£4,218,280	£2,504,173
North West	£127,908,653	£2,344,861
England	£764,661,980	£1,898,293

Source: Department of Health - Be Active Be Healthy, Year: 2006/7

- 2.18 In terms of obesity levels however, Oldham is recording statistics more in line with regional and national levels. The tables overleaf illustrate that Oldham has 23.8% of the population recorded as obese and this compares quite well with the regional and national percentages. Levels of childhood obesity in Oldham are also slightly lower than national and regional levels. The second table compares the obesity statistics with Oldham's neighbouring local authorities and it also reports that Oldham has lower levels of obesity compared to other areas. It is unusual to see a lower proportion of obese persons in an area where there are low participation rates but this may be due to effective work being undertaken by public health initiatives about eating more healthily.
- 2.19 Consultation with Oldham NHS's Director of Public Health regarding future public health initiatives has revealed that the top priority of the NHS moving forward will be to promote increased levels of physical activity. It is understood that a Physical Activity Strategy for the borough is in the process of being produced and that there will be some importance placed on the provision of quality sports and leisure facilities but a greater emphasis on encouraging people to take part in more informal physical activity which can be done outside of these formal environments.

## Section 2 Needs Assessment

### Obesity levels in adults and children (000s)

Geography	Adult Obesity		Childhood Obesity	
	Number	Rate	Number	Rate
Oldham	40.4	23.8%	0.3	9.0%
North West	1,286.3	23.4%	6.8	9.6%
England	10,005.6	24.2%	48.6	9.6%

Source: Department of Health: Year: 2006-2008 (Adults) 2008/09 (Children)

Measure: Number of people & proportion of the adult population and child population that are obese

### Obesity levels in adults and children by local authority area

Geography	Adult Obesity Rate	Childhood Obesity Rate
Oldham	23.8%	9.0%
Rochdale	24.5%	10.3%
Bolton	24.0%	9.1%
Tameside	25.9%	11.6%
Stockton-on-Tees	29.8%	10.5%
England	24.2%	9.6%

Source: Department of Health, Year: 2006-2008,

Measure: Proportion of the adult and child population that are obese

### Popular sports and activity profile of Oldham

- 2.20 Sport England holds data on the most popular sports in each local authority area in the country. The table below presents the top 5 participation sports in Oldham and compares participation levels with regional and national averages.

#### Top 5 sports in local authority with regional and national comparison

Sport	Oldham		North West		England	
	Number	Rate	Number	Rate	Number	Rate
Swimming	22.6	13.3%	709.3	12.9%	5,352.0	12.9%
Football	13.7	8.0%	452.7	8.2%	3,016.2	7.3%
Gym*	13.9	8.2%	588.5	10.7%	4,380.8	10.6%
Cycling	11.6	6.8%	577.4	10.5%	4,983.3	12.0%
Athletics	7.2	4.3%	337.3	6.1%	2,589.5	6.3%

Source: Active People Survey3, Population data ONS Annual Population Survey 2008

\*A total of 20% rate for all forms of health and fitness activities is recorded nationally

## Section 2 Needs Assessment

- 2.21 The table shows that the popularity of swimming in Oldham is slightly higher than both the regional and national averages. For all other sports however, popularity levels in Oldham are slightly less than regional and national levels. Local knowledge of Oldham indicates that the sports of rugby league and cricket are very popular and therefore local residents could be more inclined to choose these types of sports activities rather than the sports listed in the table above.
- 2.22 The survey records the number of Clubmark Clubs in Oldham (a quality charter mark for sports clubs) and cricket has the highest number of clubs with rugby league the second highest.
- 2.23 It is also interesting to look at the types of sports activity that people living within Oldham are taking part in. The table below shows some of the main KPIs used by Sport England to assess levels of volunteering in sport, the popularity of club-based sport, the levels of coaching activity received and people's general satisfaction with local provision.

**Key Performance Indicators (KPI)**

Indicator	Oldham			North West			England		
	2005/06	2007/08	2008/09	2005/06	2007/08	2008/09	2005/06	2007/08	2008/09
KPI2 - Volunteering at least one hour a week	5.4%	6.6%	3.9%	4.6%	5.0%	4.8%	4.7%	4.9%	4.7%
KPI3 - Club Membership in the last 4 weeks	23.6%	17.9%	19.6%	24.9%	24.2%	24.2%	25.1%	24.7%	24.1%
KPI4 - Received tuition / coaching in last 12 mths	13.0%	12.0%	14.0%	16.4%	16.5%	15.9%	18.0%	18.1%	17.5%
KPI5 - Took part in organised competition in	12.8%	12.4%	13.3%	14.5%	14.5%	14.2%	15.0%	14.6%	14.4%
KPI6 - Satisfaction with local provision	65.4%	60.3%	63.9%	70.1%	66.5%	68.1%	69.5%	66.6%	68.4%

Source: Active People Survey , Year: 2005/06-2008/09, Measure: Key Performance Indicators 2, 3, 4, 5, 6

- 2.24 The information indicates that for Oldham, the levels of volunteering in the borough are lower than regional and national levels and have also decreased significantly since the 2007/08 survey. This information is significant because one of the options considered in this study is to transfer sport and leisure facilities to local communities to manage. With a heavy reliance on volunteers to make this kind of arrangement work, there is some doubt that this could be an effective option for sports and leisure facilities in Oldham, although it is recognised that there are likely to be differences in volunteering levels and capacities between district areas.
- 2.25 The information also shows some correlation with the conclusions being drawn about the socio-cultural profile of the borough and the preference for non-competitive sport in general with a low proportion of people reporting to be members of a club, compared to national and regional averages.
- 2.26 Satisfaction with local facility provision is less in Oldham than in the wider region but levels of satisfaction have increased in 2008/09 compared to 2007/08.

## Section 2 Needs Assessment

### Assessment of the quantity of facilities in Oldham compared other areas

- 2.27 Sport England's Active Places database has a collection of data regarding the provision of sports facilities across the country and this is then presented by each local authority area. For this study, the provision levels for Oldham have been compared with both the neighbouring local authorities to Oldham and also with local authorities considered to be demographically similar.
- 2.28 The table below compares the total levels of provision in Oldham to its nearest neighbours. The provision figures for Oldham are taken from the Active Places database. The figures reflect current provision and so the proposed new sports facilities at the new schools being planned are not included. However, we have provided some commentary on this and also undertook some further analysis of both these facility types using supply and demand models presented later in this section.

**Number of facilities compared with nearest neighbours**

Facilities	Oldham Number	Rochdale Number	Bolton Number	Tameside Number	Stockton-on-Tees Number
Athletics Tracks	2	1	2	1	3
Golf	6	11	23	6	6
Grass Pitches (sites not individual pitches)	95	120	173	134	116
Health & Fitness Suites	26	28	33	27	24
Ice Rinks	0	0	0	0	1
Indoor Bowls Centres	1	0	0	0	2
Indoor Tennis Centre	0	1	5	0	1
Ski Slopes	0	0	0	0	0
Sports Halls (halls not badminton courts)	32	34	47	34	42
Swimming Pools	12	15	24	13	17
Artificial Grass Pitches (AGPs)	13	7	6	4	6

- 2.29 The table illustrates that for athletics tracks, golf facilities, health and fitness gyms and sports halls, provision levels are comparable to other local authorities nearby.
- 2.30 Oldham has an indoor bowls centre located at Oldham Sports Centre and compared to many other neighbouring boroughs this provision is good. Also, Oldham has a very good level of provision of AGPs compared to neighbouring areas.
- 2.31 Oldham has a total of 12 swimming pools in the borough and this does not compare favourably with some of the neighbouring boroughs and in fact, Oldham has the lowest number of pools out of all five boroughs.
- 2.32 For grass pitch sites, there is a low level of provision compared to neighbouring authorities. It is thought that this is due to the geography of Oldham being a very hilly borough which limits the amount of areas where grass pitches can be provided. However, this does place an emphasis to a certain extent on the provision of AGPs for training activity so that the grass pitches can be protected for competitions. The table shows that the provision of AGPs in Oldham is very good compared to other areas.



## Section 2 Needs Assessment

- 2.33 The table indicates that there may be opportunities to provide some commercial leisure facilities in Oldham eg an Ice Rink, Indoor Tennis Centre and a Ski Slope. The potential for Oldham to attract an operator for these types of facility is considered in Section 4.
- 2.34 Whilst it is useful to review facility provision in the neighbouring boroughs, it is perhaps more robust to compare facility provision in Oldham with provision in areas where there are similar demographics ie similar population figures and ethnic profile. Below is a table which compares some of the main facilities with provision in areas considered similar demographically to Oldham.

Facilities	Oldham	Rochdale	Walsall	Preston
Athletics tracks	2	1	1	1
Health and fitness suites	26	28	33	20
Grass pitches (sites)	95	120	112	55
Sports halls (sites)	32	34	39	23
Swimming pools	12	15	22	4
AGPs (sand based)	7	2	7	4
AGPs (3G)	6	5	3	3

- 2.35 The table shows that there is low provision of grass pitch sites in Oldham compared to areas with a similar demographic make up but this is likely to be due to the geography of the area. The provision of swimming pools and health and fitness gyms in Oldham is relatively low compared to both Rochdale and Walsall. For AGPs Oldham has a good level of provision compared to the other areas.
- 2.36 For four of the main facility types, swimming pools, sports halls, health and fitness gyms and AGPs, a more detailed assessment of provision has been undertaken and supply and demand models produced which quantify the total levels of over or under provision.

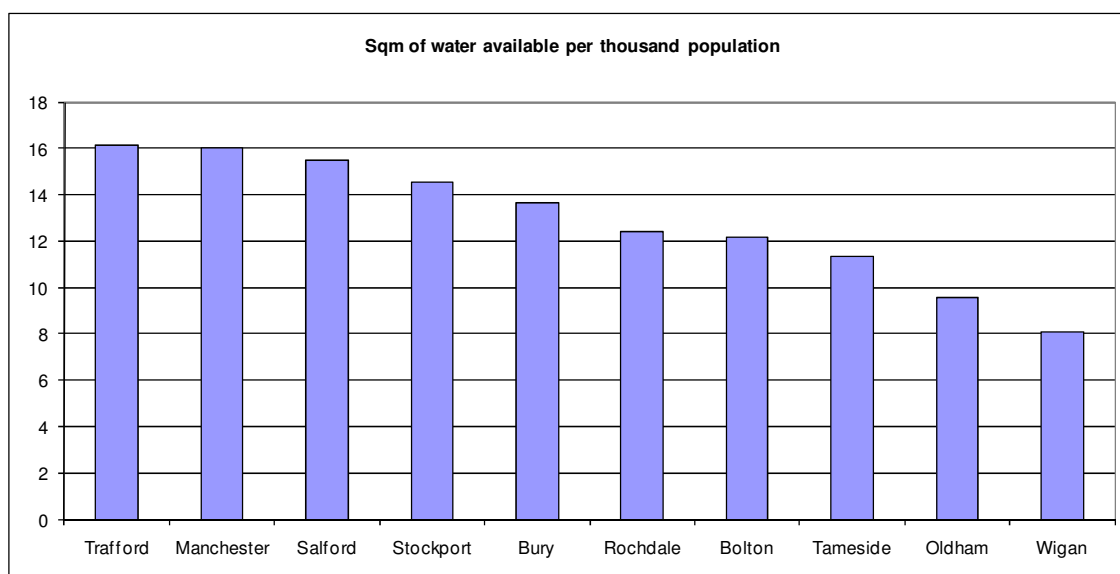
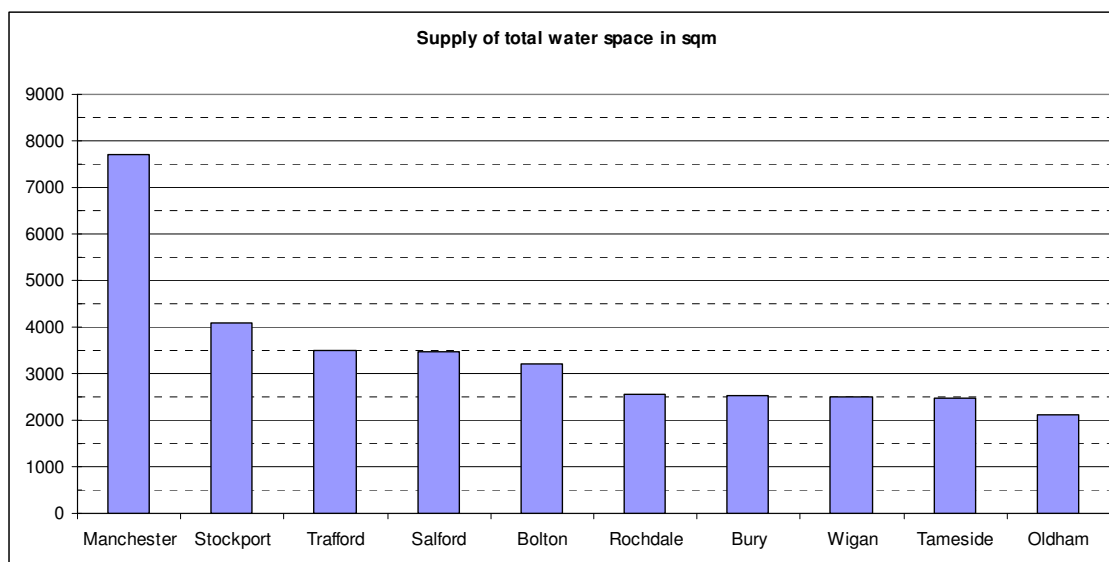
### Provision of swimming pools

#### *Quantity of pool space*

- 2.37 A more specific assessment has been made of the sizes of swimming pools provided in Oldham compared with provision in other areas of Greater Manchester. The graphs below show that in terms of total water space available in m<sup>2</sup> and the total water space per 1,000 people, the provision of swimming pools in Oldham is less than almost all of the other Greater Manchester boroughs. Oldham has the lowest level of water space in m<sup>2</sup> than any other borough. Oldham has a total of 2,124 m<sup>2</sup> compared to the average total water space per local authority in Greater Manchester which is 3,414 m<sup>2</sup>.

