

**Maidstone Leisure Centre**

<b>Final Decision-Maker</b>	Economic Regeneration and Leisure Committee
<b>Lead Head of Service</b>	John Foster, Head of Regeneration and Economic Development
<b>Lead Officer and Report Author</b>	Mike Evans, Leisure Manager
<b>Classification</b>	Public
<b>Wards affected</b>	All wards

**Executive Summary**

A report on the future of Maidstone Leisure Centre

**Purpose of Report**

Discussion

**This report makes the following recommendations to this Committee:**

1. That the feedback arising from the discussion on the report be used to inform a further report to the Committee with more detailed proposals on the future of Maidstone Leisure Centre.

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**Timetable**

<b>Meeting</b>	<b>Date</b>
Economic Regeneration and Leisure Committee	14 December 2021

# Maidstone Leisure Centre

## 1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
<b>Impact on Corporate Priorities</b>	<p>The four Strategic Plan objectives are:</p> <ul style="list-style-type: none"> <li>• Embracing Growth and Enabling Infrastructure</li> <li>• Safe, Clean and Green</li> <li>• Homes and Communities</li> <li>• A Thriving Place</li> </ul> <p>Maidstone Leisure Centre materially improves the Council's ability to achieve A Thriving Place.</p>	Leisure Manager
<b>Cross Cutting Objectives</b>	<p>The four cross-cutting objectives are:</p> <ul style="list-style-type: none"> <li>• Heritage is Respected</li> <li>• Health Inequalities are Addressed and Reduced</li> <li>• Deprivation and Social Mobility is Improved</li> <li>• Biodiversity and Environmental Sustainability is respected</li> </ul> <p>Maidstone Leisure Centre:</p> <ul style="list-style-type: none"> <li>• supports the achievement of the Health Inequalities being Addressed and Reduced,</li> <li>• makes a positive contribution to deprivation and social mobility being improved</li> <li>• and can make a positive contribution to improving biodiversity and environmental sustainability</li> </ul>	Leisure Manager
<b>Risk Management</b>	Refer to paragraphs 5.1 and 5.2.	Leisure Manager
<b>Financial</b>	The financial arrangements beyond the current operating contract end date will be a key factor in determining the future of Maidstone Leisure Centre.	Senior Finance Manager

	Funding for a new or refurbished centre will be included in the new draft 5 year capital programme that is currently being developed.	
<b>Staffing</b>	We will continue to develop proposals with our current staffing.	Head of Regeneration and Economic Development
<b>Legal</b>	This report is for discussion only and there are no legal implications at this stage.	Team Leader, Contracts and Commissioning
<b>Privacy and Data Protection</b>	Project data is held by the Council in line with our retention schedules.	Policy and Information Team
<b>Equalities</b>	We recognise a project resulting out of these discussions may have varying impacts on different communities within Maidstone. Impacts will be carefully considered and included in an EqIA.	Equalities and Communities Officer
<b>Public Health</b>	The leisure centre has a positive impact on residents, most noticeably those in the borough's most deprived wards.  Future proposals will help Council fulfil the requirements of the health cross-cutting objective.	Housing and Inclusion Team Leader
<b>Crime and Disorder</b>	The project will not have a negative impact on Crime and Disorder.	Leisure Manager
<b>Procurement</b>	The Council will complete procurement exercises and will conduct those exercises in line with financial procedure rules.	Head of Regeneration and Economic Development
<b>Biodiversity and Climate Change</b>	The Council's Biodiversity Climate Change Action Plan includes a focus on decarbonising its buildings and fleet vehicles. Future leisure centre proposals can have a positive impact on achieving a zero carbon Maidstone.	Biodiversity and Climate Change Manager

## **2. INTRODUCTION AND BACKGROUND**

2.1 The Making Maidstone More Active (MMA) review began in 2019 with a public survey. It was interrupted by the Covid-19 pandemic, but via increased partnership working with Sport England, the research into the future sporting and physical activity needs of the borough has continued through the completion of a Sport England Strategic Objectives Planning Guidance (SOPG) report. Maidstone's SOPG report is included as appendix 1.

2.2 The SOPG is a Sport England framework that enables local authorities to complete a holistic review and needs analysis before developing any leisure provision plans. The SOPG:

- Incorporates analysis of current work on health and physical activity in the borough
- Includes gap analysis and facilities planning models
- Assesses the impact on the most vulnerable communities
- Evaluates available solutions and forms them around the future needs of the population and the borough.

The SOPG report in its entirety proposes future operational models for Maidstone Leisure Centre which may or may not include linked leisure delivery in rural location, and may or may not include co-located health services at Maidstone Leisure Centre.

