1 SUMMARY

1.1 This report introduces the proposed Leisure Facilities Strategy, which is provided as Appendix 1. It is important to note that the strategy is not an investment programme. The Strategy has been created to provide the overall decision making framework for potential future investment in the Council’s leisure facilities over the coming ten years. As a long term strategy it would not be desirable or practical to pre-determine Council spend or funding channels at year one and it does not seek to do this. It supports the Community Plan and forms an essential support to the Local Development Framework by providing a clear analysis of supply and demand that follows a nationally recognised model for leisure facilities. Without this strategy any LDF policies seeking to improve provision or quality of Leisure Facilities would be unsustainable.

1.2 Specifically, the Leisure Facilities Strategy:

- examines the current supply of leisure facilities in the Borough, taking into account public, commercial and dual use (school sites) facilities;
- compares this to future demand based on the latest population projections and a nationally recognised modelling tool for leisure facilities;
- identifies gaps in current and future provision; and
- assesses the quality, suitability, utilisation and efficiency of existing leisure facilities, with particular reference to residents’ different gender, cultural, religious and physical needs.

2. RECOMMENDATIONS

Cabinet is recommended to:

2.1 Note the analysis and strategic outline solutions identified in the Leisure Facilities Strategy

2.2 Agree the Leisure Facilities Strategy and the associated Action Plan in Appendix 1.

2.3 Note the importance of the Leisure Facilities Strategy to the emerging local development framework documents, including the core strategy and the site allocations development plan document (“DPD”).
3. STRATEGIC OUTLINE SOLUTIONS

3.1 The Strategy presents a number of possible strategic outline solutions for further examination to address the issues identified by the analysis. However, it does not commit the Council to pursuing any of these. Rather it identifies a priority list approach to the further examination of these potential solutions whilst also ensuring that a wider review of the Council and Local Strategic Partnership asset base is undertaken following completion of the asset base data project by the Development and Renewal Directorate.

3.2 All potential outline solutions contained within the Strategy are subject to further technical and feasibility work. The financial implications of individual solutions will need to be assessed in further detail and investment decisions will need to be taken at the appropriate time. They would all be subject to full Member scrutiny and require Cabinet approval before they could be taken forward to implementation.

3.3 The Strategy, in line with best practice guidance, focuses primarily on questions of infrastructure capacity and the current and future need for leisure facilities. It does not seek to make any recommendations in relation to other issues such as service operations, pricing policies, engagement or sports development as these are embedded in the leisure management contract, the Tower Hamlets Sports Strategy and the Tower Hamlets Olympic and Paralympic Strategy and Programme.

3.4 The Strategy draws on a significant amount of consultation already undertaken in the Borough to support the development of its overarching strategic documents such as the Community Plan, the Local Development Framework (LDF) Core Strategy and the Children and Young People’s Strategic Plan, as well as relevant national surveys pertaining to sport and the findings of the 2008 scrutiny report on young people’s participation in sport in Tower Hamlets.

3.5 In addition, the solutions proposed within this Strategy will inform the emerging LDF Core Strategy. The final Core Strategy consultation is expected to take place in the second half of 2009. Furthermore option-specific consultations will take place as individual projects are brought forward.

3.6 Model leisure facilities network scenario

3.6.1 Based on research evidence, three key strategic objectives have been identified that form the basis of the Leisure Facilities Strategy over the next ten years. These objectives are informed by an understanding of the key characteristics of an ideal leisure facilities network (taking into account national, regional and local strategic drivers and best practice guidance) and an assessment of the extent to which the existing network is consistent with this ideal model.

3.6.2 It will not necessarily be possible to achieve the full implementation of such a network given spatial and financial constraints. However, the model serves as a benchmark
against which individual solutions can be assessed. Broadly speaking, an ideal leisure facilities network for Tower Hamlets should:

- address gaps in provision now and in the future, in particular for swimming pools and sports halls
- locate new facilities where people will use them most and where they will support the Local Development Framework Core Strategy (e.g. in town centres and transport hubs)
- provide dry facilities alongside all swimming pools in order to reduce the subsidy requirement
- focus additional sports hall capacity on school sites to maximise value for money, providing this is supported by the analysis and adequate community access can be secured
- offer state of the art facilities that are fully accessible to all residents, taking into account cultural, religious and physical needs
- ensure facilities are designed to be operationally efficient
- comprise facilities that are energy efficient and have a minimised carbon impact.

3.7 Strategic objectives

3.7.1 The Leisure Facilities Strategy has identified the following three strategic objectives, which in turn inform the strategic outline solutions identified in Table 1.

3.8 Strategic Objective One: Address gaps in provision and provide facilities in areas of low participation

3.8.1 A supply, demand and quality analysis has demonstrated that in broad terms, the following will be required by 2018 if need is to be adequately met:
  - 1 to 2 additional swimming pools – needed primarily in the east and north east of the Borough
  - Additional four-court sports halls – particularly in the centre of the Borough and the Isle of Dogs. This type of provision is essential to help offset the shortfall in open space provision that the Borough population will be facing over the period of the plan as population rises. Initial planning should consider 3 to 4 additional sports halls in response to the needs analysis.
  - Re-provision or upgrade of existing facilities to ensure they are fully accessible to all residents, taking into account different gender, cultural, religious and physical needs.