## Section 2 Needs Assessment

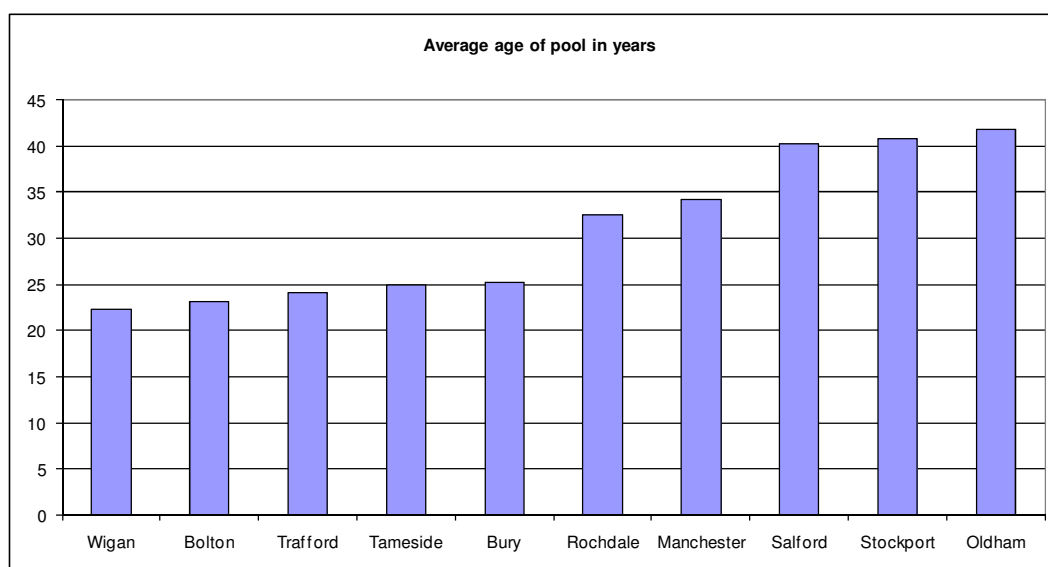
- 2.38 It is important to note that because the data used for this assessment is dated the last quarter of 2009 and the new information for 2010 is not yet available, that the total water area in these figures for Oldham excludes the pool at the Chadderton Wellbeing Centre which opened in late 2009. However, even when the 325 m<sup>2</sup> pool is added in, the supply in m<sup>2</sup> increases to 2,449 and still remains the lowest in Greater Manchester. Similarly, the per capita level of waterspace increases to 11.1 m<sup>2</sup> per 1,000 population when Chadderton Wellbeing is included, but the rate remains the second lowest of any authority in Greater Manchester.



## Section 2 Needs Assessment

### *Quality/ age of pool space*

- 2.39 Oldham also has an ageing stock of swimming pools compared to other local authority areas in Greater Manchester (see graph below). This is significant because not only is there a low level of provision in Oldham, the pools are also much older than in other areas. Age can be used as one indicator of quality along with the size and shape of pools. Modern pools are typically being designed to be 25m in length and wide enough to accommodate 6 or 8 swimming lanes. A typical 25m by 6 lane pool is circa 300m<sup>2</sup> and because of its size and shape can offer flexibility for a variety of swimming activities.

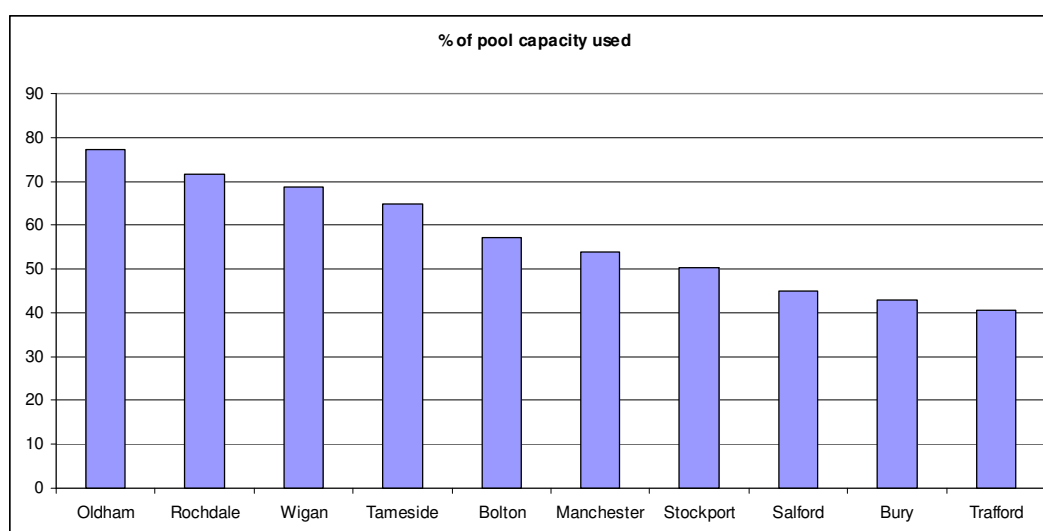


- 2.40 Three of the swimming pools which are owned by the Council (Royton Sports Centre, Crompton Pool and Glodwick Pool) are all very small pools and cannot offer a wide programme of swimming activities. The size of the pool at Royton Sports Centre is 185m<sup>2</sup> and the size of the pool at Crompton Pool is 187m<sup>2</sup>. In particular, Glodwick Pool is a very small and shallow pool which is of a circular shape and is used more as a paddling pool than a swimming pool and has very limited value as a community swimming venue. It is noted that despite their size and shapes, these three pools are used by the community and do have some value but this value must be set against issues with their age, future running costs and their current financial performance (see Section 3 for further analysis of the use and financial performance of these facilities).

### *Usage of pools*

- 2.41 An analysis has also been undertaken on the overall usage of pools in Oldham. A detailed assessment of usage through benchmarking and a KPI analysis is provided for each site in Section 3 of this report. The graph overleaf illustrates that out of all the other local authorities in Greater Manchester, the pools in Oldham are the most well-used at peak times. It is important to note that the overall percentage of pool capacity used is nearly 78% for Oldham. Sport England holds the view that once a pool reaches 70% capacity at peak times then it can be regarded as being full. This “comfort factor” assumption is applied to the Facilities Planning Model (FPM) and the results of this model are shown on the following pages. All pools in Oldham are considered by Sport England to be full apart from one pool, the one at DW Sports which is a private health and fitness club. Out of all swimming pool usage, one-third of all swimming takes place at Oldham Sports Centre.

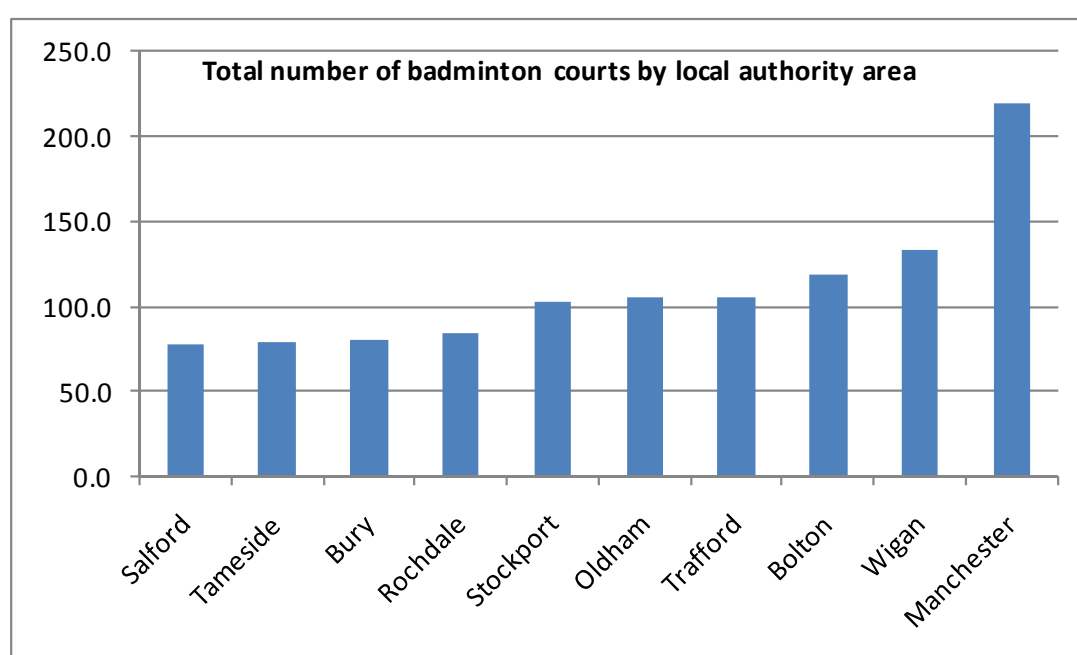
## Section 2 Needs Assessment



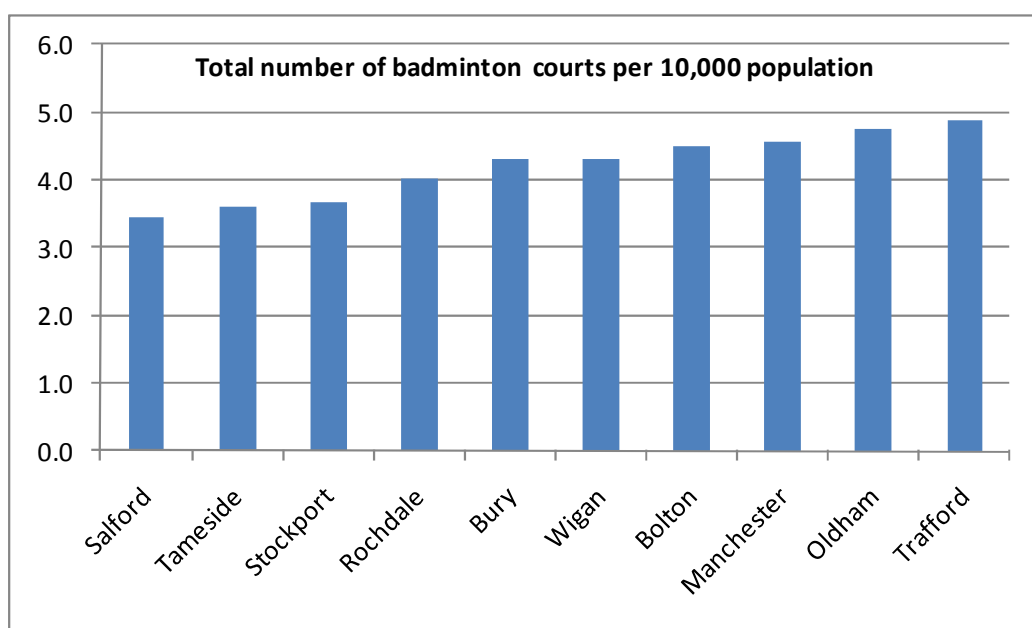
### Provision of sports halls

#### *Quantity of halls*

- 2.42 The measure of the quantity of sports halls provision is generally assessed by the number of badminton courts provided. The graphs below and overleaf show the total number of badminton courts in each borough and the total number of courts per 1,000 population. The graphs indicate that the provision of sports halls in Oldham is good compared with other areas, particularly on the provision per 10,000 population measure. Only Trafford has a higher number per 10,000 population.
- 2.43 Once the new academy schools programme is completed in 2013 however, the level of sports hall provision in Oldham will reduce from 102 badminton courts to 90 courts. This is due to the reduction in the number school sites being provided and the consequential reduction in sports hall provision. A comparison of supply with population/ demand data before and following the completion of the new schools is provided later in section.



## Section 2 Needs Assessment



### *Age of sports halls*

- 2.44 Out of all the sports halls in the borough, only five of the sports halls have been built within the last 10 years but seven have been refurbished since they were built. The oldest sports hall in the borough is located at Royton and Crompton School and is more than 40 years old. It is likely that this hall will need refurbishment or replacement in the near future. The most recently refurbished halls are located at South Chadderton and St Augustine's schools (refurbished in 2007).

### *Usage of sports halls*

- 2.45 Data provided by Sport England suggests that two thirds of the capacity of sports halls within the borough is being used at peak times, which is roughly equivalent to that of the national, regional and sub-regional figures. This result indicates that many halls have some spare capacity at peak times.
- 2.46 However for some specific sites, the data provided by Sport England suggests that some sports halls are operating at over 80% capacity. These include:
- Oasis Academy (Butterworth Lane Campus/ formerly South Chadderton School)
  - Waterhead Academy (Roxbury Campus, formerly Breezehill School)
  - Waterhead Academy (Moorside Campus, formerly Counthill School)
  - Oldham Sports for All Centre (Oasis Academy, Roman Road Campus)
  - Oldham Sports Centre
- 2.47 The data also suggests that Failsworth Sports Centre is operating at approximately 60% capacity and has an annual throughput of just under 60,000 visits. This is one of the highest levels of throughput for hallspace within the borough. This correlates with the financial analysis of Failsworth Sports Centre which is presented in Section 3.

## Section 2 Needs Assessment

### Results of the supply and demand models

- 2.48 SSGB has provided an analysis of the provision of various types of sports facilities compared to other local authority areas but what is perhaps most important to do is to assess supply and demand together using a range of bespoke models available.
- 2.49 The main supply and demand tool used is the Facilities Planning Model which is managed by Sport England. Whilst this is by far the most sophisticated tool in assessing supply and demand levels, it is only designed to be used for sports halls and swimming pools only.
- 2.50 For the other two main sports facility types, AGPs and health and fitness gyms, SSGB has used other tools available.

### *Facilities Planning Model – swimming pools and sports halls*

- 2.51 Sport England's Facilities Planning Model is a useful tool because it examines supply and demand according to a range of factors including accessibility (travel time on foot to a site), hours available for community use, inward and outward migration (an assumption relating to whether some people will travel outside of the borough to access facilities and whether some people will come in from outside of the borough), overall spare capacity and the quality/ attractiveness of a site.
- 2.52 The model also takes into account a "comfort factor" which relates to a comfortable capacity of each site which may not be 100%. For example, for pools, it is assumed that a pool has no spare "comfortable capacity" if it is more than 70% utilised at peak times. In reality therefore, the supply of pools must always exceed demand levels by 30% if Sport England is to be satisfied that provision levels are adequate.
- 2.53 The data which creates a demand figure for pools and halls in either m2 or number of badminton courts is calculated by using total population figures for Oldham and estimating the total number of visits across the borough per week at peak times. The model has then calculated the space required to meet this demand.
- 2.54 **The results for Oldham in 2011 is as follows:**

#### **FPM results for Swimming Pools**

Total supply of pools in m2 = 2,114m2\*

Total demand for pools in m2 = 2,242m2

Undersupply of pool space = 128m2

#### **FPM results for Sports Halls**

Total supply of badminton courts = 78 courts\*\*

Total demand for badminton courts = 63 courts

Oversupply of badminton courts = 15

## Section 2 Needs Assessment

Notes:

\* the total supply figure includes the new pool at Chadderton Wellbeing Centre and excludes Glodwick Pool and Kicks Leisure due to their size. The figure has also been deducted to take into account pools which are not always available for community use

\*\* the total supply figure excludes some halls due to size and the figure has been deducted to take into account the halls which are not always available for community use. These figures also exclude the impact of the new schools programme – see para 2.58 below.