2.3 Maidstone Leisure Centre is the only leisure centre owned by the Council. It is located at Mote Park and was originally built in the early seventies as a swimming baths. In the late eighties work began to extend it to include the sports hall, the leisure pool and health and fitness gym. It is a very large building of more than 13,400m<sup>2</sup> in size. In 2009 the centre underwent a largely cosmetic refurbishment as part of its current operational contract with Maidstone Leisure Trust and Serco Leisure Ltd. Pre-Covid the centre achieved more than 800,000 visits per year and annual turnover was £3.25m. The centre offers:

- Fitness pool
- Diving pool
- Leisure pool
- Two teaching pools
- 100-station gym
- Exercise studio
- Cycling studio
- Soft play and indoor polar adventure play area
- 6 badminton court-sized sports hall

2.4 The leisure centre is operated via a lease and contract agreement with Maidstone Leisure Trust and Serco Leisure Ltd. The current contract arrangement was set in 2009. The Council pays £624,000 per annum for the capital and financing costs of the 2009 refurbishment of the centre. In return the Council receives a contract fee from Serco Leisure of £200,000 per annum. There is a profit share arrangement with surpluses shared in three equal amounts between the Council, Maidstone Leisure Trust and

Serco Leisure. In recent years the profit share amounts have decreased and since the Covid-19 pandemic there have been no annual profits.

- 2.5 The contract also has a utilities threshold in it, with the Council being obliged to contribute additional funds to the budget where the unit cost of utilities rises above the rate of inflation. This clause has increasing significance with the recent above-inflation rises in energy prices. The annual contract costs are shown in table 1 below.

<b>Item</b>	<b>Payable by the Council</b>	<b>Payable to the Council</b>
Capital and financing costs of refurbishment	£624,000 pa	
Utilities obligation	£25,000 pa (estimated for 2021)	
Contract sum		-£200,000 pa
<b>Totals</b>	£649,000 pa	-£200,000 pa
	<b>£449,000 pa</b>	

Table 1. revenue sums of the current leisure centre contract model

- 2.6 The current contract arrangement ends in August 2024 and in preparation for the contract end the Council must make plans for what the future of the building, its operation and the sports facilities it wants to provide.

### **Financial factors**

- 2.7 The current contract provides an annual budget for repairs and maintenance. Extending this arrangement becomes a law of diminishing returns as the building gets older and more expensive to maintain, while also becoming less appealing and functional compared to modern standards. The current sums in the budget are all based on 2009 prices. Adjusting for inflation alone could mean that the annual nett cost of £449,000 equates to £633,000 in 2021 prices. This does not factor in the increasing cost of the ageing plant and building fabric.
- 2.8 The building has two separate pool plant areas, one built for the original fitness pool and the other added with the leisure pool extension. Running two manual systems is very labour intensive and some parts for the Maidstone system are becoming obsolete or harder to obtain.

### **Environmental factors**

- 2.9 The leisure centre is one of the largest contributors of carbon emissions in the Council's portfolio. In 2020, which included long periods of closure, it contributed 526 tonnes of carbon emissions to the borough (526tCO<sub>2</sub>e). To meet its carbon net zero targets the Council will need to make significant changes to the way energy is generated and utilised at the leisure centre. The building will continue to have a large impact on the borough's carbon emissions.
- 2.10 The building uses traditional boilers to generate heat and power. It also has a combined heat and power (CHP) unit that makes energy usage more

efficient on site. The main challenge with energy at Maidstone Leisure Centre is the inefficient use of space in the pool and café area. This area was designed to be open plan, but that indirectly means that to heat the pools to the required temperature, the café space and the children's play area space, also have to be heated. Heat is also lost to the adjoining reception area. The high glazed ceiling in this area means a lot of heat is lost vertically as well. This situation also creates challenges for the customers and staff using the areas because the temperatures required for those who are swimming are much higher than a comfortable temperature for sitting in the café or playing in the play area.

