
Report To:	Regeneration Committee	Date:	20th January 2011
Report By:	Corporate Director- Regeneration and Environment	Report No:	R185/11/AF/SJ
Contact Officer:	Stuart Jamieson	Contact No:	01475 715555
Subject:	Strategic Leisure Sites: Review of Rankin Park Development		

1.0 PURPOSE

- 1.1 The purpose of this report is to seek authority to reconfigure the Rankin Park Leisure Centre proposals and the development of a number of other schemes.

2.0 SUMMARY

- 2.1 Inverclyde Council, through its budget setting process allocated £22.7m for a number of sport/leisure sites in Inverclyde scheduled for completion by August 2012. The sites identified were, Ravenscraig Stadium, Parklea (Stadium Facility), Parklea (Pavilion), Rankin Park Development, Gourrock Park – DDA and Amphitheatre, Gourrock Pool – Upgrade, Pitches Strategy (Priority).
- 2.2 The planned indicative investment profile was presented to the March 2010 Committee and it was remitted to the Corporate Director to present six monthly updates.
- 2.3 Officers have met regularly to develop each of the distinct projects and these are currently at different stages dependant on the timescales which prevail. A number of meetings have been held with sportScotland to make them aware of the Council's commitment to key leisure sites and they have been supportive of our proposals. Stakeholder meetings have taken place, where appropriate, to develop Stage 1 applications to sportScotland. Stage 2 applications have now been made for Ravenscraig and Parklea. The Stage for Rankin Park is held in abeyance until a decision is made on the final scheme to be developed.
- 2.4 As part of the review of the Capital Programme 2010-14, which has been necessitated by the pressure brought upon local authorities by central government to significantly reduce expenditure through its Comprehensive Spending Review, it is proposed that possible savings should be considered as part of the wider Strategic Leisure Sites Investment Programme. In this regard, the Rankin Park development involves the largest level of planned investment, which has not yet been committed, and therefore provides a significant opportunity to review the level of proposed investment.

3.0 RECOMMENDATION

- 3.1 That Committee:
1. Identifies Option 2b outlined in para 5.3 as the preferred development option and requests that the Council consider making appropriate provision to progress the project as part of the budget setting process; and,
 2. Subject to funding being made available within the budget process, remit to the Corporate Director to implement the project through further detailed design, formulating tender documents, selecting tenderers and appointing the most economically advantageous tenderer.

Aubrey Fawcett
Corporate Director Regeneration and Environment

4.0 BACKGROUND

- 4.1 Inverclyde Council, through its previous budget setting process has allocated £22.7m for a number of sport/leisure sites in Inverclyde with completion by August 2012. The sites identified are, Ravenscraig Stadium, Parklea (Stadium Facility), Parklea (Pavilion), Rankin Park Development, Gourock Park – DDA, Gourock Park – Amphitheatre, Gourock Pool – Upgrade, Pitches Strategy (Priority).
- 4.2 The allocation of funds to projects were developed through a number of reports, including the strategic sites review and the pitches strategy document, which have previously been presented to Committee.
- 4.3 The timescales identified in the budget papers have been developed and these have formed the basis of the main project timeline, which have been reported previously.
- 4.4 Central government, through its Comprehensive Spending Review, has required local authorities to significantly reduce its capital expenditure. As part of the review of the Capital Programme 2010-14, it is proposed that possible savings should be considered within the wider Strategic Leisure Sites Investment Programme. As the Rankin Park development involves the largest level of planned investment, which has not yet been committed, it provides a significant opportunity to identify savings within the planned investment programme. In addition, following the decision regarding not to proceed with the conversion of Wellington Academy this site has also been considered as a possible site for leisure/community facilities.

5.0 REVIEW OF RANKIN PARK AND ASSOCIATED DEVELOPMENTS

- 5.1 The original planned investment in Rankin Park involved a combined sports and library facility to replace the Nelson Street Sports Centre and the South West Library at an estimated cost of £10.9 million with a net contribution from the Council of £5.2 million plus receipt for Nelson Street Sports Centre, which was estimated at £1.2 million in 2008. Inverclyde Leisure was asked to review the proposed business plan in more detail and following this the revised cost for the development was reduced to £10.1 million. It was also envisaged that sportScotland/SFA would contribute up to £1.1 million and Inverclyde Leisure, through prudential borrowing, would also make a contribution of £2.6million from an original £3.4million, see details below:

	Original Scheme	Revised Scheme
Inverclyde Council Capital	£5.2m	£5.2m
sportScotland/SFA	£1.1m	£1.1m
Inverclyde Leisure Prudential borrowing thro' income	£3.4m	£2.6m
Nelson St capital receipt	£1.2m	£1.2m
Total	£10.9m	£10.1m

The following accommodation was to be provided:

- 8 court main sports hall
- 500m² library
- 48 station gym
- 160m² dance studio
- 4 court covered 5-a-side

- changing accommodation
- drainage, car parking and associated road infrastructure

5.2 The above scheme has been developed to Outline Stage C at an estimated cost of £338,000 of which £238,000 of fees would be aborted if the proposal to alter the £10.1million scheme is accepted.