- 2.55 For swimming pools therefore, the result indicates that if the “comfort factor” is applied, there is a small shortfall of swimming pools in the borough. A modern 25m, 6 lane pool is circa 300m<sup>2</sup> and so this 128m<sup>2</sup> shortfall is about the size of half a 25m pool. It is important to note, however, there is likely to be an additional shortfall of provision once the pool at the Waterhead Academy (Roxbury Campus, formerly Breezehill School) is closed following the completion of the new Waterhead Academy which will not be providing a swimming pool. If the Breezehill Pool is closed and not replaced, the **shortfall of pools identified by the model increases to 335m<sup>2</sup>**.
- 2.56 However, because Breezehill Pool is a small pool of 207m<sup>2</sup> and it has very little access for the community (few hours a week are offered to the community) this pool is therefore not considered to be of significant value compared to a modern and flexible space for swimming pool. Sport England may require further discussions on the implications of this closure on the current user groups. It would be wise to determine whether alternative pools in the area could take on the displaced use and the nearby pools which could be suitable are Oldham Sports Centre and Hulme Grammar School.
- 2.57 For sports halls, the model result is showing that at present, there is a theoretical surplus of sports halls equivalent to 15 badminton courts. It is, however, important to understand the impact, particularly for sports halls, of the academy schools programme once it is completed. If it is assumed that all sports halls on the school sites which are closing are excluded from the figures and the new halls which are being provided are added into the figures, this results in an overall net loss of 16 badminton courts which means there is a final supply and demand balance of a 1 court undersupply. However, it is important to note that this net loss figure assumes that the 8 courts provided by BH Sports Management (Loxtons) at the Sport for All Centre (Oasis Academy, Roman Road Campus) are lost and not replaced. If these 8 courts are re-provided then **the final result is an oversupply of sports halls equivalent to 7 badminton courts**.
- 2.58 At present, there is a desire by the Council for the Oasis Academy (Roman Road Campus) site to be clear for disposal once the new school is open at Hollins Road. However, BH Sports Management has a long lease (89 years left) on the land where the sports halls are located and would need these to be re-provided if they were to relocate. Their ideal option is to remain at the Roman Road site but have also proposed a number of relocation options at the new schools including Oldham Academy North in Royton, Hathershaw Technology College and the Waterhead Academies. Each of these three options has some major disadvantages for the operator because they would be moving to some constrained sites which are further away from their current market of customers. It is recommended that discussions with BH Sports Management are resurrected as soon as possible.

## **Section 2 Needs Assessment**

- 2.59 The sports hall figures assumes the closure of the Tara Sports and Leisure Centre which it is understood to have been identified as a potential housing site and has been closed numerous times in the past.
- 2.60 For both sports halls and swimming pools, Sport England has provided maps which show the location of the sites across the borough. These maps are contained within Appendix A.
- 2.61 The outcome of this mapping exercise for swimming pools shows that even though there is a shortfall of provision of about half a pool, because of the good geographical spread of provision across the borough, there are no specific areas with a significant shortfall in provision to justify an additional swimming pool above the levels currently provided. This is shown by the concentric circles around the sites which represent an estimated 20 minute walk time around each site. This conclusion is likely to change, however, due to the closure of Breezehill Pool.
- 2.62 The FPM has also shown that 92% of total demand for swimming pool space in the borough is being met by pools located within the borough. This statistic is very high compared to other areas which suggests that the pools in Oldham are very accessible. This means that in future, if any swimming pools are closed and replaced, they would ideally need to be located in a similar vicinity to where they are currently.
- 2.63 Whilst the maps indicate that the small shortfall of pool space does not justify a new pool in any specific location, if any further pool space is lost or reduced in one particular part of the borough then the impact of this needs to be examined closely. Sport England is also likely to be concerned that many of the pools at present have limited additional capacity. There are additional modelling scenarios which can be looked at by Sport England if the Council wishes to explore this further.

### ***Facilities Calculator – AGPs***

- 2.64 Sport England is working on the expansion of the FPM model to include other sports facilities and it is intended that the next model completed would be for AGPs. At the time of this study, the model was not ready for use.
- 2.65 In the absence of an FPM for AGPs, we have instead used Sport England's Facilities Calculator which is a more basic tool that uses total population data and makes a recommendation of the total provision needed to meet this population level.
- 2.66 For AGPs, the Facilities Calculator recommends a total provision of 7 AGPs across the borough. As of January 2011, there are 12 AGPs and these are a mix of surfaces and sizes. This result indicates that at present there is an oversupply of 5 AGPs in the borough. Of these 12 AGPs, there are 6 3G pitches and 6 sand-based pitches.
- 2.67 Through the new academy school programme, there will be new AGPs provided at each of the new schools as well as new AGPs at the new RC School and North Chadderton School. It is also understood that Hathershaw Technology College has secured funding for a full-size 3G AGP and this will be completed in 2011. As a result of the schools investment programme and other projects, there is a net gain of 5 full-size AGPs and so by 2013, there will be a total of 17 provided. It is anticipated that these 17 APGs will comprise 12 3G and 6 sand-based pitches. **Therefore, following the school investment programme and other projects, there will be an oversupply of 10 AGPs across the borough.**



## Section 2 Needs Assessment

- 2.68 In some areas of the borough, there are issues at the moment with the current oversupply of AGPs which is most prevalent in areas where new schools are located. This is particularly an issue at Failsworth School and Sports Centre where there is an issue with duplication and competition between the AGPs at the site and will also be an issue in the Chadderton and Royton areas. Section 4 of this report identifies some of these issues in more detail on an area by area basis.

### **SSGB model for health and fitness facilities**

- 2.69 For an assessment of the provision of health and fitness facilities in the borough, a model has been produced which works in a similar way to the Facilities Calculator in that it estimates the level of fitness provision which is needed to satisfy demand from a certain population.
- 2.70 The supply of health and fitness is measured in terms of the number of health and fitness stations required. A station is one piece of cardio-vascular equipment for example.
- 2.71 **The results for Oldham in 2011 is as follows:**

#### **Supply and demand model for health and fitness gyms**

Total supply of fitness stations = 1108

Total demand for fitness stations = 943

**Oversupply of fitness stations = 165**

- 2.72 There are a couple of health and fitness sites which are likely to close in the future, the fitness gym at the Waterhead Academy (Moorside Campus, formerly Counthill School) and the fitness gym at the Tara Sports and Leisure Centre. It is also expected that the new academy schools will include small fitness gyms which may be available to the community. If the latter is assumed, the net gain in fitness provision is 46 stations **which increases the oversupply of fitness stations to 211.**

## Summary

- 2.73 The headline findings from the supply and demand models (including the net gain/ loss of facilities following the completion of the new schools programme) are as follows:

Facility type	Result for Oldham
Swimming pools	Shortfall of pools equal to 335m2 (circa 1 25m swimming pool)
Sports halls	Oversupply of 7 badminton courts
AGPs	Oversupply of 10 AGPs
Health and fitness gyms	Oversupply of 211 fitness stations

## **Section 3 Current facility usage and financial assessment**

### **Introduction**

- 3.1 An assessment of usage and financial performance was undertaken for each of the current facilities in order to identify strong performing sites and the weaker performing ones and why. This information is also important to provide a robust evidence base from which to support difficult decisions about rationalisation and to ensure that the future package of facilities in the management contract is attractive to the private sector.

### **3A Overview of current operation by OCLL**

- 3.2 OCLL is a community benefit society formed in November 2002 as an independent legal entity; separate from Oldham Council. The company is responsible for the management, operation and development of 14 sports facilities in Oldham. In addition, OCLL is responsible for the bookings of grass pitches and playing fields in the borough.
- 3.3 OCLL and its investment partners have secured capital funding to improve the leisure stock within Oldham; from replacing items such as the bowling green carpet at Oldham sports centre to replacing the fitness equipment at all its sites. Subsequently, the AGPs at Chapel Road and Royton and Crompton School have been replaced with 3G surfaces and significant investment in the Saddleworth Pool and Leisure Centre has been made. OCLL's highest investment came in 2009 when Chadderton Health and Wellbeing Centre was opened to replace the old Chadderton Sports Centre; providing a new swimming pool, 55 station gym and dance studio.
- 3.4 The table below shows the OCLL managed sites and the individual facilities provided at each centre.

<b>Facility Name</b>	<b>Facility Mix</b>
Saddleworth Pool and Leisure Centre	<ul style="list-style-type: none"><li>• 25m swimming pool</li><li>• 55 station fitness suite</li><li>• 3 small-sided 3G pitches</li><li>• Dance studio</li><li>• Cafe</li></ul>
Oldham Sports Centre	<ul style="list-style-type: none"><li>• 33.3m x 12.5m swimming pool</li><li>• Learner pool 12.5m x 9m</li><li>• Diving pool 12.5m x 12.5m</li><li>• 8 court sports hall</li><li>• 63 station fitness suite</li><li>• Combat room</li><li>• Climbing wall</li><li>• Indoor bowls hall</li><li>• 2 squash courts</li><li>• Meeting room</li><li>• Café</li></ul>

### Section 3 Current facility usage and financial assessment

Facility Name	Facility Mix
Glodwick Swimming Pool	<ul style="list-style-type: none"> <li>Freeform leisure/ family fun pool</li> </ul>
Breezehill Synthetic Turf Pitch	<ul style="list-style-type: none"> <li>Sand-dressed AGP – full size</li> </ul>
Grange Sports Centre	<ul style="list-style-type: none"> <li>4 court hall</li> </ul>
Grange Synthetic Turf Pitch (Grange School)	<ul style="list-style-type: none"> <li>Sand-based AGP – not full size (50m x 90m)</li> </ul>
Royton Sports Centre	<ul style="list-style-type: none"> <li>Swimming pool (23m x 8m)</li> <li>9 station fitness suite</li> </ul>
Crompton Pool and Fitness Centre	<ul style="list-style-type: none"> <li>Swimming pool (23m x 8m)</li> <li>Learner pool (9m x 4.6m)</li> <li>22 station fitness suite (in pre-fabricated building)</li> </ul>
Royton and Crompton Synthetic Turf Pitch	<ul style="list-style-type: none"> <li>3G AGP (65m x 100m)</li> </ul>
Bishops Park Pitch and Putt	<ul style="list-style-type: none"> <li>9 hole pitch and putt plus 18 hole putting green</li> </ul>
Chadderton Wellbeing Centre	<ul style="list-style-type: none"> <li>Swimming pool (25m)</li> <li>46 station fitness suite</li> <li>Meeting rooms</li> <li>Café</li> <li>Library</li> </ul>
Radclyffe Athletics Centre	<ul style="list-style-type: none"> <li>4 court sports hall</li> <li>Indoor Athletics Hall</li> <li>Synthetic Athletics Track</li> </ul>
Failsworth Sports Centre	<ul style="list-style-type: none"> <li>Swimming pool (25m)</li> <li>40 station fitness gym</li> <li>4 court sports hall</li> <li>2 court sports hall</li> <li>Indoor cricket and projectile hall</li> <li>6 tennis courts</li> <li>Full-size sand-based AGP</li> </ul>
Chapel Road Synthetic Turf Pitch	<ul style="list-style-type: none"> <li>3G AGP – full size (63m x 105m)</li> </ul>

3.5 A summary of financial performance overleaf shows the income, expenditure, net operating position and total annual visit for each of the facilities during 2009/10.

### Section 3 Current facility usage and financial assessment

#### Summary of Financial Performance 2009/10

Facility	Income (£)	Expenditure (£)	Net Operating position (£)	Total Annual Visits (Throughput)
Saddleworth Pool and Leisure Centre	752,612	616,382	136,229	153,384
Oldham Sports Centre	1,148,336	1,325,380	-177,044	372,562
Glodwick Swimming Pool	133,700	186,671	-52,971	39,762
Breezehill Synthetic Pitch	5,127	15,350	-10,223	n/a
Grange Sports Centre	2,045	13,897	-11,852	
Grange Synthetic Pitch (Grange School)	5,566	19,055	-13,489	
Royton Sports Centre	277,870	325,791	-47,921	72,669
Crompton Pool and Fitness Centre	316,715	429,746	-113,031	90,418
Royton and Crompton STP	116,819	91,118	25,701	
Bishop Park Pitch and Putt	0	3,223	-3,223	
Chadderton Wellbeing Centre	412,864	360,421	52,443	97,214
Radclyffe Athletics Centre	69,687	101,174	-31,487	
Failsworth Sports Centre	676,214	687,327	-11,113	169,056
Chapel Road STP	99,624	124,402	-24,778	

NB Gaps in usage data exist where information is not available

- 3.6 Initial analysis of the financial performance shows that the strongest performers financially are Chadderton Wellbeing Centre, Saddleworth Pool and Leisure Centre and Royton and Crompton Synthetic Turf Pitch (AGP). Saddleworth Pool and Fitness Centre has the highest net operating surplus at £136,229.
- 3.7 Equally, the above table reveals which facilities appear to be performing the weakest financially. Oldham Sports Centre, Crompton Pool and Fitness Centre and Glodwick Swimming Pool have the highest operating deficits, resulting in an accumulated deficit of c. £350,000 in 2009/10..

## **Section 3 Current facility usage and financial assessment**

### **3B Key Performance Indicator Analysis**

- 3.8 Key Performance Indicators (KPIs) have been researched and collated to illustrate how each facility is performing financially against regional and national benchmarks. The KPIs have been benchmarked against data sourced from Sport England and operational data held by SSGB.
- 3.9 KPIs include income per m<sup>2</sup>, subsidy per m<sup>2</sup>, subsidy per visit and expenditure benchmarks. Consultation with the facility managers and OCLL were carried out to ensure the data provided was interpreted correctly and also to collate additional qualitative information about each facility.
- 3.10 The table overleaf sets out the results of the KPI analysis and illustrates how each centre is performing against the different benchmarks. The colour coding in the table illustrates how the centre is performing under a specific benchmark in terms of whether it is upper or lower quartiles compared with national benchmarks. The key below highlights which quartile relates to which colour. This helps to provide an overall view of how any particular individual centre is performing across the benchmark analysis.

