

DUNDEE CITY COUNCIL

REPORT TO: Leisure, Arts & Communities Committee - 24 March 2008

REPORT ON: Replacement of Olympia Swim and Leisure Centre

JOINT REPORT BY: Depute Chief Executive (Finance) and Director of Leisure & Communities

REPORT NO.: 204-2008

1.0 PURPOSE OF REPORT

1.1 To outline the proposal for the replacement of the Olympia Swim and Leisure Centre with a new purpose-built swimming and leisure centre on a site at Allan Street, The new centre would include a 50 metre pool for local swimming clubs, training and regional competitions.

2.0 RECOMMENDATION

It is recommended that the Leisure, Arts & Communities Committee:-

2.1 Agree the principle of the existing Olympia Swim and Leisure Centre being demolished and replaced by a purpose-built swimming and leisure facility on a site at the Allan Street Car Park.

2.2 Agree in principle to the inclusion of a new 50 metre pool within the new facility at Allan Street, primarily for local swimming clubs, training and regional competition, together with appropriate leisure facilities all as identified in the clients brief attached at Appendix 3.

2.3 Note the inclusion of the replacement of the Olympia Swim and Leisure Centre within the Council's Capital Plan which was approved at the Policy & Resources Committee on 14th February 2008, at a total estimated gross cost of £22.00m

2.4 Agree to the establishment of an Olympia Project Board and a stakeholder group, involving representatives from Dundee Leisure, Sportscotland and swimming clubs in Dundee to act as a client advisory group during the development of this important project. The Depute Chief Executive (Finance) will chair both groups

3.0 FINANCIAL IMPLICATIONS

3.1 The financial implications of the new swimming and leisure centre at Allan Street are twofold being capital and revenue, and are detailed in Paragraphs 3.2 to 3.5 and in Appendices 1 and 2.

3.2 The proposal to build the replacement swimming and leisure pool at Allan Street is predicated on the fact that the City Council will provide the Allan Street site free of charge to the project.

- 3.3 In terms of capital costs, the City Architectural Service Officer estimated that the new facility will cost an estimated £22.0m at outturn prices. This cost has been compared against a number of similar facilities throughout the United Kingdom, and the officers believe that it represents good value for money in terms of the extensive facilities that will be available in the facility. In terms of the capital funding for the project the following are the main sources;

Prudential borrowing	£11.00m
Capital receipts	£ 4.00m
Estimated Grant from Sportscotland and other funders	£ 3.00m
Capital Plan	£ 4.00m

The funding sources have been assessed as being reasonable and achievable, and will continue to be monitored on an ongoing basis. It should be noted that an application has been made to Sportscotland and the Council have still to be advised of the outcome of this bid

- 3.4 In terms of the ongoing revenue costs there will be considerable savings in terms of running costs as the new building will be more efficient to operate both in terms of staffing requirements and property costs. A full costing has been carried out and assuming that the level of income at the new facility is the same as the income at Olympia, then the savings in net operating expenditure of £344,000, plus the saving in Olympia finance charges that cease in 2011 of £323,000 to allow for finance charges of £667,000 per annum to be incurred which equates to £11.00m of prudential borrowing. The net revenue expenditure of the new swimming and leisure facility will be £247,000 higher than the current net revenue expenditure of Olympia due to the increased finance charges, and this will require to be funded from Council Tax. During the development of the Olympia replacement, the Director of Leisure and Communities and the Board of Dundee Leisure will take steps to identify further efficiencies so that this increase can be reduced. Any balance of the annual revenue increase of £247,000 still remaining when the facility opens in 2011/12 will be met from that and future years Council Tax.

- 3.5 Discussions are ongoing with NHS Tayside with a view to their making use of the facilities in various fields of healthcare. These discussions may result in a financial contribution towards either or both the capital and revenue costs.

- 3.6 In conclusion, the capital cost of the new facility of £22m can be funded by an assumed £3m grant from Sportscotland and other possible funders, £4m assumed receipts from the sale of vacant sites, net prudential borrowing of £11m and £4m from the Capital Plan. The new facilities net revenue expenditure, including the finance charges on the £15m borrowing will result in an increase of £247,000 over the existing Revenue Budget of the Olympia facility. Details of all the capital and revenue expenditure are included in Appendices 1 and 2.

4.0 SUSTAINABILITY POLICY IMPLICATIONS

4.1 Sustainability

The new facility will be built to take advantage of energy efficiency and best practice in sustainable use of materials. It will also be designed to reduce revenue operating costs.

4.2 Strategic Environmental Assessment

The existing Olympia Complex is not energy efficient and its replacement will yield significant environmental benefits.

4.3 Anti-Poverty

Dundee Leisure pricing policy maintains a variety of concessions aimed at promoting access at affordable rates to those in receipt of benefit. The pricing at the new swimming and leisure facility will be in line with the prices at Olympia.

5.0 **EQUAL OPPORTUNITY IMPLICATIONS**

The new Swimming and Leisure facility at Allan Street will be fully DDA compliant and will be operated on the basis of promoting access for all. The main contribution of this new public pool will continue to be equal access to leisure opportunities for all.

6.0 **BACKGROUND**

6.1 Introduction

Reference is made to the previous Committee Reports including the Central Waterfront policy where options for the long term provision of swimming and leisure pool facilities in Dundee were considered, and recommendations made that the Council replace the Olympia Swimming Leisure Centre with a new swimming and leisure complex.

While the existing Olympia facility is successful in that it had an attendance in excess of 366,000 paying customers and valued highly during 2006-07, the proposed works in and around the Central Waterfront will continue to isolate the facility which will increasingly look out of place and dated.

