

MELKSHAM UPDATE – APPENDIX 3

EXECUTIVE SUMMARY AND RECOMMENDATIONS

1. This report recommends that work proceeds with the construction of Melksham Community Campus.
2. The final part of the campus scheme in Melksham will be delivered within budget.
3. The campus will include leisure, library, health and community facilities.
4. Cabinet is asked to approve:
 - The revised scheme for Melksham (within the allocated budget)
 - The relocation of Young Melksham from its existing location at the Canberra Centre to a new site at King George V Park - subject to a transfer of the trust agreement, so that Canberra can be released as an asset for sale
 - The relocation of the existing Melksham Lunch Club to the Riverside Centre: to note - capital investment is required for facilities to provide a lunch club - this will be included in the campus budget. The service will be provided by a voluntary organisation at no revenue cost to the council (currently £0.080 million pa)
 - The closure of Christie Miller ahead of provision of the new campus (2021) based on the ongoing costs for maintenance required to the centre, and health and safety issues (estimated at £1.000 million)
 - The provision of some leisure facilities for the transition build period, subject to suitable premises being located and costs that are less than the ongoing projected maintenance costs (estimated costs for this provision based on similar elsewhere are £0.030 million pa - £0.090 million pa over 3 year transition period).

BACKGROUND

5. In December 2011, cabinet approved the construction of a new community campus at the Melksham House site.
6. The campus would provide the following:
 - Indoor leisure facilities – 25m swimming pool plus learner pool; 4-court sports hall; multi-activity rooms; 60 station fitness suites; wet and dry changing, squash courts and associated ancillary facilities
 - Indoor bowls provision and group room
 - Library including improved IT suite for community internet access
 - Provision for Registrar service
 - Youth centre facilities
 - Multi-purpose training suite for both professional and community use

- Multi-purpose meeting/resource rooms for use by the council, community and partners
 - Appropriate provision for car parking.
7. The estimated cost to provide these facilities exceeded the approved budget by around £8 million.
 8. The campus build cost was predicated on the sale of assets in the town including the Canberra Centre site, the library site, Christy Miller Leisure Centre and borrowing to meet any funding deficit.

REVISED PROPOSAL – MELKSHAM CAMPUS (HEALTH AND WELLBEING CENTRE)

The revised scope is within the approved budget. The investment will include:

- 25m swimming pool (based on Sport England specification)
 - Learner pool (based on Sport England specification)
 - 6 court sports hall
 - 2 squash courts
 - Fitness suite with 75 stations
 - Studio – dance and fitness
 - Library/Community Hub
 - Café
 - Office accommodation – Melksham Without Parish TC
 - Children’s Centre
 - GP surgery
 - 4 tennis courts
 - Multi-use games area.
9. The primary omissions are the indoor bowls facility, IT suite, youth centre facilities and multi-purpose community space.
 10. The reduction in these facilities has reduced the cost to build and enables 2.7-3 acres to be released for sale for residential development. The final sale value will be subject to several considerations.

Canberra Centre - update

11. Young Melksham currently operates from the Canberra Centre based on a lease agreement with the council. The original intention was to market this asset for a capital receipt and move the youth activities provision to the campus.
12. Following consultation with Young Melksham it has requested its preference to transfer the trust agreement aligned to the centre to a new site at King George V Park.

13. If the transfer is approved (subject to the Charities Commission) Young Melksham will raise the funding required to deliver a replacement centre on the current storage site footprint.
14. The new campus also provides provision for a children's centre, also currently located at the front of Canberra Centre site.
15. These transfers will enable the marketing of the site for a capital receipt.

King George V Park and pavilion - update

16. It is proposed that King George V Park is transferred to Melksham Town Council to include the former cricket pavilion. Sections of King George V Park are held in trust and can only be transferred following consultation with the Charities Commission.
17. If approved the park will be entirely managed and operated by the town council including the pavilion, play park, skate park and grounds.

Christie Miller Leisure Centre - update

18. Christie Miller Leisure Centre is the primary leisure facility in Melksham. The new community campus will replace some of the facilities it currently provides.
19. The centre is in an extremely poor state of repair and requires significant investment to ensure its continuity and a safe environment for its users.
20. A recent survey identified that within the next 12 months the centre will require around £0.900 million in known repairs and maintenance.
21. It is highly unlikely that the centre will continue to sustain the delivery of services until the new campus opens in 2021.
22. It is therefore proposed that the centre is closed and alternative provision provided for some of the leisure facilities in the transition period.
23. Based on a similar approach adopted in Pewsey, whilst the new leisure centre is constructed, we would estimate the cost to be around £0.031 million pa (£0.093 million for 3 year interim period).