<b>Sport England Benchmarks (%)</b>	<b>Category (Quartile)</b>
75-100	1 <sup>st</sup> (Optimal)
50-75	2 <sup>nd</sup>
25-50	3 <sup>rd</sup>
0-25	4 <sup>th</sup>

### Section 3 Current facility usage and financial assessment

Facility	Subsidy per user	Subsidy per sq m	Cost recovery	Income per visit	Visits per sq m	Income per sq m	Income per station	Income per court	Income per sq m pool	energy cost per sq m	Staff cost % of income
Saddleworth Pool and Gym <i>Benchmarked</i>	-£0.89 75%	-£109 75%	122% 75%	£4.91 75%	123 50-75%	£602 75%	£9,290 £4-8K	n/a £15-22k	£726 £580	£45 25%	34% 65-80%
Oldham Sports Centre <i>Benchmarked</i>	£0.48 50-75%	£24 75%	87% 50-75%	£3.08 75%	51 25-50%	£157 75%	£5,783 £4-8K	£10,835 £15-22k	£628 £580	£25 25%	84% 65-80%
Glodwick Swimming Pool <i>Benchmarked</i>	£1.33 25%	£72 25-50%	72% 50-75%	£3.36 75%	54 25%	£182 50-75%	n/a £4-8K	n/a £15-22k	£477 £580	£61 25%	90% 65-80%
Breezehill Synthetic Pitch <i>Benchmarked</i>			33% 25%				£4-8K	£15-22k	£580		65-80%
Grange Sports Centre <i>Benchmarked</i>			15% 25%				£4-8K	£15-22k	£580		65-80%
Grange Synthetic Pitch <i>Benchmarked</i>							£4-8K	£15-22k	£580		50% 65-80%
Royton Sports Centre <i>Benchmarked</i>	£0.66 50-75%	£25 75%	85% 50-75%	£3.82 75%	38 25%	£144 50-75%	£6,264 £4-8K	n/a £15-22k	£797 £580	£32 25%	83% 65-80%
Crompton Pool and Fitness Centre <i>Benchmarked</i>	£1.25 25-50%	£108 25-50%	74% 50-75%	£3.50 75%	86 25-50%	£302 75%	£3,233 £4-8K	n/a £15-22k	£970 £580	£95 25%	76% 65-80%
Royton and Crompton STP <i>Benchmarked</i>			128% 75%				£4-8K	£15-22k	£580		47% 65-80%
Bishop Park Pitch and Putt <i>Benchmarked</i>							£4-8K	£15-22k	£580		65-80%
Chadderton Wellbeing Centre <i>Benchmarked</i>	-£0.54 75%	-£24 75%	115% 75%	£4.25 75%	45 25%	£192 75%	£5,440 £4-8K	n/a £15-22k	£209 £580	£15 75%	57% 65-80%
Radclyffe Athletics Centre <i>Benchmarked</i>			69% 25-50%				£4-8K	£15-22k	£580		85% 65-80%
Failsworth Sports Centre <i>Benchmarked</i>	£0.07 75%	£8 50-75%	98% 75%	£4.00 75%	117 75%	£468 75%	£7,038 £4-8K	£24,223 £15-22k	£683 £580	£82 25%	72% 65-80%
Chapel Road STP <i>Benchmarked</i>			80% 50-75%				£4-8K	£15-22k	£580		73% 65-80%

## **Section 3 Current facility usage and financial assessment**

### **Conclusions**

#### **Wet-Side and Dry-Side Facilities**

##### **Subsidy per User and Subsidy per m<sup>2</sup>**

- 3.11 In terms of subsidy per user and per the size of the facility in m<sup>2</sup>, both Glodwick Swimming Pool and Crompton Pool and Fitness Centre have significant subsidies and are in the bottom two quartiles of the performance benchmarks. This suggests that both these facilities are failing to generate enough income to cover their costs. Financial performance over previous years shows a slight decrease in subsidy per user and per m<sup>2</sup> for both facilities in 2008/09; however this is followed by an increase in 2009/10.
- 3.12 However, Oldham Sports Centre performs strongly under these indicators, showing the subsidy paid compared to the number of users and size of facilities is low and sits in the top 50% of the performance benchmarks. Although Oldham Sports Centre has the highest subsidy out of all centres, the usage/throughput of this facility is high and the operational deficit is significant partially due to higher running costs of this facility due to its design and building condition and fabric.

##### **Income per Visit**

- 3.13 When looking at the income per visit KPI, all of the facilities are performing in the top quartile of Sport England's benchmarks. This suggests that an appropriate pricing structure has been set at these facilities. An analysis of financial data from the last three years shows that Glodwick Swimming Pool and Royton Sports Centre, having increased in income per visit in 2008/09, have now decreased in income per visit during 2009/10. The best performers on this KPI were Chadderton Wellbeing Centre and Saddleworth Pool and Leisure Centre - both had the highest increase in income per visit between 2008/09 and 2009/10 periods.

##### **Visits per m<sup>2</sup>**

- 3.14 The number of visits compared to the size of centres has shown a number of poor performing facilities across the borough. The facilities that fall into the lowest quartiles of the performance benchmarks include Oldham Sports Centre, Glodwick Swimming Pool, Crompton Pool and Fitness Centre, Royton Sports Centre and Chadderton Wellbeing Centre. For Oldham Sports Centre in particular this result suggests that the size and layout is not promoting effective use. The throughput figures displayed earlier in this section show Oldham Sports Centre to have the highest amount of visitors, yet this performance indicator suggests that there are a high proportion of spaces that are not generating income from visits.

##### **Income per health and fitness station**

- 3.15 The poorest performing centre when analysing income per health and fitness station is Crompton Pool and Fitness Centre. This is highlighted by its position in the bottom quartile of the performance benchmarks and has a high operating deficit and relatively low throughput figures. Although the Centre's 2009/10 financial performance compared to the previous two years has shown an increase in health and fitness revenue it is below the market benchmark for health and fitness.
- 3.16 Chadderton Wellbeing Centre falls into the third quartile of the market performance benchmark suggesting the Centre is also performing poorly in terms of health and fitness income. Although, the Centre's health and fitness income has increased

### **Section 3 Current facility usage and financial assessment**

steadily in the last 3 years, it is still performing at the lower end of the market performance benchmark which is surprising given the centres location, no immediate competitors and being a fairly new facility. It indicates that further development and promotion should continue to improve this area (see further commentary on this in Section 4).

- 3.17 In comparison, Saddleworth Pool and Leisure Centre is performing very well on this performance indicator, with income per station within the top quartile of the performance benchmarks, exceeding the market benchmarks by circa £2,000 per station. The high throughput figures and high net operating position reflect the recent refurbishment to the Centre.

#### **Income per badminton court**

- 3.18 Comparing income to the number of badminton courts at sports halls managed by OCLL has revealed that Oldham Sports Centre features in the bottom quartile of the performance benchmarks. Over the past 3 years the Centre has seen a gradual decrease in revenue from badminton court bookings, resulting in a financial performance of 48% below market benchmarks in this area.
- 3.19 Failsworth Sport Centre performs well and is in the top quartile of the performance benchmarks for income in relation to number of badminton courts available. The Centre surpasses the benchmarks by circa £2,000 per court, highlighting the provision of courts is meeting the demand of its catchment.

#### **Income per m<sup>2</sup> of Swimming Pool**

- 3.20 Glodwick Swimming Pool is one of the poorest performing facilities in terms of income per m<sup>2</sup> of pool, and falls into the third quartile of the performance benchmarks.. This correlates with the pool's high subsidy rate and low throughput figures, suggesting the size of the pool limits the number of users and ultimately the amount of income which can be generated.
- 3.21 This KPI analysis has unexpectedly shown Chadderton Wellbeing Centre in the bottom quartile of Sport England's benchmarking for income per m<sup>2</sup> of swimming pool. The Centre's income for the pool is significantly lower than the benchmarks but does not correlate to the fairly high throughput figures.

#### **Energy Costs per m<sup>2</sup>**

- 3.22 When looking at energy costs compared to the size of facilities, there is a trend of poor performing facilities across the borough. Chadderton Wellbeing Centre is the only facility that performs well against benchmarks which reflects the fact that the building is only a few years old. Saddleworth Pool and Leisure Centre and Failsworth Sports Centre have decreased energy costs per m<sup>2</sup> in recent years; however the Centre's are still above industry benchmarks.
- 3.23 Crompton Pool and Fitness Centre has reported increases in energy costs per m<sup>2</sup> consistently over the last three years to reach more than four times the amount of market benchmarks. Clearly this reflects the age of the facility being over 100 years old.

#### **Staff Cost % of income**

- 3.24 When comparing the proportion of income that is spent on staffing costs, Oldham Sports Centre, Glodwick Swimming Pool, Royton Sports Centre and Radclyffe



### **Section 3 Current facility usage and financial assessment**

Athletics Centre are the poorest performers. These facilities fall into the bottom quartile of the performance benchmarks, with Oldham Sports Centre and Glodwick Swimming Pool steadily increasing the proportion of income spent on staffing in the last three years. Royton Sports Centre and Radclyffe Athletics Centre, however, have gradually decreased the percentage of income spent on staffing over recent years.

#### **Artificial Grass Pitches (AGPs)**

- 3.25 When looking at the staff costs compared to income, Grange School STP and the Royton and Crompton STP are performing well and feature in the optimal quartile of Sport England's benchmarks. Chapel Road STP does not perform well on this KPI as it falls into the third quartile of the benchmarks, suggesting the facility could be both over staffed and under used.
- 3.26 Breezehill AGP performs poorly in the cost recovery KPI, illustrating an expenditure of three times the amount of income. The facility is placed in the bottom quartile of the benchmarks. Financial data from previous years has revealed an increase in cost recovery at this site until 2009/10, where a significant decrease is shown.

## **Section 4 Future facility needs and delivery options**

### **Introduction**

- 4.1 The study undertaken by SSGB has involved a detailed review of the need for current and future sports facilities in Oldham and has highlighted some key issues with under and over provision of facilities across the borough as a whole.
- 4.2 However, it is important to review these issues at a more localised level to determine whether there are realistic opportunities to address surplus and deficiency issues and to ensure that the future needs of each community are met by adequate facility provision.
- 4.3 The opportunities to address deficiencies may include considering new facilities provided by the Council or through enhancing community access at other facilities provided by the private sector and by schools. The opportunities to address any surpluses may involve consideration of closure of some sites or the Council may wish to consider transferring these assets to other operators such as local schools or sports clubs.
- 4.4 A financial assessment of the performance of the current facilities managed by OCLL has been presented in the previous section to provide further context for any decisions on future provision. A clear aim of this study is to identify a package of facilities owned by the Council which is cost-effective to operate and ultimately reduces the revenue burden of the Council. It is also important that this package of facilities is attractive to potential private sector management and investment partners. It is important to note that the summary of facility needs overleaf and the subsequent delivery options have been identified with these core objectives in mind but also set in the context of the results of the needs assessment.
- 4.5 In the table overleaf, the key facility needs and opportunities are presented by district areas. The current facilities managed by OCLL are noted as well as some key issues with provision and opportunities for a more cost-effective package of facilities in the future.

### **4A Summary of facility needs by area**

#### Section 4 Future facility needs and delivery options

District Area	Overview of facility provision, key issues and opportunities
<b>Saddleworth and Lees</b>	<ul style="list-style-type: none"> <li>• In this area, OCLL manages the Saddleworth Pool and Fitness Centre, a recently refurbished centre which is operating well and generates a surplus each year. The site provides a good quality and accessible 25m swimming pool and fitness gym.</li> <li>• This area also has a 4 court sports hall at Saddleworth School which is open to the community after school and at weekends.</li> <li>• There are two private sector fitness clubs, Lifestyle Fitness in Uppermill and Quannum Fitness in Diggle and given the area is the most affluent area in the borough, it is likely that the market could sustain at least one additional private sector fitness club.</li> <li>• The Lees part of this district area which is closer to the town centre does have parts of it with high levels of deprivation. The facilities provided in East and West Oldham are more accessible to the residents of this area. At present, the Waterhead Academy (Roxbury Campus, formerly Breezehill School) provides the only locally accessible sports facility for residents in Lees and provides a 4 court sports hall and a small swimming pool. This site will be closed once the new Waterhead Academy at the former Orb Mill site on Huddersfield Road is open. The Waterhead Academy will provide a range of sports facilities including a new sports hall, multi-use games areas, small fitness gyms, 3G AGPs and grass playing pitches. It is intended that these facilities will be accessible to the local community and this is particularly relevant for the community in Lees. It is important to note, however, that the swimming pool currently at the Roxbury Campus (formerly Breezehill School) will not be replaced. It is unlikely that this will be a major issue for local residents as the pool there now is very small and only really suitable for small groups of learner swimmers). It is very likely that the residents of Lees currently travel to Oldham Sports Centre, which is within a 20 minute walking distance, and on several bus routes to access the large pools and the comprehensive range of facilities at the site.</li> <li>• The Council is also leading on the redevelopment of Churchill Playing Fields in Uppermill which is involving reconfiguration and drainage work to the pitches on site.</li> </ul>
<b>Recommendations for Saddleworth and Lees</b>	<ul style="list-style-type: none"> <li>• No further public sector provision is required in Saddleworth but there are opportunities for additional fitness provision led by the private sector.</li> <li>• The needs of residents in Lees should be considered when securing access to sports facilities at the Waterhead Academy and it should be recognised that Oldham Sports Centre provides a valuable public facility for these residents too, particularly because of its swimming pools.</li> </ul>