3.9 Strategic Objective Two: Generate energy and economic efficiencies

3.9.1 The Government and the Council have set ambitious targets for the reduction of carbon emissions over the next ten years and will be bringing in punitive financial measures as an inducement for local government to engage with this agenda in the
form of a carbon tax. Leisure facilities have high energy needs and therefore also have the potential to contribute proportionately more to supporting the achievement of these objectives. For this reason the Leisure Facilities Strategy proposes strategic outline solutions to make the leisure facilities more energy efficient.

3.9.2 The Leisure Facilities Strategy also looks for opportunities to generate economic efficiencies that may reduce the Council’s subsidy requirement for its leisure facilities.

3.10 Strategic Objective Three: Improve the quality and suitability of leisure facilities

3.10.1 The Council has invested significantly in the development and improvement of its leisure facilities in recent years. The latest annual resident survey results demonstrate that residents feel these developments have improved their experience of leisure and sports facilities in the Borough, with a consistent year on year increase in visitor numbers, resident satisfaction and ratings that outperform the London average.

3.10.2 In order to maintain this positive trend and continue to play a leading role in supporting healthy lifestyles and community cohesion it is essential that leisure facilities continue to be of a high quality. The Leisure Facilities Strategy proposes strategic outline solutions to ensure that the Council actively anticipates and plans for future investments in existing facilities, and helps to drive the improvements that increase the quality and suitability of facilities for all residents.

3.11 To deliver on these strategic objectives, the Leisure Facilities Strategy proposes to take forward the following eight strategic outline solutions over the next ten years. These are listed in order of priority for further investigation.
Table 1: Strategic outline solutions

In order to deliver on these strategic objectives, the Leisure Facilities Strategy proposes to further develop and investigate the following eight strategic outline solutions over the next ten years.

<table>
<thead>
<tr>
<th>ID</th>
<th>Title</th>
<th>Description</th>
<th>Strategic Objectives</th>
<th>Implementation Phase</th>
</tr>
</thead>
</table>
| 1  | Work towards providing additional sports halls                      | Work with the Building Schools for the Future investment programme to ensure dual use sports halls can be provided in strategic areas of deficiency and be opened up for community or club use, particularly in the centre of the Borough and on the Isle of Dogs. Some new sports hall provision may also be provided as part of leisure centre re-provision. Initial planning should be for 3 – 4 additional sports halls. | • Address gaps in provision and provide facilities in areas of low participation  
• Generate economic efficiencies | Year 1 – 3 |
| 2  | Improve the accessibility of dual use leisure facilities             | Work with schools to ensure information about and access to existing dual use facilities is improved.                                                                                                         | • Address gaps in provision and provide facilities in areas of low participation  
• Generate economic efficiencies | Year 1 – 3 |
| 3  | Work towards providing a new swimming pool in the east of the Borough | Develop detailed options for reopening of Poplar Baths to address the shortage of water space in the east of the Borough. The reopened centre should consist of both wet and dry facilities in order to reduce the subsidy requirement, offer greater choice to people and provide enhanced facilities. | • Address gaps in provision and provide facilities in areas of low participation  
• Generate economic efficiencies  
• Improve the quality and suitability of leisure facilities | Year 1 – 3 |
| 4  | Introduce a leisure centre Carbon Reduction Programme                | Develop and implement a programme of improvements to existing leisure facilities to reduce carbon emissions and contribute to meeting the Council’s targets on reducing its environmental impact. | • Generate energy efficiencies | Year 1 – 3 |
| 5  | Explore improvements to St George’s Pool and John Orwell Leisure Centre | Undertake a detailed investigation of solutions to improve St George’s Pool and John Orwell Leisure Centre.                                                                                                    | • Generate economic efficiencies  
• Improve the quality and suitability of leisure facilities | Year 1 – 3 |
| 6  | Work towards providing a new swimming pool in the north-east of the Borough | Develop detailed options for the provision of a swimming pool to address the shortage of water space in the north-east of the Borough (including investigating the option of re-instating Victoria Park Lido). Such a facility should consist of both wet and dry facilities in order to reduce the | • Address gaps in provision and provide facilities in areas of low participation  
• Generate economic efficiencies | Year 4 – 6 |
<table>
<thead>
<tr>
<th>ID</th>
<th>Title</th>
<th>Description</th>
<th>Strategic Objectives</th>
<th>Implementation Phase</th>
</tr>
</thead>
</table>
| 7  | Explore the option of a new town centre leisure centre on the Isle of Dogs | Work in collaboration with Development and Renewal to investigate options to provide a leisure centre in a new town centre location which allows for the provision of a facility combining a swimming pool and a sports hall. | • Address gaps in provision and provide facilities in areas of low participation  
• Generate economic efficiencies | Year 7 – 10 |
| 8  | Assess York Hall facilities | York Hall was upgraded recently and improvements are expected to provide an additional 15 years of life to the main facilities. A further assessment and review of facilities at York Hall will need to be carried out in 2014/15 to determine an appropriate way forward. | • Improve the quality and suitability of leisure facilities  
• Generate economic efficiencies | Year 7 – 10 |
3.12 Financial Implications

3.12.1 The Strategy’s Action Plan will ensure detailed work streams for each project, involving in-depth technical and financial modelling. This analysis will be brought back to Members for further detailed consideration on a project by project basis.