### **Social factors**

- 2.11 The centre reduces health inequalities and supports residents to be more physically active. It is home to numerous sports clubs who meet multiple times per week for sporting activities and it also provides opportunities for interaction and enjoyment for all users. The centre hosts weight management groups and is also the place where hundreds of children learn to swim each year, either through the centre's swim programme or through visits they attend with their school. Maidstone has only four pools that are 25m in length and one of those is at Maidstone Leisure Centre. Only two pools in the borough allow the public to access them on a pay-per-visit basis. Maidstone Leisure Centre is one of them. The others all require a membership.
- 2.12 The layout of the centre poses a number of accessibility challenges. The ramp at the front of the building is steep and once inside, the many corridors with tight corners and double doors to go through, make getting around more difficult than it needs to be. Because the building has been built up and added to over the years it has a number of floors and staircases. The customer lift is in the heart of the building which means customers who use it have to make a journey to get to it before being able to go up to their chosen floor. Sometimes the shortest way of making a journey via the lift involves going through a room or a space that is being used for an exercise class.
- 2.13 The swimming pools at Maidstone have filtration gullies which sit above the water level and below the level of the pool deck surround. This is a traditional set up where the water level is approximately 12 inches below the tiled flooring that customers walk on. Modern pools are deck level, where the water level comes up to the level of the tiled deck surround. Deck level pools make it easier for everyone to get in and out of the water via wide access staircases, and they make modern pool pods possible. Pool pods are a dignified way of enabling people who require assistance to get in and out of the water. Kent has a shortage of eight-lane swimming pools and Kent County Amateur Swimming Association competitions are often held outside of the county. With such demand Maidstone would be a good location for a 25m, eight-lane, competition standard swimming pool.
- 2.14 The leisure centre sports hall is both a sports hall and the Mote Hall concert and performance venue. Concerts and events, with their set up time and breakdown time, can take the sports hall out of action for more than 20 weekends per year. This provides a concert and events space to the

borough, which is larger than the Hazlitt Theatre, but it also diminishes the opportunities available for regular weekend indoor sport. The centre cannot offer regular weekend access to gymnastics, trampoline or badminton clubs because of the irregular pattern of disruption caused by events. The same is the case for individuals who wish to secure a regular, repeat weekend booking for their activities. Latest data in the Local Plan review shows that the borough has 10 sports halls with community access, eight of which are on school sites. There is no current spare peak-time capacity in the borough and overall the borough has a projected deficit of eight badminton courts' of space by 2037, with those courts being fully available to the public. This situation is exacerbated by Mote Hall being unavailable to sport for large sections of the calendar. Future plans should seek to address this issue so that more indoor space can be provided to sporting activity.

2.15 The Council has a social ambition to work with health partners to explore the co-location of services to the leisure centre, and these are much harder to achieve in the current building because of the challenges of accessibility.

### **Future options – the three R's**

2.16 The Making Maidstone More Active project, now supported by the Sport England SOPG work referenced at paragraph 2.2, is reviewing the future of leisure provision for the borough. Crucial to any decisions the council makes about provision elsewhere in the borough is understanding the future of Maidstone Leisure Centre. Regarding the leisure centre, the Council has three options for the end of the contract in 2024. These are summarised below and explored in more detail in section 3. The options can be defined as:

- **Repeat** - Repeat the current contract cycle with the building in the same condition and plan for an ongoing repairs and maintenance schedule.
- **Refurbish** - Refurbish the leisure centre and then tender the operations contract with ongoing repairs and maintenance obligations in a refurbished building.
- **Redevelop** - Redevelop the leisure centre and replace it with a brand-new centre at Mote Park, which can either be on the existing footprint or on a new footprint. This will ensure continuity of leisure centre service during the construction period.

2.17 The SOPG report and the Sports Facilities Strategy written for the Local Plan review identify that there is not sufficient population currently in the rural areas to support the creation of a second leisure centre in that area. The southern rural service centres and villages of Maidstone have a strong sports club base, many of whom are looking to expand and grow to meet demand, but the population in those areas alone will not support another leisure centre.

- 2.18 Tunbridge Wells Borough Council is exploring a new leisure centre in Paddock Wood, which in geographical terms would have a catchment area that includes rural Maidstone. Future demand can also be addressed through the Lenham Heath development, which has the opportunity to include leisure provision in its creation. Making Maidstone More Active will begin its community workshops in the rural areas of the borough to gauge leisure behaviours in those wards and communities and assess what may have changed since the Covid-19 pandemic.
- 2.19 The SOPG report proposes a hub and spoke model that can exist with central leisure provision in the town centre being supported by either small-scale facilities or outreach leisure provision in the southern rural service centres. Members are invited to share their thoughts on such a hub and spoke model.

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### **3. AVAILABLE OPTIONS**

- 3.1 In this section the merits and challenges of a repeat, a refurbishment and a redevelop option will be explored.

#### **Repeat**

- 3.2 The current 15-year contract with Maidstone Leisure Trust and Serco Leisure Ltd expires in August 2024. The Council has an option to extend this contract by up to 50% of its value and retain Maidstone Leisure Trust and Serco as the operator under the existing contract terms until 2030. This will require the agreement of all parties and therefore there is a risk that this option is not possible or available to the Council.
- 3.3 In the repeat option, the Council could also choose to end the Serco Leisure contract and tender for a new operator for a different period and new contract terms altogether. Tendering the building in its current condition is likely to mean operators price their bids accordingly, with the Council being responsible for any risks associated with the age and condition of the building and any further risks associated with the price of energy. The repeat options are only short-term options. They do not address the questions of the age of the building, and the difficulties in maximising environmental and social benefits will persist.