#### Section 4 Future facility needs and delivery options

District Area	Overview of facility provision, key issues and opportunities
<b>East Oldham</b>	<ul style="list-style-type: none"> <li>• East Oldham has a good range of sports facilities provided by both the public, private and voluntary sector and is the second most densely populated areas of the borough.</li> <li>• Oldham Sports Centre is the borough's flagship facility and sits on the border between East and West Oldham. The centre serves a borough-wide catchment and, in particular, provides accessible sports facilities for some of the most deprived wards in the borough. It has an extensive range of facilities including a very strong swimming offer. It has a specialist diving facility which is a little unusual to be provided in a community sports centre. Diving pools are more typically provided in aquatic centres of excellence such as the Manchester Aquatics Centre which is about 30 minutes drive from Oldham. The centre also provides the only indoor bowls centre in the borough. The site is very well used and has a relatively low level of subsidy given its size. However, it is an ageing facility which is nearing the end of its useful life with significant future maintenance and repair costs associated with the pool and other areas.</li> <li>• The provision of sports halls in this area is very good and there is potential for oversupply in this area once the two new four court sports halls are built at the Waterhead Academy and the new four court hall planned at the new Oldham Youth Zone (MAHDLO centre).</li> <li>• The provision of swimming pools is well catered for by Oldham Sports Centre which caters for nearly one-third of all swimming pool visits across the borough. There is another swimming pool in East Oldham, at Glodwick Pool which provides a very small, leisure pool which has very limited value for swimming for exercise or for more competitive training. Glodwick Pool is reported to be in very poor condition and in need of major investment and refurbishment if it is retained. OCLL has considered an extension of the site to provide a fitness suite to help address the revenue deficit at this site (£53,000 loss in 2009/10). It is unlikely, however, that major capital investment in this site would demonstrate value for money given the low value the site has for swimming and that Oldham Sports Centre offers a very good programme of swimming nearby.</li> <li>• There are good levels of provision of fitness gyms in this area with four private sector fitness gyms and the public sector provision will be enhanced once the two new fitness suites are open at the Waterhead Academy.</li> <li>• In terms of AGPs, there are no facilities provided in this area at present, following the recent closure of Breezhill Synthetic Pitch, although the new Waterhead Academy will provide three new AGPs which will be accessible to the community after school hours.</li> </ul>

## Section 4 Future facility needs and delivery options

District Area	Overview of facility provision, key issues and opportunities
<b>Recommendations for East Oldham</b>	<ul style="list-style-type: none"> <li>• Oldham Sports Centre serves a borough-wide catchment and is well located to serve many of the deprived communities in East and West Oldham. It is recommended that this facility is replaced in a similar location with a new, modern community sports centre which continues to serve a borough-wide catchment and also the communities in East and West Oldham. It is recommended that the new centre provides a smaller range of facilities which complement the new facilities being provided at the academy schools and also the new Oldham Youth Zone.</li> <li>• It is concluded that investment in retaining Glodwick Swimming Pool would not be a value for money option and therefore this site should be considered for closure and consideration be given to providing a small leisure pool in the new Oldham Sports Centre. However, further analysis should be undertaken regarding the usage profile of this pool and how current user groups could be accommodated appropriately at Oldham Sports Centre in the short-term.</li> <li>• It is important that community access is available at the new sports facilities being provided by the Waterhead Academy, particularly for the fitness suites, the sports halls and the AGPs.</li> </ul>
<b>West Oldham</b>	<ul style="list-style-type: none"> <li>• West Oldham is one of the least well provided for areas in terms of public leisure provision but is the most densely populated area of the borough. The only OCLL managed facilities in this area include the Grange Synthetic Pitch and the Grange Sports Centre which are both facilities with uncertain futures when the Oldham Academy North re-locates to the current Our Lady's site in Royton. It is likely that both of these facilities will be closed in the near future and the site redeveloped for other uses.</li> <li>• The lack of publicly managed and accessible facilities in this area emphasises the importance of Oldham Sports Centre and providing an adequate replacement to this facility which is well located to serve West Oldham. There is a swimming pool in this district area but it is at Hulme Grammar School and offers limited access to the community and is also a very small pool.</li> <li>• There are a number of sports halls in this area which are accessible to the community after school hours eg Oldham 6<sup>th</sup> Form College, Oldham Hulme Grammar School and Hathershaw College of Technology and Sport. There is also a four court sports hall at the OBA Millennium Centre.</li> <li>• There are many private sector fitness gyms in this area with three large centres as well as fitness gyms provided at Hathershaw College, Oldham 6<sup>th</sup> Form College, Oldham College and the OBA Millennium Centre.</li> <li>• The Oldham College is currently developing an accommodation strategy within which consideration will be given to the future sports facilities. Currently, the College provides a fitness gym at its central campus but does not have a sports hall or AGP. The College uses both the OBA Millennium Centre and the Grange facilities. Liaison with the College regarding its future plans is clearly important.</li> </ul>

#### Section 4 Future facility needs and delivery options

District Area	Overview of facility provision, key issues and opportunities
<b>Recommendations for West Oldham</b>	<ul style="list-style-type: none"> <li>• The future of the Grange sports facilities needs to be determined and the Council should continue to work closely with Oldham College on its future accommodation strategy to ensure that there is sufficient provision of publically accessible sports facilities serving West Oldham.</li> <li>• The importance of Oldham Sports Centre to residents in this area is also important to consider and the future replacement facility needs to take into account the new accommodation strategy being developed by Oldham College.</li> <li>• It is recommended that accessibility and usage levels are assessed at each of the sports halls in this area and where possible, encourage greater access for the local community.</li> </ul>
<b>Shaw and Royton</b>	<ul style="list-style-type: none"> <li>• This area of the borough provides two public swimming pools which are managed by OCLL at Crompton Pool and Royton Sports Centre which are two of the oldest facilities in the borough. DW fitness, a private fitness club also provides a swimming pool which is located on the western edge of this district area.</li> <li>• Royton Sports Centre provides a small 23m by 8m (4 lane) swimming pool and a small 9 station fitness suite. The centre also used to provide a sports hall but this facility was lost during the development of the Royton Health and Wellbeing Centre. It is expected that significant capital investment is required to refurbish and repair the pool in this building and given the age of the pool, the small size of this pool and its current financial performance (£48,000 loss in 2009/10) it is not considered a value for money option. However, this pool is well used and so replacement options for this facility should be considered.</li> <li>• Crompton Pool is the oldest pool in the borough being over 100 years old. The pool is a similar size to the one at Royton Sports Centre (23m 4 lane pool) and also has a small fitness suite. It is expected that significant capital investment is required to refurbish this facility in the very near future. Given the age of the pool, its size and its current operating performance (£113,000 loss in 2009/10) any capital investment in this site is not considered to be a viable option. Similarly to the pool in Royton, this pool is very well used and therefore replacement provision should be considered.</li> <li>• There are three sports halls in this area, two provided at school sites; Royton and Crompton School and Our Lady's RC High School (which is the site of the new Oldham Academy North) and Tara Sports and Leisure Centre. The sports hall at Royton and Crompton School is the oldest sports hall in the borough being over 40 years old. The new Oldham Academy North will provide a new four court sports hall within its new campus. The future of Tara Sports and Leisure Centre which provides a four court hall is uncertain after periods of closure and re-openings and it is thought that this site may be disposed of for a housing development, when market conditions are favourable.</li> <li>• This area has two private fitness clubs, including the largest fitness gym in the borough, DW fitness which has 100 stations. There is also a small ladies gym and a gym at the Tara Sports and Leisure Centre but this site is likely to</li> </ul>

#### Section 4 Future facility needs and delivery options

District Area	Overview of facility provision, key issues and opportunities
	<p>close. There are two small public fitness gyms at Royton Sports Centre and Crompton Pool but there is sufficient capacity in the market for further public provision.</p> <ul style="list-style-type: none"> <li>There is one AGP in this area at Royton and Crompton School and this facility had its surface refurbished in 2008 from a sand-based AGP to a 3G AGP. This facility performs very well financially and generated a £25,000 surplus in 2009/10. However, it is also expected that the new Oldham Academy North will provide a new AGP at its site which is only a 5 minute walk away from the Royton and Crompton School. There are potential oversupply issues in this area with AGPs which may affect the financial performance of the Royton and Crompton AGP in the future.</li> </ul>
<b>Recommendations for Shaw and Royton</b>	<ul style="list-style-type: none"> <li>Due to the ages, sizes and operating performances of Crompton Pool and Royton Sports Centre, it is recommended that these two facilities are closed but are replaced with a new swimming pool and fitness centre at a suitable and accessible site for both groups of current users. It is suggested that a suitable location for a new swimming pool and fitness centre may be Royton and Crompton School which also needs to replace its old sports hall. There is an exciting opportunity to replace both pools with a large, modern and flexible swimming pool which will also be a catalyst for regenerating sports facilities at the school, ideally all on a site adjacent to the existing AGP. Detailed feasibility work needs to be undertaken to determine whether the school site is a suitable site for such a facility but it is understood that initial discussions with the school, have been positive.</li> <li>Consideration should be given to the final mix of facilities at Oldham Academy North which is very close to Royton and Crompton School. In particular, whether there should be an AGP at this site as this is likely to impact financially on the current 3G AGP at Royton and Crompton School and the two sites are within walking distance from each other.</li> </ul>
<b>Chadderton</b>	<ul style="list-style-type: none"> <li>In 2009, the new Chadderton Health and Wellbeing Centre (CHWC) opened and is managed by OCLL. It was built to replace the Chadderton Sports Centre which had come to the end of its useful life. The new Health and Wellbeing Centre provides a 25m swimming pool, a fitness gym as well as meeting rooms and a café. It is co-located with a library and is close to a new ASDA supermarket and is a great example of a joint service centre right at the heart of the community. The centre is performing well with a net surplus of £52,500 in 2009/10 but there are indications that the fitness gym could perform better. Before the provision of the CHWC, there was a gap in provision of swimming pools in this area.</li> <li>The sports hall at Chadderton Sports Centre was not replaced at the new CHWC. However, in this district area there are currently three sports halls, all based at school sites; Radclyffe School, North Chadderton School and the Oasis Academy (Butterworth Lane Campus, formerly South Chadderton School). There is also a sports hall planned to be provided at the new RC School on Broadway in Chadderton.</li> <li>Radclyffe School has an extensive range of sports facilities including a four court sports hall but this is not available for</li> </ul>

#### Section 4 Future facility needs and delivery options

District Area	Overview of facility provision, key issues and opportunities
	<p>public hire. This school is also adjacent to the Radclyffe Athletics Centre which is managed by OCLL and includes a four court sports hall and an indoor and outdoor athletics track. The Radclyffe Athletics Centre makes a small loss of £31,500 per annum.</p> <ul style="list-style-type: none"> <li>• Through the BSF programme, North Chadderton School is being refurbished and through the Academy programme, the Oasis Academy (Butterworth Lane Campus, formerly South Chadderton School) will be replaced with a new school, the Oasis Academy Oldham at Hollins Road in 2012. The new school will provide a four court sports hall and is anticipated to offer access to the community outside school hours.</li> <li>• Apart from the gym at CHWC, there are no other fitness gyms in the district area. It is surprising that there are no private sector fitness clubs in this area as it is considered to be quite an affluent part of the borough. This market situation implies that the fitness gym at CWHC should be performing better. Radclyffe School has a fitness gym but it is not clear whether this is available for community use. A fitness gym will be provided in the new Oasis Academy Oldham but this site is actually in the Failsworth area.</li> <li>• There are two 3G AGPs provided in this area; one at Radclyffe School and one managed by OCLL at Chapel Road, which is just on the border between Chadderton district area and Failsworth. Both facilities are quite new, with the Chapel Road Synthetic Pitch being refurbished and converted to a 3G pitch in 2008. It is also proposed that following refurbishment, North Chadderton School will have a new AGP. There is also an AGP planned to be provided at the new RC School on Broadway in Chadderton.</li> </ul>
<b>Recommendations for Chadderton</b>	<ul style="list-style-type: none"> <li>• The Radclyffe Athletics Centre is managed by OCLL but is located on the Radclyffe School site where there are extensive sports facilities being managed and promoted by the school. The athletics centre makes a net loss of £31,500 (2009/10). There may be opportunities to reduce this net loss through an improved management arrangement with one organisation rather than two, and there could be opportunities to introduce a larger health and fitness offer at this site. The school clearly has expertise in managing and promoting sports facilities so consideration could be given to transferring the Athletics Centre to the school.</li> <li>• There are no sports halls which are fully accessible to users during the daytime but there could be some arrangements put in place for sports halls at schools to provide some access to clubs during early mornings or lunchtimes if there was demand. Consultation with Radclyffe School, North Chadderton School and the new Oasis Academy School is recommended.</li> <li>• There is some potential for overprovision of AGPs in this district area with two provided at present and two planned for North Chadderton School and the new RC School. This issue is further exacerbated by similar over provision issues in the adjacent district area of Failsworth (see below).</li> </ul>



#### Section 4 Future facility needs and delivery options

District Area	Overview of facility provision, key issues and opportunities
<b>Failsworth</b>	<ul style="list-style-type: none"> <li>There are two facilities managed by OCLL in this area; Failsworth Sports Centre and Chapel Road AGP (on the border with Chadderton). Failsworth Sports Centre is located next to Failsworth School, one of the new PFI schools built in 2008. The Sports Centre provides a four court sports hall, a cricket and projectile hall, a 25m swimming pool, fitness gym as well as a sand-based AGP and 6 tennis courts. The new school also provides a sports hall but is a smaller hall with 2 badminton courts. The school also has a Soccer Centre which provides two small 3G pitches and three grass pitches.</li> <li>The school promotes the use of its small sports hall for community hire which is in direct competition with the sports hall in the sports centre next door. In the district area, there are also two very large sports halls (2 four court halls) at the Oasis Academy (Roman Road Campus, formerly Kaskenmoor School) which are operated by BH Sports Management (the sports halls are branded the Oldham Sports For All Centre) and these halls are very well used and very well managed. The future of these sports halls is uncertain however, as the school will be moving to the new Oasis Academy on Hollins Road. BH Sports Management is keen to retain and continue to operate the two existing sports halls after the school has moved off the site, and has requested planning permission for expansion of this site to add an additional four court hall. The operator recognises the desire of the Council to sell the vacated school site in its entirety in order to generate a capital receipt and has proposed a number of relocation options which are currently being considered by the Council. BH also manages the AGP at this site although it has recently closed because the surface needs replacing and due to the uncertainty of the future of this site it may not re-open.</li> <li>There are issues with the duplication of AGPs across the road from the sports centre with both a sand-based AGP at Failsworth Sports Centre as well as two new 3G AGPs (half sized) at Failsworth Soccer Centre (owned by the school). There is also a proposal by Oldham Athletic FC to relocate from Boundary Park to a site in the Failsworth area and the new stadium could be built around a comprehensive commercial leisure development including a GOALS Soccer Centre.</li> </ul>
<b>Recommendations for Failsworth</b>	<ul style="list-style-type: none"> <li>There is only one swimming pool serving the Failsworth area at Failsworth Sports Centre so it is important that this is retained in the future. However, the provision of two sports halls and three AGPs all competing with each other is an issue which needs to be addressed. The sand-based AGP at Failsworth Sports Centre is not performing well financially and in the last three years, since the completion of the new Soccer Centre at Failsworth School, the income has dropped from £30,000 per year to £25,000 per year and is likely to need some capital investment in repairing the surface in the future.</li> <li>Consideration should therefore be given to addressing these duplication issues including via transfer of the management of all sports facilities at the site to one operator and removal of any facilities which are duplicated and under-performing. An option for consideration could be to transfer the management of Failsworth Sports Centre to</li> </ul>