In addition to this, the complex design and age of the Olympia facility continues to provide the Council with a heavy burden in terms of revenue, and while the facility is managed by Dundee Leisure within the management fee of £230,000 provided by the Council, there was still a net estimated cost of £954,000 during 2007/08 for all building/energy cost etc.

6.2 City Swimming Provision Strategy

Following much previous research into a potential replacement of the building, and taking into account the additional swimming capacity within the City through the provision of the pool at St John's High School and also the two PPP school pools at the Grove Academy and St Paul's Academy, it is proposed that a facility is created to replace the leisure experience of the Olympia which would aim to maintain the vibrancy and excitement that the Olympia provides via the flumes, etc., but at the same time be designed to prove less of a financial burden on the City Council in terms of running costs.

There have been increasing demands by clubs and the student fraternity for training facilities which develop swimmers to the highest level and a basic pool with a length of 50 metres is proposed for inclusion with the new facility at Allan Street. The advent of the London Olympic Games in 2012 and the Commonwealth Games in Glasgow in 2014 have provided new impetus to sport and acknowledgement that existing facilities at a regional level fall below today's expectations. With an imaginative and flexible design the City Architectural Services Officer and his staff have managed to include within the proposed new swimming and leisure facility at Allan Street a 50 metre competition and training pool.

6.3 Proposed Replacement Swimming and Leisure Pool

6.3.1 Site Location

In terms of available sites within the city centre area, the north end of Allan Street, which is currently used as a car park, has emerged as the preferred option. The site is well served by public transport and closer than Olympia is to the main city bus terminal. At this stage the current site of the Olympia has been discounted as have peripheral sites to the City Centre. This is based on previously agreed policy to re-locate the new swimming and leisure pool on a city centre site. It is recommended that the Allan Street site be agreed as the preferred site for the replacement for the Olympia Swimming and Leisure Centre.

6.3.2 Site Condition Survey

The Allan Street Car Park site on which the proposed Swimming and Leisure Pool and the Multi Storey Car Park are to be constructed has been the subject of extensive site investigation and land assessment by the City Engineer and external consultants. The City Engineer and City Architectural Services Officer have confirmed that appropriate allowances have been made in the £22m capital budget for dealing with extra-ordinary foundation requirements and contaminated land issues associated with this project.

6.3.3 Description of the facility

6.3.3.1 It is recommended that in order to maximise the experience and popularity of the facility, key elements that have contributed to the success of the current Olympia be included - namely leisure water and fitness suite. The design and specification of new facility will meet the highest standards of safety. This new facility will also be flexible to accommodate competition events for both regional 25m short course events as well as a regional competition level 50m pool. At the same time and as the project progresses to design detail, that at every step, while not compromising customer experience and Health & Safety, that opportunity is taken to design out potential running cost burdens and that the design takes into account management efficiency. A copy of the clients brief is included at Appendix 3, and a floor plan of the facility is included at Appendix 4.

The key elements of the clients brief are as follows:-

Pool area including:-

- 50 metre pool for competitions, training, classes and leisure/fun
- Family pool 20 x 10 metres
- Leisure elements including rapid river/deluge
- Dive Area

Flumes (Similar mix as Olympia)

Fitness Suite

Café area

Support Accommodation

Staff area, offices, foyer/entrance

6.3.3.2 It is envisaged that car parking provision for the facility will be available within the proposals for the multi storey car park to replace the existing ground level Allan Street car park. The new Multi Storey Car Park will be adjacent to the new swimming and leisure facility at Allan Street. Access to the Multi Storey Car Park and to the Leisure facility will be via East Whale Lane, which will become one way (north-bound) at its northern end to allow for convenient Coach and Bus Drop Off facilities. Access to East Whale Lane will be from East Dock Street via a left-turn only. Egress from East Whale Lane will be to East dock Street and Seagate again via left-turns only. This arrangement will allow vehicular access to the new facility from all directions without the introduction of potentially difficult and dangerous right-turn manoeuvres.

Pedestrian access will utilise the existing pedestrian crossings on East Marketgait to allow easy movement to and from the main retail core and bus stops. A new pedestrian route will be formed between the Leisure Facility and the Multi Storey Car Park which will provide direct access to these buildings and onwards to the Gallacher Retail Park which already attracts considerable pedestrian flows.

6.3.4 Management

It is proposed that the new facility will be owned by Dundee City Council and managed by Dundee Leisure on a similar basis to the existing Leisure facilities and management agreement.

6.3.5 Programme

The City Architectural Services Officer predicts that the contractor will start on site in September 2009 and that with a construction programme of 24 months the new swimming and leisure centre will open in September 2011.

7.0 CONSULTATION

7.1 The Chief Executive, Head of Finance, Depute Chief Executive (Support Services), Director of Planning & Transportation, Director of Economic Development, Assistant Chief Executive (Community Planning) and City Architectural Services Officer have been consulted on this report and are in agreement with its contents.

7.2 In addition there has been consultation with the swimming clubs within the City, Fife & Tayside Institute of Sport, Swimsotland, Sporttayside and Fife, Dundee and Abertay Universities and Sportsotland, on the facilities that should be included in the replacement swimming and leisure pool, in particular the inclusion of a 50 metres competition pool. It is the unanimous opinion of these bodies that a 50 metre competition and training pool would be a significant enhancement to swimming provision in Tayside and Fife and should be the City Council's aspiration.

8.0 BACKGROUND PAPERS

8.1 None.

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14 MARCH 2008

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DIRECTOR OF LEISURE & COMMUNITIES

14 MARCH 2008