#### **Refurbish the leisure centre**

- 3.4 A refurbishment of the leisure centre will enable capital to be directed at the areas of the building that need it most. It can range from cosmetic changes and updates to a major replacement of the plant and mechanical and engineering components and a reconfiguration of walls and spaces. To maximise the benefits, particularly in social and environmental factors, a refurbishment of Maidstone Leisure Centre will achieve better outcomes if it is a large-scale project. The overall refurbishment cost can be set by the Council to be any value from six figures up to many millions, but can still be less than the price of a redevelopment. Through a refurbishment the Council can seek to address the accessibility points by providing a better



layout and circulation around the building and address the energy efficiency of the building by adding the latest technology into the building structure and fabric.

- 3.5 A condition survey of the building was last completed in 2019. It advised how the remaining repairs budget should be spent and did not advise on long-term issues beyond 2024. This needs to be understood in more detail and it can form part of a future report brought to this committee.
- 3.6 Through the SOPG process, architects and surveyors have visited Maidstone Leisure Centre and they have noted the initial observations:
1. Previous extensions and alterations have left Maidstone Leisure Centre (MLC) with lots of corridors and circulation space. This is uninviting for customers and inefficient in design. A refurbishment should seek to consolidate space.
  2. MLC's gym is across three floors and badly connected. A refurbishment will give best results if it can be accommodated on one floor and if windows can be added that give views over Mote Park.
  3. The building fabric is in good condition given the age of the building, but the thermal and airtightness performance of the existing envelope is likely to fall significantly short of current standards. A refurbishment should aim to address this.
  4. The pool hall has no separation from the café area, reception and indoor play area. This makes temperature control problematic because the café and indoor play areas are heated to pool environment temperatures and the building does not recycle this heat in an efficient way. A refurbishment should separate these spaces and encapsulate the pool environment more to give more control over temperature.
  5. The existing pools at MLC are not deck level and this compromises safety, accessibility and filtration standards. Adjusting this in a refurbishment will deliver significant benefits. The age of the pools means that draining them is a structural risk. Current repairs are carried out under water at a much higher cost.
  6. The pools at MLC are operated from two separate plant rooms, one dating from the seventies and the other from the nineties. A refurbishment of pool plant will need to involve upgrading two ageing systems.
  7. Pool viewing, particularly for parents viewing the teaching pools, is below customer expectations and the location of pools and adjacent corridor spaces makes this difficult to remedy.
- 3.7 A refurbishment can range from cosmetic improvements to a full structural remodelling and include all variations in between. The larger the project the more sustainable and long-lasting the impacts on customer satisfaction and positive social, financial and environmental benefits. Improvements to

the plant and the airtightness of the building will have a significant impact on the contribution the centre makes to the borough's carbon emissions.

- 3.8 A structural refurbishment of the centre will deliver maximum benefits but it will need to work within the confines of the existing supporting walls and the ground levels. Maidstone Leisure Centre is built across three internal floors and also has an external ramp joining it to its car park.
- 3.9 A large-scale refurbishment will require the building to either close entirely for a long period or it will require the building to operate a series of part closures and service disruptions so that some facilities remain open while others are being developed. This will result in additional costs to the Council in terms of service disruption and an extended construction period.

**Redevelopment options**

- 3.10 If undertaking a rebuild the Council does not need to be limited to the footprint of the existing building, which at 13,400m<sup>2</sup> is very large for a leisure centre. The facilities that a new centre is likely to require can be accommodated in a building between 8,500m<sup>2</sup> and 9,000m<sup>2</sup> because of better use of corridors and circulation areas. Other locations for the building have been considered but the Mote Park location is key for future physical activity and health interventions in Maidstone. As well as being walking distance from the town centre, it has sufficient space for a leisure centre footprint with parking and is adjacent to the most deprived wards in the borough. Being next to Mote Park enables indoor and outdoor activities, such as the Outdoor Adventure, to operate side by side, which has business efficiency benefits. A sports centre at this location supports outdoor sports pitches with changing rooms and storage and there are also synergies with the neighbouring Mote Cricket Club, Maidstone Rugby Club, The Mote Squash Club and Mote Park Indoor Bowls Club.
- 3.11 The SOPG process has considered locations on or near the existing Leisure Centre. These are shown in appendix 2. (The layouts and facilities in appendix 2 are for illustration only).
- 3.12 To summarise the development options for this report, a new leisure centre at Mote Park could be built:

- 1. On the footprint of the existing building
- 2. On the existing car park
- 3. On a space identified to the north of the leisure centre, encompassing some of Mote Park and some of the rugby club land
- 4. On the rugby club pitch that sits adjacent to the leisure centre car park

<b>Development option</b>	<b>Comments and information</b>
<b>Option 1</b>	This site already includes a leisure centre so no change of use from a planning perspective.