#### ***Section 4 Future facility needs and delivery options***

District Area	Overview of facility provision, key issues and opportunities
	<p>Failsworth School and consider the disposal of the sand-based AGP and return the land to grass playing fields. There could be issues, however with the feasibility and interest from the school to take on Failsworth Sports Centre, including the pool and therefore an option of including Failsworth Sports Centre in the management contract will also be required.</p> <ul style="list-style-type: none"><li>• The future of the Oldham Sports For All site needs to be addressed and BH Sports Management should be given a clear steer from the Council about the future plans for the Oasis Academy Roman Road/ Kaskenmoor School site. If the operator is to be relocated then a suitable site must be found but this is likely to be a significant challenge given the size of land which is needed to accommodate at least two four court halls and provide the operator with the additional space for a third four court hall in the future. The relocation of this operator could also be extremely costly to achieve.</li></ul>

## ***Section 4 Future facility needs and delivery options***

### **4B Town Centre Leisure Facility**

- 4.6 As part of the study, SSGB was asked to explore the potential for delivering a new Family Leisure Facility (FLF) that would be located in the town centre.
- 4.7 This element of the study would need to assess the requirement for leisure provision in the town centre and how any potential redevelopment options could work within the context of the wider town centre regeneration work that is also being undertaken by the Council. The assessment would also need to take account of other factors such as out of town developments which could potentially impact on the viability of a town centre FLF.
- 4.8 This element of the study also seeks to identify whether any new FLF would be procured as part of a new management contract for the leisure estate or would sit outside of this.

### ***Current provision and demand***

- 4.9 Oldham Sports Centre is currently the main provider for sporting facilities in the town centre.
- 4.10 Other leisure is catered for through a range of operators including bingo (Mecca), snooker and pool and a range of restaurants, cafes and bars. Further venues such as the Coliseum Theatre, Lyceum Players and Gallery Oldham contribute to the leisure offer. The town centre however has no cinema or ten pin bowling venue and, are not provided elsewhere in the borough either.
- 4.11 WYG Planning and Design's Retail and Leisure Study June 2009, commissioned by the Council, assessed the existing leisure provision and future capacity and as part of this identified demand for a new cinema venue. The report concluded that the borough could support a ten screen cinema.
- 4.12 Further canvassing (conducted on street) of local opinion on the provision of a cinema within the WYG study identified that of all potential leisure facilities, a cinema was the most popular choice.
- 4.13 The study goes on to report that the evening leisure offer for the town centre is very limited and that the general conclusion was a distinct need to improve the quality and range of the daytime and particularly the evening leisure offer.

### ***Commercial interest***

- 4.14 To assess initial interest for a new FLF for the town centre from commercial operators, SSGB undertook an initial soft market testing exercise. The objective was to identify what additional leisure offer could be developed to compliment the sporting facilities identified as required to serve the town centre area.
- 4.15 This was done through emails and telephone calls to a range of operators. The services of Rapleys (leisure agent based in Manchester) were commissioned to undertake some of the assessment, and additional information previously supplied by Latham Yeomans was also reviewed. Contact was also made with Shelley Sandzer (very experienced leisure agent) for further advice however no response has been received to our enquiries to indicate any interest.

## **Section 4 Future facility needs and delivery options**

4.16 The operator types which we attempted to contact are:

- Cinema
- Restaurants
- Hotel
- Bowling
- Ice rink
- Snooker & pool halls
- Health & Fitness
- Laser Quest
- Casino/bingo/amusement arcade
- Theatre/music venue
- Five a side operators

4.17 The responses received to date are largely disappointing. The key issues identified were:

- Oldham is not on the radar as a target area – neighbouring conurbations are considered to be more attractive
- Acquisitions programme at some operators is currently on hold
- Town centre locations not preferred – secondary locations without traffic (one way zones) and free parking are more attractive and less costly to acquire
- Operators would prefer to see a bigger infrastructure surrounding new development
- Out of town offer more appealing

4.18 Many of the operators advised however, that they would review any potential opportunity on a case by case basis. For many (restaurants, bars, hotels etc), having an anchor tenant (cinema, ice rink, music venue or new retail centre) would be a major incentive for them.

4.19 It is noted however that town centre or close to town centre location was attractive to a five a side football operators, although a location with an existing infrastructure would be more appealing.

4.20 The review of facility supply in neighbouring authorities indicates that there are no facilities such as ice rinks or ski slopes. At the time of writing the report, no response from those operators contacted has been received, therefore it is considered that this is an area which could be pursued further as interest from this type of operator could improve the overall appeal.

4.21 The potential relocation of Oldham Athletic FC (O AFC) is a further factor which has been taken into account. Many of the operators contacted have previously been approached with regard to the O AFC proposals and many have indicated interest. This is consistent with feedback received, particularly in relation to secondary locations, free parking and bigger infrastructure requirements, particularly in relation to the cinema operators.

## **Section 4 Future facility needs and delivery options**

- 4.22 The current position with regard to the stadium development is that with the deliverability of the Failsworth site in serious doubt, commercial interest will look to alternative locations, particularly with regard to hotel, cinema, health and fitness and restaurants.

### **Summary**

- 4.23 The sporting needs assessment has identified that there is a need to retain sporting facilities to serve the town centre and surrounding catchment. This provision would need to include a swimming pool, sports hall and additional facilities such as a climbing wall and dance studio. It is not considered that this mix offers any interest to a commercial/private operator as part of a FLF.
- 4.24 A supply assessment of leisure facilities has confirmed that there is no provision in Oldham of a cinema and that neither Oldham nor its immediate neighbouring authorities have any provision for leisure attractions such as an ice rink or ski slope.
- 4.25 Although initial commercial interest has been poor, it is evident that until further conclusions can be drawn as part of the town centre regeneration work, it is difficult to gauge any meaningful appetite. The commercial operators want to see a more detailed package and to understand what else the town centre might have to offer. For example, it appears that simply a lack of a cinema in the borough is not enough incentive to secure a firm interest from an operator without knowing what additional infrastructure might support it.
- 4.26 It is therefore concluded that there is a need for a replacement sports centre and that this could be delivered as part of the leisure estate.
- 4.27 The commercial leisure offer needs to be developed further within the context of the town centre work, and a package or series of packages developed accordingly. It would appear that a more retail led option could improve the offer and that this would need to be procured outside of the leisure estate.

### **4C Future delivery options**

- 4.28 Four future facility scenarios have been developed to provide the Council with a range of options to consider. Each option includes some potential facility closures and opportunities for new and refurbished facilities to modernise the estate. The range of options allows the Council to clearly see the impact on facility provision and achieving revenue savings across three different levels of provision and management and operation of the facilities.
- 4.29 Overleaf is a summary of the key facility changes for each option and then on the following pages, we have presented the impact on the overall revenue deficit as well as highlight where capital investment is needed.

## Section 4 Future facility needs and delivery options

### Summary of facility proposals for each scenario

District Area and Facility	Scenario 1	Scenario 2
<b>Saddleworth and Lees</b>		
Saddleworth Pool and Fitness Centre	Retain	Retain
Comments: It is projected that the net surplus generated by this site can increase by 25% in the future but this needs to be tested in more detail and reflect the likelihood of further private sector interest in setting up new sites in the area.		
<b>Oldham East</b>		
Oldham Sports Centre (OSC)	Close and replace with a new like for like sports centre on a nearby site.	Close and replace with a new, but smaller sports centre on a nearby site.
Glodwick Swimming Pool	Close	Close
Breezehill AGP	Remains closed	Remains closed
Comments: The specific facility mix required at a replacement for OSC needs to be tested further and full consultation on this undertaken but there could be a like for like replacement or a scaled down/ more commercially viable option which excludes some of the less profitable facilities eg diving pool, 4 court hall not 8 court hall, indoor bowls hall and squash courts. It is assumed that OSC would continue to provide a large 25m, 8 lane swimming pool and separate learner pool and may need to cater for the displaced users at Glodwick Pool. Breezehill AGP remains closed and site disposed of along with the surrounding school site.		
<b>Oldham West</b>		
Grange Sports Centre	Close	Close
Grange AGP	Close	Close
Comments: Both of these sites are in a poor state of repair and the land is earmarked for future development as part of the overall Town Centre Regeneration Project. The facilities are adjacent to the Oldham Academy North, formerly Grange School. There is an option of transferring these facilities to Oldham College but the College's future accommodation needs are still being assessed.		
<b>Shaw and Royton</b>		
Royton Sports Centre	Retain and invest	Close and replace with new sports centre at Royton and Crompton School, managed by the School.
Crompton Pool and Fitness Centre	Close	Close
Royton and Crompton AGP	Retain	Transfer to Royton and Crompton School

## Section 4 Future facility needs and delivery options

District Area and Facility	Scenario 1	Scenario 2
Bishops Park Pitch and Putt	Transfer to external operator	Transfer to external operator
<p>Comments: The option to close both pools at Crompton and Royton Sports centre is sensitive but it appears to be the most cost-effective option for the long-term. It is understood that Crompton Pool is very near to closure due to condition by OCLL so it is assumed this will close in all options. There is potential for a new dual-use sports centre and swimming pool to be operated by a leisure management operator or transferred to the school alongside the management of the AGP.</p>		
<b>Chadderton</b>		
Chadderton Health and Wellbeing Centre (CHWC)	Retain	Retain
Radclyffe Athletics Centre	Retain but review overall site operation and consider potential for fitness gym	Transfer to Radclyffe School
<p>Comments: It is projected that the net surplus generated by CHWC this site can increase by 25% in the future but this needs to be tested in more detail. There is an option to retain Radclyffe Athletics Centre but the deficit needs to be addressed. The alternative options are to transfer this whole site to the school. The implications for Radclyffe School's PFI Unitary Charge would need to be considered.</p>		
<b>Failsworth and Hollinwood</b>		
Failsworth Sports Centre	Retain pool and hall but close sand-based AGP and tennis courts	Transfer to Failsworth School
Chapel Road AGP	Transfer to external operator	Transfer to external operator
<p>Comments: Due to the duplication issues at Failsworth Sports Centre and School, there should be an option to reduce facility provision at this site and/ or transfer the whole centre to the school. The latter option needs to be fully tested. Chapel Road AGP is an under-performing AGP and it is very close to the new AGP being proposed at the new Oasis Academy. Consider transferring the Chapel Road AGP to a local club, or to Failsworth school to reduce future liabilities. The implications for Failsworth School's PFI Unitary Charge would need to be considered.</p>		

### Scenario 3

- 4.30 The above scenarios, particularly Scenario 2 make some key assumptions that it is feasible to transfer some of the Council's leisure estate which are located on or adjacent to school sites to the schools themselves to manage in the future. This is the case for Failsworth School, Radclyffe School and Royton and Crompton School.
- 4.31 Scenario 2 has been identified as it is a very attractive contract package for a leisure management operator and the Council because it transfers the operating risk/ subsidy and the future liability of major capital repairs associated with these facilities from the Council/ leisure management operator to the school. Also, both Failsworth and Radclyffe Schools are currently managing and promoting sports facilities within their campuses and therefore demonstrates that this transfer could be feasible.

## Section 4 Future facility needs and delivery options

- 4.32 However, the practical challenges, the implications on the PFI contracts and the overall desire of the schools to do this may mean that these transfers are simply not feasible.
- 4.33 The Council has subsequently instructed consultation and strategy work to be undertaken to test the feasibility of these transfers but it is anticipated that scenario 2 is unlikely to be achieved. Therefore, a third scenario is presented below which assumes that the sports facilities being retained at Failsworth Sports Centre, Radclyffe Athletics Centre and the proposed new sports and swimming facility at Royton and Crompton School will be included in the future leisure management contract.

District Area and Facility	Scenario 3
<b>Saddleworth and Lees</b>	
Saddleworth Pool and Fitness Centre	Retain
Comments: It is projected that the net surplus generated by this site can increase by 25% in the future but this needs to be tested in more detail and reflect the likelihood of further private sector interest in setting up new sites in the area.	
<b>Oldham East</b>	
Oldham Sports Centre (OSC)	Close and replace with a new, but smaller sports centre on a nearby site.
Glodwick Swimming Pool	Close
Breezehill AGP	Remains closed
Comments: The specific facility mix required at a replacement for OSC needs to be tested further and full consultation on this undertaken but there is an option for the replacement facility to be a scaled down/ more commercially viable option which excludes some of the less profitable facilities eg diving pool, 4 court hall not 8 court hall, indoor bowls hall and squash courts. It is assumed that OSC would continue to provide a large 25m, 8 lane swimming pool and separate learner pool and may need to cater for the displaced users at Glodwick Pool. Breezehill AGP remains closed and site disposed of along with the surrounding school site.	
<b>Oldham West</b>	
Grange Sports Centre	Close
Grange AGP	Close
Comments: Both of these sites are in a poor state of repair and the land is earmarked for future development as part of the overall Town Centre Regeneration Project. The facilities are adjacent to the Oldham Academy North, formerly Grange School. There is an option of transferring these facilities to Oldham College but the College's future accommodation needs are still being assessed.	
<b>Shaw and Royton</b>	
Royton Sports Centre	Close and replace with new sports centre at Royton and Crompton School



## Section 4 Future facility needs and delivery options

District Area and Facility	Scenario 3
Crompton Pool and Fitness Centre	Close
Royton and Crompton AGP	Retain
Bishops Park Pitch and Putt	Transfer to external operator
<p>Comments: The option to close both pools at Crompton and Royton Sports centre is sensitive but it appears to be the most cost-effective option for the long-term. It is understood that Crompton Pool is very near to closure due to condition by OCLL so it is assumed this will close in all options. There is potential for a new dual-use sports centre and swimming pool to be operated by a leisure management operator alongside the management of the AGP.</p>	
<b>Chadderton</b>	
Chadderton Health and Wellbeing Centre (CHWC)	Retain
Radclyffe Athletics Centre	Retain but review overall site operation and consider potential for fitness gym
<p>Comments: It is projected that the net surplus generated by CHWC this site can increase by 25% in the future but this needs to be tested in more detail. There is an option to retain Radclyffe Athletics Centre but the deficit needs to be addressed. This option assumes that the centre is retained and included in the leisure management contract.</p>	
<b>Failsworth and Hollinwood</b>	
Failsworth Sports Centre	Retain pool and hall but close sand-based AGP and tennis courts
Chapel Road AGP	Transfer to external operator
<p>Comments: Due to the duplication issues at Failsworth Sports Centre and School, there should be an option to reduce facility provision at this site to remove duplication. This option assumes that Failsworth Sports Centre is then included in the leisure management contract. Chapel Road AGP is an under-performing AGP and it is very close to the new AGP being delivered at the new Oasis Academy. Consider transferring the Chapel Road AGP to a local club, or other operator to reduce future liabilities.</p>	

- 4.34 The headline financial impact of each scenario on the Council's level of revenue subsidy is presented on the following pages.