3.12.2 The Strategy does not ask Members to allocate resources at this stage, but provides direction to enable the development of proposals with partners within a clear strategic framework underpinned by a robust understanding of need. This is vital for informing the Borough’s spatial planning processes, preparations for the proposed Community Infrastructure Levy, and for securing funding from external sources. It is an essential support to LDF policies.

3.13 Next Steps

3.13.1 The Strategy suggests that strategic outline solutions 1, 2, 3, 4 and 5 are those which are likely to be implemented first. However, early preparatory work will also be required in relation to strategic outline solutions identified for later implementation phases in order to safeguard their deliverability. In particular, the exploration of the option of a town centre leisure centre(7) will require some immediate work in relation to LDF alignment and ongoing engagement with the Council’s spatial planning function. Officers are already working to align the emerging LDF core strategy with the leisure strategy.

3.13.2 The Strategy’s Action Plan identifies clear deliverables and milestones for solutions in the early phases, as well as outlining more high level milestones for solutions to be taken forward in the future phases. It also includes a range of overarching actions that need to be taken forward to fully deliver on the Strategy.

3.13.3 The Communities, Localities and Culture Directorate (CLC) will take the lead in implementing the detailed actions in the Action Plan in consultation with other partners including the Children’s Services and Development and Renewal Directorates. CLC will report to the Asset Management Board on a 6-monthly basis outlining progress against the Action Plan and next steps. Key findings relating to specific solutions will be taken back to Members for further detailed consideration on a project by project basis.

3.13.4 In its current form, the Strategy is foremost a technical document that provides detailed evidence of use of and demand for leisure facilities in the borough. Officers will produce a summary version for public release following its adoption.

4. BACKGROUND

The Need for a Leisure Facilities Strategy
4.1 Community Plan

4.1.1 The Community Plan sets out the priorities of the Council and the Local Strategic Partnership based on extensive consultation with local residents. There are a number of priorities set out in this plan that are directly relevant to the Leisure Facilities Strategy.

- ‘A Great Place to Live’ identifies the need to support housing and population growth, vibrant town centres and excellent leisure opportunities for the community.

- ‘A Healthy Community’ identifies the need to ensure that adequate healthy lifestyle choices are available to residents.

- ‘One Tower Hamlets’ sets out the commitment to work for greater community cohesion. Leisure centres and the sports activities that they support play a major role in bringing people together.

4.2 Local Development Framework

4.2.1 Tower Hamlets is a rapidly growing borough with significant population increases projected over the next two decades. Although the current economic climate may slow the rate of growth to some extent there will continue to be a need for additional social and community infrastructure – including publicly accessible leisure facilities – to satisfy the needs of current and future residents.

4.2.2 The emerging Tower Hamlets Local Development Framework (LDF) is the central suite of documents setting out how the Council and its partners will support the social infrastructure needs of the Borough. The Leisure Facilities Strategy supports the LDF by providing a robust evidence base that clearly articulates the leisure facilities needed alongside housing and commercial developments to serve the growing and changing population, and by detailing how headline policies in the LDF will be implemented. The LDF core strategy will be supported by a costed infrastructure delivery framework. This framework will identify all the infrastructure projects required to support the growth identified in the core strategy. The relevant works within the action plan should be included as part of the infrastructure delivery framework. The infrastructure delivery framework will help secure future developer contributions.

4.2.3 Related to this, the Government has proposed changes to the way developer contributions are secured in the future. The Community Infrastructure Levy will be a tariff approach based on a detailed and costed infrastructure plan contained within the LDF suite of documents. The Leisure Facilities Strategy and its associated short term actions will feed into the infrastructure plan and allow the Council to secure contributions for leisure purposes as housing growth plans are implemented.
4.2.4 Further, the national Planning Policy Guidance 17, issued by the Department for Communities and Local Government, strongly recommends that local authorities carry out a needs assessment and audit of existing facilities to understand how well they are meeting the current and future community need and to consequently inform decisions about new facilities and upgrades to existing provision. The Leisure Facilities Strategy addresses this recommendation.

4.3 Corporate Asset Management Plan

4.3.1 The Council is in the process of developing an asset strategy which will map current and future demand for assets for itself and key partners. The Leisure Facilities Strategy informs this process and needs to consider the scope for the co-location of services and facilities.

4.3.2 The Council's Corporate Asset Management Plan also sets a requirement for all Council assets to be reviewed periodically. Such reviews need to take into account strategic need, utilisation, suitability, sufficiency, and financial and political implications. In recognising the specialist nature of leisure facilities, the Leisure Facilities Strategy provides the necessary information to undertake a strategic assessment of the Council's leisure facilities portfolio against these criteria.

4.3.3 Strategic outline solutions have been developed within the Communities, Localities and Culture property portfolio and are based on existing knowledge of emerging opportunity sites. However, further work has been identified in the Action Plan to co-ordinate strategic decision-making across the wider corporate property portfolio, including a wider search for opportunity sites.