	<p>Loss of service during the construction phase is likely to be 2-3 years which will have significant detrimental health outcomes.</p> <p>Sports clubs will need to find new temporary homes. Members and customers will need to find new centres to use. Clubs, members and customers will need to be attracted back to the new centre.</p> <p>Significant loss of swimming space in the borough for 2-3 years will result in hundreds of children not being able to attend swimming lessons for a key part of their childhood. This has substantial negative outcomes in a key life skills area.</p>
<b>Option 2</b>	<p>The car park can accommodate a leisure centre building but it will be constricted in its design by the narrowness of the car park and the proximity to residential properties.</p> <p>The current centre would operate without a car park during the construction period and a new car park would have to be provided, which could be on the footprint of the existing leisure centre.</p>
<b>Option 3</b>	<p>This location would facilitate construction while the current leisure centre and car park continued in operation. The existing leisure centre could then be decommissioned and made available for additional leisure facilities or returned to the park landscape.</p> <p>The location of option 3 includes a local wildlife site comprising mature trees running east to west and hedgerow and undergrowth running north to south at the boundary between Mote Park and the rugby club.</p>
<b>Option 4</b>	<p>This location would facilitate construction while the current leisure centre and car park continued in operation. The car park could continue to be used as the car park for the new centre and the existing leisure centre could then be decommissioned and made available for additional leisure facilities or returned to the park landscape.</p> <p>This location is not on land owned by the Council. It will require the assistance of and collaboration with the Mote Cricket Club and Maidstone Rugby Club. The clubs are working on their own capital development plans and this option would impact</p>

	on those plans. This option will cause substantial disruption to the clubs in the short term, but long term it could deliver benefits to all parties. The existing leisure centre land could be used to replace pitches and these could be grass or artificial.
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*Table 2 showing details of four new leisure centre options*

3.13 Discussions have taken place with the Mote Trustees of Mote Cricket Club and the committee of Maidstone Rugby Club to look at how the options above could be accommodated at Mote Park. The options in appendix 2 have been presented to both clubs. Both clubs are open to working together to find a mutually beneficial masterplan for the site and would like to explore other options to create a sport and leisure hub at Mote Park. One indicative whole site plan is included as appendix 3 to highlight how the required facilities could fit on to the available land. This is not a final plan. Further ideas from both clubs are still emerging and there is no commitment for a preferred scheme at the moment.

3.14 Developing a new leisure centre at Mote Park makes it easier for other services to be co-located into the building. Post 2024, the Council can add additional specification to its leisure centre services and can include health KPIs, weight management, smoking cessation and other services as core functions of the operation. This is possible in a refurbished or a redeveloped building, but a redeveloped building enables dedicated spaces to be created for partner organisations to embed themselves in the leisure centre and fully-integrate with the customers.

**Financial modelling**

3.15 Other local authorities have undertaken similar schemes in recent years. Some examples are included as appendix 4, however these were all completed pre-Covid. The table below shows the increases in customers and members that have been achieved by other local authorities after redeveloping a leisure centre. The increased figures in table 3 represent positive outcomes in social terms, with more people visiting the new centres more often, and they also provide the revenue base that supports capital borrowing. (“Not known” is given where an information point was not available at the time of writing)

<b>New leisure centre</b>	<b>KPI measure</b>	<b>Pre-development</b>	<b>Post-development</b>
Maidstone Leisure Centre (current figures)	Throughput	800,000	
	Health and fitness members	2,272	
	Swim lesson customers	768	
	Revenue	£3.2m	

Dover District Leisure Centre	Throughput	168,000	540,000
	Health and fitness members	780	4,300 & 800 swim only
	Swim lesson customers	700	1,400
	Revenue	Not known	Not known
Camberley Arena (estimates after being open for 6 months)	Throughput	Not known	Not known
	Health and fitness members	3,018	3,900
	Swim lesson customers	630	830
	Revenue	100%	193%
Hart Leisure Centre	Throughput	360,000	720,000
	Health and fitness members	2,647	4,418
	Swim lesson customers	1,863	2,089
	Revenue	Not known	Not known
Harrow Lodge Leisure Centre	Throughput	46,836	62,509
	Health and fitness members	4,333	5,253
	Swim lesson customers	Not known	Not known
	Revenue	100%	136%
Moberley Leisure Centre	Throughput	249,075	581,731
	Health and fitness members	985	3,980
	Swim lesson customers	Not known	Not known
	Revenue	100%	163%
New Alton Leisure Centre	Throughput	180,866	494,499
	Health and fitness members	1,896	3,004
	Swim lesson customers	Not known	Not known
	Revenue	100%	140%
Wyre Forest Glades	Throughput	414,603	531,607
	Health and fitness members	1,787	3,513