## Section 4 Future facility needs and delivery options

### Financial impact of the options - Scenario 1

Facility	Action	Capital investment required	Net impact on revenue position (£'000)	Notes
Saddleworth Pool and Fitness Centre	Retained		34	Improved operating position of 25%
Oldham Sports Centre	Replaced with same facility mix	£20m	177	Deficit of current centre is turned into a break even position through new centre. Detailed feasibility and business planning required.
Glodwick Swimming Pool	Closed		53	Saving on current operating deficit if closed
Breezehill AGP	Remains closed		0	Already closed
Grange Sports Centre	Close		12	Saving on current operating deficit if closed
Grange AGP	Close		13.5	Saving on current operating deficit if closed
Royton Sports Centre	Retain and invest	£2.5m	50	Deficit of current centre is turned into a break even position through new investment in centre. Detailed feasibility and business planning required.
Crompton Pool and Fitness Centre	Close		113	Saving on current operating deficit if closed
Royton and Crompton AGP	Retained		0	No change from current operating position; potential oversupply of AGPs in area
Bishops Park Pitch and Putt	Transferred		3	Saving on current operating deficit if transferred
Chadderton Health and Wellbeing Centre	Retained		13	Improved operating position of 25%
Radclyffe Athletics Centre	Retained		31	Current deficit is turned into a break even position through improved mix of facilities and improved on-site management
Failsworth Sports Centre	Retained		2	Assumes pool and hall retained, Improved operating position of 15%
Chapel Road AGP	Transferred		25	Saving on current operating deficit if transferred
<b>Total revenue savings</b>			527	
<b>Central cost saving (currently £1.56m)</b>			625	40% reduction on current central costs
<b>Total improved revenue position</b>			1152	
<b>Current OCLL operating deficit</b>			1,850	
<b>Revised annual subsidy</b>			<b>698</b>	<b>Circa £700K</b>

## Section 4 Future facility needs and delivery options

### Scenario 2

Facility	Action	Capital investment required (£m)	Revenue savings (£'000)	Notes
Saddleworth Pool and Fitness Centre	Retained		34	Improved operating position of 25%
Oldham Sports Centre	Replaced with smaller scale facility*	£10m	252	Deficit of current centre is turned into a £75k profit
Glodwick Swimming Pool	Closed		53	Saving on current operating deficit if closed
Breezehill AGP	Remains closed		0	Already closed
Grange Sports Centre	Close		12	Saving on current operating deficit if closed
Grange AGP	Close		13.5	Saving on current operating deficit if closed
Royton Sports Centre	Close and replace with new centre		50	Saving on current operating deficit if closed
Crompton Pool and Fitness Centre	Close and replace with new centre		113	Saving on current operating deficit if closed
New pool and sports centre at Royton and Crompton School	NEW, managed by school	£7.5m	0	No impact on revenue position, school managed
Royton and Crompton AGP	Retained		-25	Current £25k profit position lost as transferred to school
Bishops Park Pitch and Putt	Transferred		3	Saving on current operating deficit if transferred
Chadderton Health and Wellbeing Centre	Retained		13	Improved operating position of 25%
Radclyffe Athletics Centre	Transfer to School		31	Saving on current operating deficit if transferred
Failsworth Sports Centre	Transfer to School		11	Saving on current operating deficit if transferred
Chapel Road AGP	Transferred		25	Saving on current operating deficit if transferred
<b>Total revenue savings</b>			586	
<b>Central cost saving (currently £1.56m)</b>			936	60% reduction on current central costs
<b>Total improved revenue position</b>			1522	
<b>Current OCLL operating deficit</b>			1850	
<b>Revised annual subsidy</b>			<b>328</b>	<b>Circa £330k</b>

\*Smaller scale facility which excludes diving pool, indoor bowls centre, combat room, squash courts and includes a smaller sports hall of four not eight courts

\*\* consideration will need to be given to level of management fee for schools operation of number of facilities which will be in addition to this subsidy level and consideration given to existing PFI contractor arrangements and payments.

## Section 4 Future facility needs and delivery options

### Scenario 3

Facility	Action	Capital investment required	Net impact on revenue position (£'000)	Notes
Saddleworth Pool and Fitness Centre	Retained		34	Improved operating position of 25%
Oldham Sports Centre	Replaced with smaller scale facility*	£10m	252	Deficit of current centre is turned into a £75k profit
Glodwick Swimming Pool	Closed		53	Saving on current operating deficit if closed
Breezehill AGP	Remains closed		0	Already closed
Grange Sports Centre	Close		12	Saving on current operating deficit if closed
Grange AGP	Close		13.5	Saving on current operating deficit if closed
Royton Sports Centre	Close and replace with new centre		50	Saving on current operating deficit if closed
Crompton Pool and Fitness Centre	Close		113	Saving on current operating deficit if closed
New pool and sports centre at Royton and Crompton School	NEW, managed by operator	£7.5m	0	No impact on revenue position assumes this breaks even
Royton and Crompton AGP	Retained		0	No change from current operating position;
Bishops Park Pitch and Putt	Transferred		3	Saving on current operating deficit if transferred
Chadderton Health and Wellbeing Centre	Retained		13	Improved operating position of 25%
Radclyffe Athletics Centre	Retained		31	Current deficit is turned into a break even position through improved mix of facilities and improved on-site management
Failsworth Sports Centre	Retained		2	Assumes pool and hall retained, Improved operating position of 15%
Chapel Road AGP	Transferred		25	Saving on current operating deficit if transferred
<b>Total revenue savings</b>			601	
<b>Central cost saving (currently £1.6m)</b>			780	50% saving on central costs
<b>Total improved revenue position</b>			1381	
<b>Current OCLL operating deficit</b>			1850	
<b>Revised annual subsidy</b>			<b>469</b>	<b>Circa £470k</b>

\*Smaller scale facility which excludes diving pool, indoor bowls centre, combat room, squash courts and includes a smaller sports hall of four not eight courts

## Section 4 Future facility needs and delivery options

### Scenario 4

4.35 In the current climate, with significant budget savings required and a limit on capital expenditure, it will be difficult for the Council to source capital and/or service borrowing to invest in new leisure facilities, particularly when considered against multiple, competing priorities. Therefore, a further option has been identified which is the same as Scenario 3, but with a smaller capital budget identified for the refurbishment but not replacement of Oldham Sports Centre. In the current climate, with significant budget savings required and a limit on capital expenditure, it will be difficult for the Council to source capital and/or service borrowing to invest in new leisure facilities, particularly when considered against multiple, competing priorities.

4.36 The financial impact of Scenario 4 is shown below and overleaf.

Facility	Action	Capital investment required (£m)	Revenue savings (£'000)	Notes
Saddleworth Pool and Fitness Centre	Retained		34	Improved operating position of 25%
Oldham Sports Centre	Refurbishment of existing site	£4m	77	Deficit of current centre is reduced from £177k to £100K
Glodwick Swimming Pool	Closed		53	Saving on current operating deficit if closed
Breeze Hill AGP	Remains closed		0	Already closed
Grange Sports Centre	Close		12	Saving on current operating deficit if closed
Grange AGP	Close		13.5	Saving on current operating deficit if closed
Royton Sports Centre	Close and replace with new centre		50	Saving on current operating deficit if closed
Crompton Pool and Fitness Centre	Close and replace with new centre		113	Saving on current operating deficit if closed
New pool and sports centre at Royton and Crompton School	NEW, managed by school	£7.5m	0	No impact on revenue position, school managed
Royton and Crompton AGP	Retained		0	Current £25k profit position lost as transferred to school
Bishops Park Pitch and Putt	Transferred		3	Saving on current operating deficit if transferred
Chadderton Health and Wellbeing Centre	Retained		13	Improved operating position of 25%
Radclyffe Athletics Centre	Retained		31	Saving on current operating deficit if transferred
Failsworth Sports Centre	Retained		2	Saving on current operating deficit if transferred
Chapel Road AGP	Transferred		25	Saving on current operating deficit if transferred
<b>Total revenue savings</b>			<b>427</b>	

## Section 4 Future facility needs and delivery options

Central cost saving (currently £1.56m)	625	40% reduction on current central costs
Total improved revenue position	1052	
Current OCLL operating deficit	1850	
Revised annual subsidy	798	Circa £800k

### Key assumptions and caveats

- 4.37 At this stage in the overall strategy for reducing the revenue subsidy, the following key assumptions must be taken into account. It is critical that once the Council has selected an option for further analysis, that a full business case is commissioned for the facilities which are to be contained within the new contract.
- Capital cost figures are broad estimates (order of magnitude figures) and are not based on a building design or agreed and tested facility mix
  - Revenue savings per site are:
    - Full savings on deficit if the facility is closing and not being replaced or transferred to another operator
    - Partial savings on deficit if the facility is being improved or reconfigured
    - Major savings on current deficit if a break even position or future surplus can be achieved
  - Central cost figures provided by OCLL need to be further analysed to ensure that £1.56m from a total subsidy of c.£1.85m is accurate. It is likely that many of the staffing costs at each centre are assigned to the central costs figure in addition to costs associated with a fairly significant sports development programme across the centres and in local communities. There is also a level of prudential borrowing debt being serviced by the Council which will need to be recognised in any future management contract.
  - Private sector operators aim for central costs to be no more than 7-10% of turnover depending on the scale of the contract in terms of number of facilities and sports development function. In terms of the four scenarios, a central cost saving has been applied that attempts to relate to the scale of operation in the potential future operations. At this high level stage an initial analysis has been undertaken on the potential level of savings that may be achieved on central costs which are 40%, 60% and 50% across the four scenarios respectively.

### Further work required

- 4.38 Further review and analysis of the OCLL central costs is recommended to ensure that the assumptions supporting the central cost estimates for each scenario are accurate. This is recommended to be undertaken as part of the detailed business case work which would follow this initial review.
- 4.39 The delivery options in all scenarios will result in revenue savings from the current level. It is also important to note that the delivery options in each scenario will also

## **Section 4 Future facility needs and delivery options**

result in major savings on future capital repairs and maintenance bills. These savings are currently being quantified by the Council.

- 4.40 The delivery options in all scenarios recommend potential closures of sites which will result in some capital receipts. The Council has agreed, in principle, to these receipts being ring-fenced for investment into the leisure estate. The value of these capital receipts are currently being quantified by the Council.
- 4.41 Further examination needs to be undertaken of the practicalities of transferring the school-based sports facilities to the schools to manage. For the PFI schools, the impact of this may result in additional costs to the Council through the unitary charge. The result of schools operating facilities for the community may also result in additional costs in terms of management fees and arrangements with the schools or PFI manager, however this still potentially offers an opportunity to reduce the overall current revenue subsidy and simplifying on-site management arrangements.
- 4.42 The Council will need to raise capital finance to invest in all scenarios and some of this investment may be raised through a management contract with a private sector operator. However this is unlikely to be a significant sum in the current market and feedback from operators is that whilst they have managed to raise a level of finance to invest in existing contracts for improvements to facilities, the deliverability of significant capital for new facilities is limited and is likely to be a contribution which would need to be serviced through the contract. This means that there is still a significant reliance on the Council to contribute towards the capital costs of both the replacement Oldham Sports Centre and the new sports centre and swimming pool at Royton and Crompton School.
- 4.43 Further work and advice is required on the implications of the reported pension deficit and other wind up costs and liabilities which OCLL has.

### **Summary of facilities to be included in the future leisure management contract**

- 4.44 Overleaf there is a list of facilities which could be included in the leisure management contract for each scenario.
- 4.45 It is clear that the impact of many potential site closures results in a smaller and more attractive management contract to offer to the market although it is important to understand the impact of the reduced leisure estate on the local community and their needs. Therefore, a review of the impact of each scenario on the supply and demand figures presented earlier in this report has been undertaken and presented on the following pages.