4.4 Efficiency Review

4.4.1 The Leisure Facilities Strategy has been carried out alongside an efficiency review of the current leisure management contract. By running the two projects in tandem and engaging the leisure centre operator (Greenwich Leisure Limited), it has been possible to assess strategic outline solutions for their potential to contribute to efficiencies at an early stage. An early benefit of the efficiency review is an agreement from GLL to a revision to existing contract conditions affecting the allocation of any surplus accruing from the contract. GLL have agreed to amend the surplus agreement from 25/75 to 75/25 in favour of LBTH. Of LBTH’s 75% share, 25% can be used for any purpose and 50% to fund joint investment projects.

4.5 Seizing the Moment

4.5.1 Seizing the Moment, the sports strategy for Tower Hamlets, was adopted in 1999. Although it is primarily a sports development strategy it includes a number
of recommendations relating to physical leisure facilities in the Borough – namely the construction of hub facilities at key locations, and the need to address areas of geographical deficiency in the centre, south and north east of the Borough.

4.5.2 Since its adoption a number of changes have taken place. The Council has invested heavily in its leisure facilities. Facilities planning models have become more sophisticated allowing more accurate predictions of future need, and the Government’s priorities for sports development and sports facilities have continued to evolve. Of particular significance is the decision to award London the 2012 Olympic and Paralympic Games. This will result in the development of a wide range of legacy sports facilities just outside the Borough that will be open to Tower Hamlets residents.

4.5.3 The Leisure Facilities Strategy takes this changed picture into account and effectively refreshes the infrastructure elements of the existing Sports Strategy.

4.6 The Guiding Principles

4.6.1 The Leisure Facilities Strategy has been developed in the context of three guiding principles and these will inform all of the activities identified in the Action Plan.

- Leisure facilities need to be designed to cater for the needs of the population of Tower Hamlets – particularly in relation to culturally sensitive and fully accessible building design.

- The location of future facilities should be aligned with the key principles of the emerging Local Development Framework and Town Centre Strategy and make best use of existing capital investment programmes – notably the Building Schools for the Future programme – where this would provide demonstrable efficiencies that support the objectives of the Leisure Facilities Strategy.

- All future facilities should be designed to reduce the subsidy requirement for the authority. This may require the co-location of facility types such as swimming pools, sports halls and gym facilities.

4.6.2 There may be cases where these principles need to be weighed against other considerations, particularly where specialist facilities or historic buildings are to be developed. In firming up any investment proposals the full set of parameters will need to be considered.

5. **ANALYSIS**

5.1 *Tower Hamlets facilities – some context*
5.1.1 The Council has let a 15-year management contract for its leisure centres to Greenwich Leisure Limited (GLL). The Council has also invested significantly in the development and improvement of its centres. In 2005 Mile End Park Leisure Centre opened and in 2007 the York Hall refurbishment was completed, providing modern spa facilities, additional gym space and improved changing facilities. Five of the Council's facilities have achieved QUEST accreditation, the national quality mark for leisure centres.

5.2 Resident satisfaction

5.2.1 Annual Residents Survey results show that residents feel these developments have improved their experience of leisure and sports facilities in the Borough. As outlined in the graph below, in 2007/08 46% of all residents (users and non-users) rated leisure and sports facilities as good, very good or excellent. This is an increase of 3 percentage points from 2006/07 and is consistent with the improving trend over the past decade. Satisfaction levels with leisure and sports facilities in the Borough are also 5 percentage points higher than the London average of 41%.

Percentage of residents (users and non-users) who rate leisure and sports facilities in the Borough as good, very good or excellent

Source: Tower Hamlets Residents Survey 2007/8

5.2.2 Unsurprisingly, satisfaction ratings amongst residents who actually use the leisure and sports facilities are considerably higher. Of those residents surveyed, 44% used local leisure and sports facilities in 2007/08, up from 36% in 2006/07. 61% of these users rated local leisure and sports facilities as good, very good or excellent – an increase of 1 percentage points from the previous year. This is 9 percentage points higher than the London average of 52%.

5.2.3 In order to maintain this positive trend, it is essential that facilities continue to meet residents’ expectations and provide facilities that can cater for a growing population.
5.3  *Quality and suitability*

5.3.1 Maintenance responsibility for the existing Council-owned facilities lies with GLL, with the Council paying an annual contract management fee. Over the life of the contract GLL is required to invest and upgrade facilities in accordance with agreed maintenance schedules.

5.3.2 Although ongoing maintenance is outsourced, the Council needs to take a long term view as to whether facilities continue to meet the needs of resident and represent best value under the leisure management contract, which provides for surplus share arrangements.

5.3.3 For this reason, the Leisure Facilities Strategy includes high level assessments on a site by site basis to review capacity, ability to provide additional services, and long term investment requirements. Prior to letting the leisure management contract, condition surveys were carried out at each site and these will be updated shortly. Table 2 below provides an overview of the key issues relating to each site.