5.3 A number of options have been reviewed as follows:

OPTION	COST	NET COST	Advants/Disadvants
Option 1a Reduce scheme at Rankin Pk with 4 court hall, smaller amount of ancillary accommodation and omit library LESS Income from Inverclyde Leisure	£7,900,000 (£2,250,000)	£5,650,000	<u>Adv</u> New replacement for Nelson Street Sports Centre & covered football provision <u>Disadvant</u> Lose sportScotland funding & major sporting events which requires a large hall No replacement SW Library
Option 1b Reduce scheme at Rankin Pk with 4 court hall, smaller amount of ancillary accommodation and omit library, gym and dance studio LESS Income from Inverclyde Leisure	£6,550,000 (£2,250,000)	£4,300,000	<u>Adv</u> New replacement for Nelson Street Sports Centre & covered football provision <u>Disadvant</u> Smaller sports centre. Lose sportScotland funding & major sporting events which requires a large hall No replacement SW Library
Option 2a Provide new grass pitch and pavilion at Rankin Park with parking and drainage. Retain and upgrade Nelson Street Sports Centre Retain and upgrade South West Library New community facility at former Wellington Academy blaes pitch	£1,400,000 £600,000 £315,000 £500,000*	£ 2,815,000	<u>Adv</u> Additional grass pitch & upgrade to Nelson St Sports Centre. Provison of much needed community facility at Wellington. No dependency on capital receipt. <u>Disadvants</u> Limited building lifespan, no covered football
Option 2b Provide new grass pitch and pavilion at Rankin	£1,400,000		<u>Adv</u> Additional grass pitch & upgrade to

Park with parking and drainage. New covered 5-a-side facility funded by prudential borrowing through income generated by Inverclyde Leisure on Rankin Park	£2,250,000		Nelson St Sports Centre. Provison of much needed community facility at Wellington. No dependency on capital receipt. Covered football can be provided as Phase 2 by IL. <u>Disadvants</u> Limited building lifespan
Retain and upgrade Nelson Street Sports Centre	£600,000		
Retain and upgrade South West Library	£315,000		
New community facility at former Wellington Academy blaes pitch	£500,000*		
LESS Income from Inverclyde Leisure	(£2,250,000)	£ 2,815,000	
		**	

* Assumption that the proposed Wellington Community would receive an additional £200k from the Community Facility Fund.

** Costs do not include £338k fees and costs already incurred

- 5.4 The above options recognise that there would be no real value generated at this time by the disposal of the Nelson Street Sports Centre due to current market conditions and taking cognisance of the cost of demolition works.
- 5.5 A number of other options were reviewed including covered football and gym with community facility at Wellington Academy and covered football at Parklea. But due to site restrictions/cost with the former and location of the latter away from the centre of Greenock, it is not recommended that these options be developed.
- 5.6 It should be recognised that Stage 1 applications have been made to sportScotland for Ravensraig Stadium (£500k), Parklea Football Park Development (£500k) and Rankin Park (£1.2million). Stage 2 applications have now been made for Ravensraig and Parklea. Although officers have worked hard to secure funding it is not certain that all or indeed any of this funding will be secured. In this regard, the options prepared above are based upon the assumption that sportScotland would not be attracted to supporting a reduced scheme at Rankin Park - certainly not at the same level referred to above.

6.0 CONCLUSION

- 6.1 In recognition of the financial challenges ahead and the need to reduce capital expenditure, it is proposed that Option 2b be identified as the preferred option. This scheme provides a good range of facilities whilst permitting IL to undertake the covered football as a separate phase. Option 2b also contains enabling works in the first phase to allow the development of Phase 2 by Inverclyde Leisure with limited disruption.

7.0 IMPLICATIONS

- 7.1 Finance:

Financial Implications – One off Costs

Cost Centre	Budget Heading	Budget Year	Proposed Spend this Report	Virement From	Other Comments
Capital	Strategic Leisure Sites	2011-13	£2,815,000		Proposals reduce previous allocation by £2,047,000 less costs already incurred
New Community facility at Wellington Academy	Community Facilities Fund	2011-13	£200,000		

Financial Implications – Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (if Applicable)	Other Comments
Revenue	Strategic Leisure Sites	2012-13	tbc	n/a	Allowance contained within the overall Strategic Leisure Sites running costs.

Personnel: N/A.

Legal: N/A

Equalities: Equality and diversity processes comply with EU requirements. Equal Opportunities, Issues of Gender & Disability and Social Inclusion have been addressed in the design of this programme.