Leisure Centre	Swim lesson customers	Not known	Not known
	Revenue	100%	138%

*Table 3 showing comparative KPI impacts of redeveloped leisure centres*

- 3.16 The increased profitability of redeveloped centres provides a contract fee in the region of £1million that the local authority can then use to pay back capital borrowing. The exact figure will depend on the facility mix of the centre, and current market prices at the time of tendering, but multiple recent examples have generated contract fees of this size payable to the local authority. Once built, the ongoing repairs and maintenance obligations of a new leisure centre can be passed to the operator, meaning the Council has no annual repairs costs or commitments and the entire fee the Council receives can be used to repay capital. Providing the building is adequately repaired and maintained, the Council can expect the contract payments to be in the same region for the duration of the capital repayment period.
- 3.17 A repeat option is likely to result in increased costs for the Council as the risks associated with managing the current building increase. The refurbishment option and the redevelopment option will reduce future risks and the environmental, social and financial factors can be addressed through capital investment into the centre.
- 3.18 The current contract figures were set in 2009 and have not been subject to inflation for 12 years. To repeat the 2009 option today the Council would need to invest £12million over 15 years at a nett annual cost of £633,000. This figure, based on inflation alone, would give cosmetic improvements and a 15-year repairs budget but it does not include the building being 15 years older than it was in 2009.
- 3.19 To make meaningful cost comparisons between the repeat, the refurbishment and the redevelopment options capital schemes with revenue projections will be needed. Some of this work has been completed as part of the Sport England SOPG work, but a refurbishment scheme for the leisure centre has not yet been completed so a comparison is not possible.
- 3.20 What is known is that the construction of a new building is currently priced at £3,675 per m<sup>2</sup>, valuing the new construction cost of a new leisure centre at £32m. This is subject to a final design and a final location and does not include fees and contingencies, meaning the total price will be closer to £40m. A refurbishment of the whole of Maidstone Leisure Centre, valued at an average price of £2,670 per m<sup>2</sup> will cost approximately £35.7m and again that figure does not include fees and contingencies.
- 3.21 A new build scheme is eligible for grant funding from Sport England and it can also be submitted as a bid to the Levelling Up Fund in spring 2022. A refurbishment scheme is unlikely to be eligible for grant funding from Sport England. However, with a refurbishment the Council has the ability to set a budget and deliver improvements to that budget.
- 3.22 In general terms the refurbishment option could range from cosmetic works to structural changes and plant upgrades. This project will benefit from an

investigative survey of the existing building, its structure and fabric, the condition of its plant and filtration systems. Quotations are being sought for this so that this information can be presented to members at a future meeting. Also required is a refurbishment design showing what is possible with the current floorplans and layouts of Maidstone Leisure Centre. With these two pieces of work more robust cost comparisons can be made between:

- the repeat option, using 2021 prices,
- the refurbishment option, using a refurbishment design and cost plan to know how value for money can be achieved and how social and environmental outcomes can be achieved
- the redevelopment option, using a new design to deliver social, environmental and financial outcomes.

Business plan models can also be presented for all three options.

#### 4. OPTIONS AND REASONS FOR RECOMMENDATIONS

- 4.1 This report is presented for discussion and at this stage there is no preferred option or reasons for recommendation.
- 4.2 Members are invited to discuss the merits of the repeat, refurbishment and redevelop options and the advantages and disadvantages of the three options are summarised in the table below

Option	Advantages	Disadvantages
<b>Repeat</b>	<p><b>Social</b></p> <ul style="list-style-type: none"> <li>• No disruption for users as service will continue during the contract changeover period</li> </ul> <p><b>Environmental</b></p> <ul style="list-style-type: none"> <li>• Current building continues to be used</li> <li>• No construction work at the leisure centre/Mote Park location</li> </ul> <p><b>Financial</b></p> <ul style="list-style-type: none"> <li>• No capital investment required by the Council</li> </ul>	<p><b>Social</b></p> <ul style="list-style-type: none"> <li>• Customer satisfaction with the building will decrease and user experiences will deteriorate</li> <li>• Customer numbers likely to fall</li> <li>• Accessibility will continue to be below modern standards</li> <li>• Building will still be uninviting from the outside</li> <li>• Co-locating other services to the building will continue to be a challenge</li> </ul> <p><b>Environmental</b></p> <ul style="list-style-type: none"> <li>• Building will continue to be inefficient in its consumption of energy and heat</li> <li>• Building will not be making a positive contribution to the Council's carbon net zero target</li> </ul>