**Table 2: Site Analysis – council-owned leisure facilities**

<table>
<thead>
<tr>
<th>Centre</th>
<th>Type</th>
<th>Suitability / restrictions / condition and lifespan</th>
<th>Visits 2007/08</th>
</tr>
</thead>
</table>
| Tiller Leisure Centre           | Wet    | - Located in residential area with limited footfall  
                                   |         | - No ability to expand dry provision due to site constraints  
                                   |         | - Site has limited capacity                                         | 119,560 |
| Whitechapel Leisure Centre      | Dry    | - Good location off Whitechapel Market with future Crossrail station outside  
                                   |         | - Modern facilities but with limited scope for expansion due to site constraints                                     | 181,892 |
| Mile End Park Leisure Centre    | Wet/Dry| - Modern purpose built facility specifically designed to cater for users from different ethnic and religious backgrounds | 402,403 |
| John Orwell Leisure Centre      | Dry    | - Dry side only facility located in a largely residential area with limited footfall  
                                   |         | - Surrounded by public open space making expansion of the facility difficult  
                                   |         | - Adjacent pitch managed by centre                                    | 161,342 |
| Langdon Park Leisure Centre     | Dry    | - Modern dual use facility located at Langdon Park School  
                                   |         | - Located in residential area with limited footfall and public use restricted to evening and weekend  
<pre><code>                               |         | - School is part of the BSF programme                                 | 51,104 |
</code></pre>
<table>
<thead>
<tr>
<th>Centre</th>
<th>Type</th>
<th>Suitability / restrictions / condition and lifespan</th>
<th>Visits 2007/08</th>
</tr>
</thead>
</table>
| York Hall  | Wet/Dry | - Recently underwent major refurbishment to upgrade facilities and bring redundant areas into use providing additional lifespan to approximately 2019  
- Located in town centre with high footfall  
- Due to historic nature and construction methods likely to have significant energy loss  
- Much loved boxing venue with strong local and national support | 344,450         |
| St George’s Pool | Wet | - Located in conservation area adjacent to main road with high footfall and passing traffic  
- Site restricted by surrounding park and conservation area status  
- Site has limited capacity in its current form  
- Likely to have significant investment need in the future due to concrete construction method | 129,173         |

5.4 Efficiency review

5.4.1 The Leisure Facilities Strategy has been developed alongside an economic efficiency review that assessed the financial and non-financial performance of existing facilities within the leisure management contract agreement with GLL, in order to form a view on whether they will continue to meet the growing needs of residents and provide best value in terms of efficient service delivery. The review looked at three different facility types, using standard assumptions about what each type of facility would comprise:

- Wet only facility – 25m swimming pool, teaching pool, changing facilities, small multi-use room, small fitness equipment room, ancillary space
- Dry only facility – dance studio / multi-use space, fitness equipment room, programmable fitness equipment room, four court sports hall, changing, crèche, ancillary space
- Wet and dry facility – all of the above.

5.4.2 The table below shows the ranges of revenue surplus or deficit expected for the annual operating costs of each generic facility type over the facility lifetime (noting that the specific revenue costs would depend on the specific design and location of a particular facility). The ranges are based on advice from GLL, which manages leisure centres for a large number of London local authorities.

<table>
<thead>
<tr>
<th>Facility Type</th>
<th>Revenue Surplus/ (Deficit)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wet only</td>
<td>(£250k) minimum</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>----------------</td>
<td>------------------</td>
</tr>
<tr>
<td>Dry only</td>
<td>£150k to £300k</td>
</tr>
<tr>
<td>Wet and dry</td>
<td>£100k to (£150k)</td>
</tr>
</tbody>
</table>

5.4.3 This overview clearly points to the need to co-locate wet and dry facilities where wet facilities exist or are required, in order to minimise the operating costs for the Council. Any changes to the leisure centre network should seek to provide dry facilities along all swimming pools, and generally ensure that new facilities are designed to be operationally efficient.

5.5 Energy efficiency and carbon reduction

5.5.1 Government has passed legislation setting clear carbon emissions reduction targets for the country. Carbon reduction is embedded in the new national indicator set. Tower Hamlets has included \textit{NI186: Per capita reduction in CO2 emissions in the LA area} in its Local Area Agreement, making it a key priority for the Borough.

5.5.2 Leisure centres have high energy needs and therefore the potential to contribute significantly to the carbon emissions of the local area. Reducing carbon emissions from existing and new facilities will need to be a key strand of work for the Strategy. Improving energy efficiency and reducing carbon emissions is also likely to impact on the financial position of the overall leisure management contract.

5.5.3 Proposals for new facilities will need to include measures to reduce carbon emissions. Energy efficiency surveys will be undertaken alongside condition surveys of existing facilities.

5.6 Accessibility of dual use facilities

5.6.1 Dual use facilities are those leisure centres which are generally located within schools and at the moment are only open to the public outside school hours. For the purpose of demand modelling and in line with Sport England guidance a reduction has been made to the actual capacity of school sports halls to reflect the limited opening hours. Work will continue with Building Schools for the Future to determine the extent to which parts of new facilities could be designed to open throughout the day and we will re-run the model as necessary.

5.6.2 While limited opening hours in themselves reduce the accessibility of dual use centres and may exclude certain groups, the way these facilities are managed can also impact on their accessibility. A structured research exercise was carried out to (a) validate supply side data obtained from Sport England and (b) determine how easy it is to find out pricing and facility information for dual use centres.
5.6.3 Dual use facilities can provide an excellent service to the wider community provided that information on their use is readily and consistently available. The research exercise indicates that such information is currently not always available and this may impact on the degree to which these dual use facilities are used by residents.