## Section 4 Future facility needs and delivery options

Scenario 1
Saddleworth Pool and Fitness Centre
New Oldham Sports Centre (like for like)
Royton Sports Centre
Royton and Crompton AGP
Chadderton Health and Wellbeing Centre
Radclyffe Athletics Centre
Failsworth Sports Centre
<b><i>Reduced contract size from 14 sites to 7</i></b>

Scenario 2
Saddleworth Pool and Fitness Centre
New Oldham Sports Centre (smaller)
Chadderton Health and Wellbeing Centre
<b><i>Reduced contract size from 14 sites to 3</i></b>

Scenario 3
Saddleworth Pool and Fitness Centre
New Oldham Sports Centre (smaller)
New dual-use sports centre with swimming pool at Royton and Crompton School alongside Royton and Crompton AGP
Chadderton Health and Wellbeing Centre
Radclyffe Athletics Centre
Failsworth Sports Centre
<b><i>Reduced contract size from 14 sites to 6</i></b>

Scenario 4
Saddleworth Pool and Fitness Centre
Refurbishment of Oldham Sports Centre
New dual-use sports centre with swimming pool at Royton and Crompton School alongside Royton and Crompton AGP
Chadderton Health and Wellbeing Centre
Radclyffe Athletics Centre
Failsworth Sports Centre
<b><i>Reduced contract size from 14 sites to 6</i></b>



## Section 4 Future facility needs and delivery options

### Impact of each scenario on the supply and demand results..

Facility type	Supply and demand results for Oldham	Impact of Scenario 1	Impact of Scenario 2, 3 and 4
Swimming pools	Under provision of 335m2	Scenario 1 involves the closure of Glodwick Pool and Crompton Pool. As the supply and demand model does not include Glodwick Pool (considered to small by Sport England to be included in the model), the impact of closing Crompton Pool (total water space of 187m2) and not replacing it results in a total overall level of under provision equivalent to 522m2.	Scenario 2 involves the closure of Glodwick Pool, Crompton Pool and Royton Pool. This results in a total loss of 372m2 of water space resulting in an overall undersupply of pools space equivalent to 707m2. Scenario 2 and 3 also involve the replacement of OSC with a smaller facility but it is assumed that the main pool and the learner pool are re-provided with pools of a similar size. Scenario 4 does not affect the size of the pools provided in OSC as it is a refurbishment option.  If the new pool provided at Royton and Crompton School is a 25m, 8 lane pool this would re-provide 425m2 and with an additional learner pool of say 10m x 15m (150m2) this would supply some of the remaining water space required and result in a small undersupply of circa 132m2 .
Sports halls	Over provision of halls equivalent to 7 courts	Scenario 1 involves the closure of Grange Sports Centre (at Grange School). The loss of this site has already been accounted for in the figures therefore the overprovision remains at 7 courts.	Scenario 2 and 3 involve the replacement of OSC but with a smaller centre comprising a 4 court hall rather than an 8 court hall. The result of this scenario reduces the net oversupply from 7 courts to 3 courts. Scenario 4 assumes the 8 court hall is retained and refurbished which therefore means there is no change to the levels of overprovision.
AGPs	Over provision of AGPs equivalent to 10 pitches	Scenario 1 involves the closure of 2 AGPs – Breezehill AGP and Grange AGP. This scenario also involves the possible closure of the sand based AGP at Failsworth School. This outcome of this scenario would be to reduce over provision from 10 to 7 AGPs.	Scenario 2 is the same as Scenario 1 but the retention of the 2G pitch at Failsworth Sports Centre in Scenarios 3 and 4 would mean the oversupply is 8 AGPs.
Health and fitness gyms	Over provision of 211 stations	Scenario 1 involves the closure of Crompton Pool and Fitness Centre which has 23 fitness stations. The loss of this site results in a reduced level of overprovision of 188 stations	Scenario 2 involves the closure of Crompton Pool and Fitness Centre and Royton Sports Centre which when combined have 35 stations. However, in the proposed new sports centre at Royton and Crompton School, a new fitness gym would be provided and have at least 40 stations so the result is still an over provision across the borough of 216 stations.

## **Section 4 Future facility needs and delivery options**

### **Implications of options on levels of provision in Oldham**

- 4.46 It is important to understand the implications of the proposed rationalisation and investment programme on the local community. Each of the four scenarios have been identified following the completion of the needs assessment work and reflect the outcomes. Therefore, the impact of the potential closures presented in the scenarios should not affect communities where there are already issues with low facility provision.
- 4.47 The Council also fully recognises the importance of ensuring that where new facilities are being provided at new schools that community access to these facilities is secured, particularly in those areas of the borough where potential closures are being proposed. Also, where appropriate, the Council will look to the voluntary and private sectors to provide good quality and accessible sports facilities for the local community.
- 4.48 Sport England is a key partner and consultee on the outcomes of this leisure review and it is recommended that the Council provides an opportunity for Sport England to comment on the findings and the four potential scenarios to ensure that any concerns they have can be addressed. It is likely that Sport England will require the Council to commission further detailed supply and demand modelling work (through its Facilities Improvement Service) to support the various scenarios presented in this report and to help make a decision which satisfies Sport England.
- 4.49 In anticipation of some of the concerns which Sport England may have, we have provided some commentary below on some of the potential closures and how the impact of these potential closures can be addressed.
- The potential closures of Glodwick Pool and Breezehill Pool in Oldham East should be off-set with the provision of large and flexible swimming pools (main pool and learner pool) within the replacement Oldham Sports Centre. The overall shortfall of pool provision (circa 130m<sup>2</sup>) following these potential closures are not considered large enough to justify an additional pool to be built, other than a replacement for Oldham Sports Centre but the impact of the undersupply needs to be discussed with Sport England to ensure that they are satisfied that local needs can still be met.
  - The closure and replacement of the two separate pools in Royton and Crompton with one new swimming pool at Royton and Crompton School should be acceptable in terms of the loss and replacement of overall water space but the impact of these potential closures will result in reduced access for swimmers during the daytime which will need to be further considered and discussed with both the current user groups and Sport England.
  - The potential closures of Grange Sports Centre and Grange and Breezehill AGPs can be justified because of the poor quality of provision as well as the levels of overprovision of sports halls and AGPs in the borough. It is important to recognise that these sites are located close to the town centre and areas of high deprivation which places further emphasis on the other sports halls and AGPs nearby to meet the needs from within these communities who may not be able to drive to alternative provision outside of the central areas. For sports halls, the role of the OBA Millennium Centre is crucial to support provision and also the location and specification of the replacement Oldham Sports Centre will also be important. The future accommodation plans associated with The Oldham College will also need to

#### ***Section 4 Future facility needs and delivery options***

be considered as the College intends to provide new sports facilities on campus but the exact location and specification of these is not known yet.

- 4.50 The implications of the potential closures on the Adopted Open Space Sport and Recreation Supplementary Planning Document is considered minimal as the proposed loss of outdoor sports facilities (ie AGPs) are set within the context of an overall oversupply of provision across the Borough. However, it is recognised that an area-specific analysis of the impact of closing some AGPs needs to be considered and will be important when proposals are put forward for the alternative use of these sites.

## ***Section 5 Future management and investment opportunities***

### **Introduction**

- 5.1 The Council intends to procure a new management contract for the leisure estate and wishes to start this process in April 2011.
- 5.2 To support the procurement work, which will be led by the Council, SSGB undertook an initial soft market testing exercise with eight of the leisure industry's leading leisure management contractors (See Appendix C for contact details). These were:
- DC Leisure
  - Serco
  - Leisure Connection
  - Parkwood Leisure
  - Fusion Leisure
  - Greenwich Leisure
  - SLM
  - Nuffield Health
- 5.3 In terms of the response received, initial expressions of interest were received from Serco, SLM, Fusion, Leisure Connection, Parkwood Leisure and DC Leisure.
- 5.4 Both Greenwich Leisure and Nuffield Health indicated that it was not an area of the UK that they were considering operating in and the scale of the contract was particularly significant for Nuffield who tend to operate more health and fitness focussed centres.
- 5.5 In general terms the response was positive with regard to partnering Oldham Council in the management and operation of leisure facilities. In particular, Leisure Connection, SLM and Fusion indicated that they would be very interested in a potential partnership with the Council for the operation and investment project and are keen from a strategic point of view to establish a partnership in the North West where they currently do not have a stronghold.
- 5.6 Parkwood Leisure expressed strong interest in bidding for the Oldham contract as they have a number of contracts in the North West region and have a Group Head Office in Preston.
- 5.7 The initial feedback with regard to the size and scale of the contract was mixed but in the current climate there is clearly more interest in contracts containing centres that are modern or have had recent investment and are generating good throughputs (usage) and have positive operating positions.
- 5.8 A number of the operators indicated that they would not be averse to operating a contract with a small number of facilities within it as long as the facilities had strong catchments and reasonable operating positions that could be built upon. In particular a smaller scale contract might be of particular interest to an operator trying to enter the market in the North West or establish itself in this region which it has not traditionally been located.

## ***Section 5 Future management and investment opportunities***

- 5.9 With regard to the operation of school and dual use sites, the experience amongst the current operators is varied. However, it is something that the majority of operators would consider as part of a wider contract particularly if the provision and range of facilities on the school sites is significant. It was highlighted though, there may be contractual difficulties with existing PFI contracts if that is how the school has been developed or refurbished.
- 5.10 In regard to potential capital investment, a range of responses was received as indicated earlier. The access and availability to capital finance is difficult for the operators in the current climate even though the indications are that the market is busy. The busy market and the immediate capex needs of some of the operators makes the availability of capital in the future more limited other than for kitting out any new facilities.
- 5.11 The cost of borrowing through the private sector is more expensive than borrowing through the public sector and therefore a number of the operators have cited examples of working with Councils on alternative funding streams such as Prudential Borrowing. However, some operators are still working on deal structures where funding is secured from banks for PFI type of contracts. Operators are also working with developers whereby a capital receipt for any land sales and any section 106 monies can be used to fund investment for new facilities.
- 5.12 A number of the operators are familiar with taking over contracts from existing Trusts and are confident that a transfer could be dealt with in a positive way although it is recognised that there may be a number of sensitivities and challenges to address and were particularly mindful of the contractual obligations, liabilities and costs that might be associated with this.
- 5.13 Given the current intensity in the market there was concern regarding the timescales for the procurement of the Oldham contract and how this may fit with other bids they are working on or expecting to be advertised soon.
- 5.14 In conclusion, it seems that there is a fairly significant level of interest in the market for a new contract in Oldham, even if this contract were to contain a smaller number of facilities than at present. In terms of capital investment, this is not likely to be significant and the Council will need to explore alternative funding options in order to invest the necessary capital to ensure that this is an attractive proposition for the leisure operators.

## **Section 6 Conclusions and next steps**

### **Conclusions**

- 6.1 The leisure review has involved a comprehensive needs analysis and research exercise which has provided a robust evidence base to support key decisions on the future of the Council's leisure estate.
- 6.2 The needs assessment and supply and demand modelling work has identified some issues with facility duplication and an oversupply of provision for various facility types including sports halls, AGPs and health and fitness gyms. The study has suggested ways to reduce these levels of overprovision through rationalisation of the leisure estate and through more effective management models.
- 6.3 A critical issue highlighted through the leisure review is associated with swimming pool provision. The borough has the oldest stock and the smallest level of provision (in m2 of water area) out of all the boroughs in Greater Manchester. There is also a small level of undersupply of provision across the Borough. This means that new pools need to replace ageing pools and more swimming pool water area overall is required. This is a significant issue for the Council and makes the future delivery of the leisure estate even more challenging when set in the context of budget cuts and lack of capital finance to invest in new facilities.
- 6.4 A review of the operating performance of the leisure facilities has been undertaken which alongside the needs analysis has led to the identification of three future delivery options or scenarios for the leisure estate. There are some underlying themes and considerations which have shaped the four scenarios presented in this report:
- The need to reduce overall levels of subsidy provided by the Council to support the delivery of the leisure service whilst also ensuring that the needs of the community are met
  - The importance of ensuring that school-based sports facilities are accessible to the community in order to help justify the rationalisation of the leisure estate which is required to reduce the Council's subsidy
  - The need to offer an attractive package of facilities within the new leisure management contract to attract interest and potential capital investment from the private sector
  - The need to replace the ageing swimming pools in the borough with good quality and accessible provision and to also reduce the level of under provision of pool space across the borough
- 6.5 Each of the four scenarios presented in this report should result in a reduction of the overall revenue subsidy paid by the Council and should also result in an improved and more modern stock of facilities.
- 6.6 It is for the Council to consider these options in political, financial and delivery terms and progress further with an option or hybrid of options outlining the detail and outline business case for the preferred route in order to support the process of procuring a new operating partner.
- 6.7 In order to undertake this next stage of the process, the Council should consider extending the timescales identified for the leisure procurement to ensure that there is a robust business case to support the selected option. Outlined below are recommendations on the next steps the Council needs to consider.

## **Section 6 Conclusions and next steps**

### **Next steps**

- 6.8 The financial analysis and projections highlighted in the report under the four scenarios have been undertaken at a very high level to provide an indication as to the potential revenue savings that may be achieved through a rationalisation programme and new management operator.
- 6.9 It is strongly recommended that a detailed business case is produced which provides the Council with a more accurate assessment of the revenue savings that are potentially possible under a preferred option. In particular, the assumptions made relating to the current OCLL central costs at this stage and the likely costs of these in the future needs further review.
- 6.10 The detailed business case can then also been used to inform the procurement process and be used as a basis for procurement documentation, output specifications and a bid assessment framework. If there are gaps in information which could cause concern to the private sector and this is then assumed to be a risk area for the future delivery of the contract, then this is likely to impact on the contract price presented in any bids received.
- 6.11 It is considered that the following information needs to be collated either prior to the commencement of the procurement process or before critical milestones are reached during the process.
- Identification of the desired facility mix/ specification of the new and refurbished facilities being proposed and more detailed advice should be sought on the practical feasibility and the capital cost estimates
  - Confirmation of the Council's commitment to invest in the leisure estate either through its capital reserves, through capital receipts or through borrowing
  - Details of the current or proposed dual-use agreements relating to the sports facilities in the contract that are based at school sites
  - Detailed financial projections for the new facilities as well as further financial analysis on the future performance of the other facilities included in the contract
  - Up to date condition survey reports for each of the existing facilities being included in the contract so that the future repairs and maintenance liabilities of the facilities included in the contract can be estimated
  - Identification of the wind up costs and liabilities for OCLL
- 6.12 Soft market testing with leisure management operators has been positive as highlighted in Section 5. However, alongside the review of the leisure estate, a second soft market testing exercise has been undertaken with commercial leisure operators and developers to determine whether there are opportunities for commercial leisure facilities to be provided in the town centre. These opportunities would be sought to complement and contribute to the capital funding package to deliver the investment required across the leisure estate. Unfortunately, the levels of interest from commercial leisure developers and operators has been poor and therefore it is difficult to confirm that this route is a possible funding mechanism for the estate and further work on this is necessary.

## ***Section 6 Conclusions and next steps***

- 6.13 The current doubt surrounding the deliverability of a new stadium for Oldham Athletic FC at Failsworth places further uncertainty on the wider opportunities to attract commercial leisure to the Borough and to the town centre. Alternative sites have been raised informally, however until any firm views on these are known they cannot be considered in the context of this study. A secondary location appeared to be a preferred site consideration for many operators but if one did not exist this view could potentially change.
- 6.14 It is therefore recommended that further work to explore a series of development packages for the town centre are progressed with a view to securing a commercial partner. It is recommended that this be undertaken outside of the proposed procurement of the leisure estate management contract.