		<ul style="list-style-type: none"> <li>• Building will continue to be unsympathetic to the natural park setting</li> </ul> <p><b>Financial</b></p> <ul style="list-style-type: none"> <li>• Ageing plant is an operational and financial risk because repairs can be problematic</li> <li>• Operating the old plant is labour intensive and a very manual process</li> <li>• Attracting new users to the centre will become harder</li> <li>• Customer confidence in the building will impact directly on operational revenues</li> <li>• Ongoing repairs and maintenance will not address the changes that would make the most difference</li> <li>• Operators will price bids accordingly and either decline to take on the risk of managing old plant or will insist on the council retaining these risks in the contract terms</li> </ul>
<p><b>Refurbish</b></p>	<p><b>Social</b></p> <ul style="list-style-type: none"> <li>• Likely to generate a short-term increase in usage</li> <li>• Existing customer base is retained</li> <li>• New customers can be attracted by a fresh look and feel</li> <li>• With careful programming can ensure parts of the building are kept open at various times during the construction phases</li> </ul> <p><b>Environmental</b></p> <ul style="list-style-type: none"> <li>• Can address the energy consumption rating of the building and the plant</li> <li>• Grant funding could be available for some decarbonising measures</li> <li>• Can improve the appeal of the external look of the building if works are extensive</li> <li>• Built on existing footprint – low impact on other areas in the park</li> </ul> <p><b>Financial</b></p>	<p><b>Social</b></p> <ul style="list-style-type: none"> <li>• Significant capital needs to be spent on back of house i.e. plant and equipment, roof replacement; whilst this investment is a priority, it will not add to the customer experience of using the facility</li> <li>• Limited scope to change configuration of building and layout</li> <li>• Limited scope to alter facility mix to meet changing customer needs</li> <li>• Perception of 'no change' from residents</li> <li>• No direct link to adjacent Mote Park and outdoor sports</li> <li>• Previous refurbishments resulted in short term rather than long term increase in usage</li> <li>• Will require closures to parts of the building during the construction phase – loss of custom and sporting participation during this time</li> <li>• Co-locating of health services to the building will be harder</li> </ul>



	<ul style="list-style-type: none"> <li>• Can focus resources on the areas that need it most</li> <li>• Can be done on varying scales of work from a cosmetic refurbishment to a structural remodelling of the building and the level of work can be aligned to the available capital resources and a set budget</li> </ul>	<p>to accommodate in the existing building</p> <p><b>Environmental</b></p> <ul style="list-style-type: none"> <li>• Continued high carbon emissions due to age and inefficient design of building</li> </ul> <p><b>Financial</b></p> <ul style="list-style-type: none"> <li>• Management contract is likely to be less attractive to leisure operators and they will cost for risk in managing an ageing building.</li> <li>• Closures during the construction period will have financial impacts</li> </ul>
<b>Redevelop</b>	<p><b>Social</b></p> <ul style="list-style-type: none"> <li>• Modern facilities in a building with modern accessibility specification makes it easier to cater for all user groups in the same spaces</li> <li>• Efficient design of facility with facility mix that meets the current and future needs of the Borough</li> <li>• Improved layout with better connections and circulation spaces</li> <li>• Better and more comfortable viewing areas for parents and spectators</li> <li>• Increase in customer appeal</li> <li>• Increase in number of centre users and improved health outcomes of residents</li> <li>• Opportunity to target hard to reach groups through hub approach to delivery.</li> <li>• Increased health outcomes in close proximity to the most deprived wards</li> <li>• Increased opportunity for complementary co-located community facilities providing integrated health and physical activity offer</li> <li>• Greater connection with the leisure centre via cycling/walking/running routes</li> </ul> <p><b>Environmental</b></p> <ul style="list-style-type: none"> <li>• Ability to take full advantage of location and re-orientate</li> </ul>	<p><b>Social</b></p> <ul style="list-style-type: none"> <li>• Hub will only work if joined up working/commitment of key partners</li> <li>• Rural provision would need to operate as complimentary to the main physical activity hub. Smaller, informal provision in the rural areas may not be attractive to an external operator</li> <li>• Construction will need careful management to avoid impacting on the historic park</li> <li>• Decision will be required on the layout and uses of Mote Hall</li> </ul> <p><b>Environmental</b></p> <ul style="list-style-type: none"> <li>• Existing building will need to be demolished in a sustainable way so that materials are recycled or re-used on site</li> <li>• Current leisure centre footprint will need to be planned carefully to complement new building and historic park setting.</li> </ul> <p><b>Financial</b></p> <ul style="list-style-type: none"> <li>• Will require significant capital investment and a long payback period</li> </ul>