5.6.4 The findings from this research exercise are supported by the experience of residents as highlighted in the recent Scrutiny Review of Young People’s Participation in Sport. The Leisure Facilities Strategy addresses this issue by recommending the establishment of appropriate joint improvement projects between the Children’s Services and Communities, Localities and Culture Directorates. It also recommends that accessibility be considered at the outset of developing any new dual use facilities as part of the Building Schools for the Future programme.

5.7 Supply and demand modelling

5.7.1 The core part of the Leisure Facilities Strategy is the supply and demand modelling exercise. This modelling determines future facility demand and sets this against existing provision. It also identifies geographical areas of deficiency.

5.7.2 Supply

5.7.2.1 A detailed audit of leisure facilities in the Borough was carried out. In line with Sport England guidance, the audit included:

- swimming pools – measured in terms of the water surface area available
- health and fitness gyms – measured in terms of numbers of health and fitness stations available
- sports halls – measured in terms of the number of badminton courts provided.

5.7.2.2 The audit included publicly operated, commercially-operated, private (closed to the public), and dual use (school site) facilities.

5.7.2.3 Sport England sets certain criteria for inclusion of facilities when determining current supply levels. For example, swimming pools are only included if they are publicly operated and do not require users to purchase annual membership. Pools must also meet certain size criteria. The audit of gym equipment on the other hand also includes commercial facilities. A reduction of 25% is made to the capacity of dual use sports hall facilities as these are generally only accessible to users outside school hours.

5.7.2.4 It is recognised that facilities excluded for modelling purposes may in the future provide facilities for local people through pay and play access. The Strategy action plan includes a work stream exploring the feasibility of bringing publicly
operated but relatively inaccessible facilities into community use (such as the pool at Sir John Cass School).

5.7.3 Demand

5.7.3.1 The demand modelling tool used (Mapping the Future) is based on that developed by Sport England but provides greater detail. The tool draws on national survey data to set fixed key parameters (such as pool capacity, peak periods of use and time spent at the facility) which are combined with local and national variables to determine demand.

5.7.3.2 The key variables which feed into the model are population figures and projections broken down by age and gender as well as sport participation rates (drawn from the National Benchmarking Survey and Sport and Leisure Potential by Continental Research). Demand is projected for three key facility types: swimming pools, sports halls and health and fitness gyms.

5.7.3.3 The demand projections in the Strategy are based on GLA 2007 mid-year estimates and projections (low). It is anticipated that the model will be updated in due course as new population projection figures will be published following completion of the Council’s ‘Planning for Population Growth’ project, however it is expected that this bespoke model will result in similar projections.

5.7.3.4 All demand modelling is based on static sports participation rates – this is because although the Government has set targets for annual increases in participation in sport and physical activity, the modelling tools currently available are not capable of factoring in such increases.

5.8 The current demand model results for 2018 and 2028 are as shown in the table below. Projections for 2028 should be viewed as indicative at this stage given the difficulties of accurately predicting demand 20 years out. On the basis of the criteria, the current supply levels were determined and have been set against expected demand levels to identify the level of over or under supply (shown in brackets).
<table>
<thead>
<tr>
<th>Facility Type</th>
<th>2008</th>
<th></th>
<th>2018</th>
<th></th>
<th>2028</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Supply</td>
<td>Demand</td>
<td>Over or (under) supply</td>
<td>Demand</td>
<td>Over or (under) supply</td>
<td>Demand</td>
</tr>
<tr>
<td>Sports Halls</td>
<td>47.25 courts</td>
<td>71.2 courts</td>
<td>(23.95) courts</td>
<td>82.7 courts</td>
<td>(35.45)</td>
<td>89.4 courts</td>
</tr>
<tr>
<td></td>
<td>Equivalent to 12 sports halls</td>
<td>Equivalent to 18 sports halls</td>
<td>Equivalent to (6) sports halls</td>
<td>Equivalent to 21 sports halls</td>
<td>Equivalent to (9) sports halls</td>
<td>Equivalent to 23 sports halls</td>
</tr>
<tr>
<td>Swimming Pools</td>
<td>1,620m²</td>
<td>2,439m²</td>
<td>(819)m²</td>
<td>2,910m²</td>
<td>(1,290)m²</td>
<td>3,161m²</td>
</tr>
<tr>
<td></td>
<td>Equivalent to 4 pools</td>
<td>Equivalent to 6 pools</td>
<td>Equivalent to (2) pools</td>
<td>Equivalent to 7 pools</td>
<td>Equivalent to (3) pools</td>
<td>Equivalent to 8 pools</td>
</tr>
<tr>
<td>Health and Fitness Gyms</td>
<td>1,359 to 1,467 fitness stations</td>
<td>1,889 fitness stations</td>
<td>(422) to (530) fitness stations</td>
<td>2,164 fitness stations</td>
<td>(697) to (805) fitness stations</td>
<td>2,358 fitness stations</td>
</tr>
<tr>
<td></td>
<td>(inc Canary Wharf)</td>
<td>(inc. day-time population)</td>
<td>(inc. day-time population)</td>
<td>(inc. day-time population)</td>
<td>(inc. day-time population)</td>
<td>(inc. day-time population)</td>
</tr>
</tbody>
</table>
5.8.1 **Sports Halls**

5.8.1.1 Research to date has demonstrated that according to the model there will be a shortfall of about nine sports halls by 2018. Geographically, underserved areas are located in the centre of the Borough and on the Isle of Dogs.

5.8.1.2 Whilst the model currently suggests an under provision of six sports halls, rising to nine in 2018 it is recommended that initial planning should concentrate on 3 – 4 additional sites only. Once more robust population data is available and the legacy impact of the new multi court sports arena on the western edge of the Olympic Park can be assessed, the model should be rerun to validate requirements up to 2018.

5.8.1.3 The majority of sports halls are provided as dual use facilities in schools. For this reason, focusing on the Building Schools for the Future programme as a way to address areas of deficiency may provide the best solution, especially as sports hall activities are often based around organised team sports offered by clubs and therefore do not require a significant customer reception area.

5.8.2 **Swimming Pools**

5.8.2.1 The demand model has demonstrated that the Borough currently has a shortfall of around two publicly accessible swimming pools, and this is projected to increase to three pools by 2018. However, it should be noted that modelling assumptions for swimming pools are entirely based on lane swimming and therefore provide fairly generous space allocations per user.

5.8.2.2 In addition, the Aquatics Centre on the edge of the Borough will provide a significant amount of water and is likely to take some of the lane swimming activity, especially of those users who are swimming at more intense levels. Based on these factors, it is considered that the shortfall is more in the region of one to two pools by 2018.

5.8.2.3 Although the Olympic Aquatics Centre may provide some capacity for Tower Hamlets residents, it should be noted that community use elements such as a leisure pool appear to have been scaled back from original proposals. This means that the Aquatics Centre will primarily be a competition and elite training venue with lower water temperatures and possibly relatively low accessibility to local residents. As such it would not fully address the shortage identified within the Borough.

5.8.2.4 Geographically, modelling has identified the need to provide swimming pools in the east and north-east of the Borough. The east in particular is also one of the areas with the lowest rate of participation and placing a facility here may contribute to improved levels of physical activity.
5.8.3 Gym Equipment

5.8.3.1 Modelling for gym equipment is based on the Borough’s adult daytime population to take into account the high influx of office workers. A large number of gym facilities in the Borough are primarily targeted at this market. Those facilities alone provide 900 fitness equipment stations.

5.8.3.2 The demand model currently shows an undersupply of gym equipment, however if the net influx of the adult population is removed from the model this would result in an oversupply of equipment in relation to the resident population only.

5.8.3.3 While there is apparently a shortfall of gym equipment to serve the combined resident and daytime population, the model does not include resident only gyms on private estates. These are effectively invisible to existing mapping tools but are likely to have an impact on the sustainability of facilities elsewhere.

5.8.3.4 The provision of equipment in Council-owned leisure centres remains vital to their financial viability. The combination of facilities offered in public leisure centres makes them attractive to customers. The membership fees generated from gym equipment also allow for the cross subsidy of swimming pools.

5.8.3.5 As more commercial and private residential gyms are developed in the Borough it is essential that the Council takes a corporate view on the provision of gym facilities. It must be clear about who it is targeting and why. The Building Schools for the Future programme provides a significant opportunity to deliver capital investment in community leisure facilities; however provision must take place within a strategic framework that ensures the needs of the population are being properly met by that investment.

5.8.3.6 There also needs to be a robust examination of the revenue implications in relation to school business planning, existing facilities provided by the Council directly and future strategic facilities. This latter point is of particular importance in relation to possible future swimming pool facilities. Demand modelling has demonstrated a need for such facilities but financial modelling shows they are only viable if combined with an income generating dry side.

6. COMMENTS OF THE CHIEF FINANCIAL OFFICER

6.1 This report seeks Cabinet approval for the adoption of the Leisure Facilities Strategy. The Strategy proposes to take forward 8 strategic outline solutions over a 10 year period, these are outlined in Table 1. The report does not request Cabinet to consider resource allocations for the projects at this stage, but Members are requested to confirm their approval to the strategy to enable
development options to be pursued. As projects are developed they will need to undergo detailed options appraisals to enable Members to take clear and informed financial decisions.

6.2 At this stage no capital or revenue funding has been identified to support the strategic solutions. These proposals would need to be considered alongside other priorities, and the need for efficiency savings that has been identified in the Medium Term Financial Plan, as part of the budget process.

6.3 It is anticipated that a significant contribution to these facilities could be funded from external resources e.g. lottery and Sport England as well as developer contributions (as the provision of most new facilities will be triggered by population growth and as such it is expected that a substantial element of the necessary funding requirement will be identified through the planning contributions process). The approval of a Leisure Facilities Strategy would facilitate discussions with funding bodies about future contributions. However, should Council contributions be required (for example, in relation to match funding), this would need further consideration as part of the budget and Medium Term Planning process.

6.4 With regard to the revenue implications of the proposals, strategic outline solutions for Council-operated facilities have been discussed with the Council's Leisure Management Contractor GLL who have provided input into the high level revenue assessment. Major development proposals will only advance if they can demonstrate at feasibility stage that they are affordable within Council budgets. As outlined in paragraph 4.4 discussions with GLL have already proved beneficial via improvements to surplus share arrangements.