	<p>building to integrate with park and neighbouring facilities e.g. direct link to Outdoor Adventure, access to café in entrance without entering facility, view out to park etc.</p> <ul style="list-style-type: none"> <li>• Options to build adjacent to the current building and improve the overall look and feel of the external areas of the centre and links to Mote Park</li> <li>• Modern building will make considerable contributions to the Council's carbon net zero targets</li> <li>• Grant funding could be available for some decarbonising measures</li> <li>• More efficient design creates a building approximately 66% of the size of the current centre</li> <li>• Opportunities to develop an exemplar facility in carbon emissions terms.</li> </ul> <p><b>Financial</b></p> <ul style="list-style-type: none"> <li>• Increase usage generates increased revenues</li> <li>• A new leisure facility will be very attractive to leisure facility operators and proposals could be incorporated into new leisure contract procurement process, ensuring better financial return to the Council</li> <li>• Operator will take on the repairs and maintenance obligations in a new centre</li> <li>• Opportunity to review target market and review position in the marketplace.</li> <li>• More cost-effective long term than adding to old facility structure.</li> <li>• Opportunities for external grant funding from Sport England and Levelling Up Fund</li> <li>• Removes financial risks from the Council's risk register</li> </ul>	
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*Table 4. summary of advantages and disadvantages for the repeat, refurbishment and redevelop options*

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## 5. RISK

- 5.1 No capital investment in the leisure centre will result in the building ageing further still and the impacts of this becoming realised.
- 5.2 The costs of this can be measured in financial, social and environmental terms. Currently the council's risk matrix places these risks as red.
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## 6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 6.1 SOPG report as referenced in paragraph 2.1 and available as appendix 1 has included consultation with (in no particular order):
- Sport England
  - Kent Amateur Swimming Association
  - MBC Planning department
  - MBC Arts and Culture Officer
  - MBC Parks and Open Spaces Manager
  - Mote Park Cricket Club
  - Maidstone Rugby Football Club
  - The Mote Squash Club
  - Maidstone Volleyball Club
  - WingChun Maidstone
  - Krav Maga BKMA
  - Maidstone Rollerdance Club
  - Dharma Gym
  - Mote Park Watersports Centre
  - Maidstone Community Mental Health Team
  - Maidstone Area Arts Partnership
  - Involve Kent
  - Infozone Youth Hub
  - Younger People With Dementia – Maidstone Community Support Centre
  - Maidstone Youth Forum
  - Action with Communities – Rural Kent
  - Maidstone Disability Focus Group
  - Kent Physical Disability Forum
  - Kent and Medway NHS and Social Care Partnership Trust – Adult Mental Health
  - Kent and Medway CCG
  - CAB
  - Maidstone South and Central PCNs (West Kent Primary Care)
  - Swale Borough Council
  - Tunbridge Wells Borough Council
  - Tonbridge and Malling Borough Council
  - Medway Council
  - Active Kent – KCC
  - Serco Leisure
  - Maidstone YMCA
  - Badminton England

6.2 Consultation was sought with the following organisations but it was not possible to speak with them on this occasion:

- Mote Park Indoor Bowls Club
- Maidstone Swimming Club
- Maidstone Disabled Swim Club
- Maidstone Scuba Club
- Blue Ocean Diving
- Age UK Maidstone
- Kent Active Retirement Associations
- Maidstone Older People's Forum
- Maidstone U3A
- Ashford Borough Council

6.3 Further consultation work will continue as per recommendation 3 in this report.

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## **7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION**

7.1 Additional reports and further information will be brought to future meeting of this committee. They will include:

- Condition survey of the building
- Condition survey of the M&E
- Condition survey of the pool plant and filtration systems
- A best-value refurbishment development scheme to allow comparisons with the repeat and redevelop options
- Revenue modelling for the refurbishment scheme and the redevelopment scheme

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## **8. REPORT APPENDICES**

The following documents are to be published with this report and form part of the report:

- Appendix 1: Maidstone Sport England SOPG Report
  - Appendix 2a - c: Maidstone Leisure Centre development locations
  - Appendix 3: Maidstone Leisure Centre option 4 - indicative site plan
  - Appendix 4a - d: Leisure centre development case studies
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## **9. BACKGROUND PAPERS**

- *Making Maidstone More Active Update* Report – Economic, Regeneration and Leisure Committee, 16 March 2021