6.5 Two of the potential solutions to address shortfalls in demand relate to school sports halls. It is recognised that opening facilities outside school hours will have revenue implications. These need to be considered on a site by site basis at the earliest stages of BSF project development and would also need to be affordable within schools and Council budgets.

7. CONCURRENT REPORT OF THE ASSISTANT CHIEF EXECUTIVE (LEGAL)

7.1 Cabinet is asked to approve the Leisure Facilities Strategy.

7.2 The Council is empowered pursuant to section 19 of the Local Government (Miscellaneous Provisions) Act 1976 to provide such recreational facilities as it thinks fit, either inside or outside of Tower Hamlets. The power specifically includes the power to provide buildings, equipment, supplies and assistance of any kind.
It is consistent with good administration for the Council to adopt a strategy regarding the way in which it will exercise its power to provide leisure facilities and any related powers. This is particularly so having regard to the following: (a) the Council’s obligation as a best value authority under section 3 of the Local Government Act 1999 to “make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness”; (b) commitments made in the Community Plan and the local area agreement; and (c) the planning context, particularly the local development framework.

8. ONE TOWER HAMLETS CONSIDERATIONS

8.1 The main purpose of the Leisure Facilities Strategy is to ensure continued access to high quality indoor sports facilities to all sections of the community in the context of a rapidly growing population and subsequent increased demand on existing leisure centres. As such it is consistent with the Council’s duties to promote equality in the areas of race, gender and disability.

8.2 Leisure facilities provide one of the main routes through which Tower Hamlets’ residents engage with healthier lifestyles and the impact of this service infrastructure on tackling health inequalities and community cohesion issues cannot be under estimated.

8.3 Recognising the need to provide facilities in the most accessible locations for all residents, the Strategy focuses on the provision of potential facilities in town centre locations and close to transport hubs.

8.4 The Strategy aims to address geographical deficiencies in the distribution of leisure facilities and recognises that gaps in the network correlate to some extent with areas of lower levels of participation in physical activity. It identifies such areas as key locations for potential facilities in order to positively impact on participation levels.

8.5 Furthermore, the Strategy makes proposals at a high level and aims to support future growth in the Borough. Strategic outline solutions are largely demand driven (based on population growth modelling). The Strategy draws on the significant amount of consultation already undertaken to support the development of the Tower Hamlets Community Plan and the Children and Young People’s Strategic Plan. It supplements this with the findings of the scrutiny report on young people’s participation in sport (Winter 2008).

8.6 The strategic outline solutions within the Strategy will form part of the LDF suite of documents and residents will be able to comment on high level proposals as part of the relevant consultations in the autumn of 2009. The development of individual outline solutions will include further project-specific consultation with residents to inform design, accessibility, and the services to be provided.
9. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

9.1 Many leisure facilities by their very nature have high energy demands. The Leisure Facilities Strategy identifies the need to reduce the carbon emissions from the Council’s leisure facilities wherever possible. Energy surveys are underway and will underpin the development of the Carbon Reduction Programme identified as a strategic outline solution. Initial work has already been carried out in some centres with the introduction of swimming pool covers which reduce heat loss from the water when pools are not in use.

9.2 Any strategic outline solutions involving will undergo detailed options appraisals before being brought back to Members for decision making. As part of the options appraisals, individual solutions will need to be assessed for their environmental impact with the aim of reducing carbon emissions across the leisure facilities portfolio.

10. RISK MANAGEMENT IMPLICATIONS

10.1 All strategic outline solutions will be subject to individual risk assessments as part of their detailed appraisal process. The main risk in relation to the overall delivery of any of the proposed solutions will be the availability of project development and capital funding. Individual risk implications will be reported to Members on a project by project basis as strategic outline solutions are presented for further detailed decision making.

11. EFFICIENCY STATEMENT

11.1 The strategic outline solutions in the Leisure Facilities Strategy have been developed with a clear focus on efficiency. Any detailed proposals are required to take into account the key efficiency criteria identified in the strategy:

- Wherever possible wet and dry facilities should be brought together as this reduces the subsidy requirement and allows the Council to potentially benefit from profit share arrangements embedded in the leisure management contract.
- Facilities should be located in the most accessible locations to benefit from high footfall and generate the highest possible use of facilities, ensuring reduced cost per visit and potential increases in income for investment.

Major development proposals will only advance if they can demonstrate at feasibility stage that they are financially viable.
11.2 Energy surveys have been commissioned to help improve energy efficiency and reduce carbon emissions in line with the Council’s Carbon Reduction Plan. These measures will not only have a positive environmental impact but will also help to control energy costs in what is a sector with high energy requirements. Controlling energy cost to GLL will in turn benefit the Council through the leisure management contract surplus share arrangements.

Local Government Act, 1972 Section 100D (As amended)
List of “Background Papers” used in the preparation of this report

<table>
<thead>
<tr>
<th>Brief description of “background papers”</th>
<th>Name and telephone number of holder and address where open to inspection.</th>
</tr>
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<tr>
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12. **APPENDICES**

Appendix 1 – Draft Leisure Facilities Strategy