DELIVERY OF THE CAMPUS - OTHER OPTIONS CONSIDERED

Deliver the original scheme

24. The pre-tender estimate for the original campus was more than £20.000 million. This was outside of the approved budget and therefore unaffordable.

Do nothing

25. The current leisure estate in Melksham is not sustainable; significant investment is required to maintain the current level of provision. We estimate that the 20-year capital liability for the library, Christie Miller and Blue pool is around £11.165 million.
26. There is also a reputational risk associated with not developing the Melksham House site. The site was acquired by the council for the provision of a community campus. The council has maintained and prepared the site for this development. The local community has been engaged and helped shape the development of the campus and it has been an agenda item at several area board meetings. Non-delivery would undermine the relationship with the community.

BUDGET – CAPITAL

Investment to date	
Woolmore Farm Football and Rugby Club facilities	£6.693m £0.600m - FA grant contribution £7.293m - Total
Skate Park	£0.200m
Market Place improvements	£0.560m
Sports Pavilion (replace cricket pavilion burnt down)	£0.337m
Design and surveys	£1.822m
Total investment to date	£10.212m
External funding for campus	
Sport England Grant	£1.600m
FA Grant Football and Rugby Club Facilities	£0.600m

27. The campus will be delivered within budget (as set out in Appendix 1 – part 2 paper).

BUDGET - REVENUE

28. The running costs are estimated as:

Running costs - description	Annual cost forecast (£ million)	20-year capital liability forecast (£ million)
Hard FM – compliance, servicing, repair and maintenance	£0.080	
Soft FM – security, waste, soft equipment (not cleaning)	£0.015	
Utilities – gas, electric, water	£0.055	

NNDR	£0.130	
Total	£0.280	£3.500

29. Please note that these operational costs are estimates based on assumptions on future use and the known operating costs of new comparable campus facilities.
30. The 20-year capital maintenance liability forecast is included for context and to illustrate the ongoing commitment required for the new building.
31. These costs include the SA&FM budget. No account has been taken of the leisure, libraries, communities or any other services' costs that may be incurred direct to those service budgets.
32. The council will incur NNDR. This could change in the future based on a review of the model for provision of the centre management.
33. Utility costs could be reduced by additional capital build spend e.g. biomass, LED throughout, PV on roofs etc.
34. Costs based on current facilities:
35. The following properties would close either before or following the completion of the new campus. Therefore, once closed, the operating costs for these properties could be diverted to fund the operating costs for the new campus. Capital maintenance liabilities have also been included.

Site	Annual Operating Cost (£ million)	20-year capital liability forecast (£ million)
Melksham Library	£0.029	£0.070
Melksham Christie Miller Leisure Centre	£0.125	£8.020
Melksham Blue Pool	£0.096	£3.076
Total	£0.250	£11.165

36. The operating cost figures include all costs that relate to the SA&FM budget. No account has been taken of the services costs associated with each site e.g. leisure or libraries.
37. Christie Miller and Blue Pool are currently operated by Places for People, but maintained by SA&FM. Therefore, there is no NNDR figure contained in these costs.
38. The council will receive income from the GP Surgery and Melksham Without Parish Council (as set out in Appendix 1 – part 2 paper).
39. The business marketing and advertising model that is being developed will generate income through maximising the use of space for let by community

and commercial organisations; third party advertising and specialist events and activities. This is estimated at £0.100 million pa for the first year, based on 50% occupancy of the available space.

QUALITATIVE BENEFITS

40. The current leisure facilities are not fit-for-purpose and are difficult to maintain and provide continuity of service. We expect the new facilities to result in a rise in demand for leisure services, based on the evidence of other new centres; The Nadder Centre in Tisbury currently has 403 direct debit members, this was 138 prior to opening the new centre - 192% increase.
41. Access to leisure facilities is a key element of the public health prevention agenda; Melksham campus will provide more opportunities for people to take part in physical activity.
42. The centre will also provide flexible space that creates an opportunity for community groups, clubs and individuals to come together to participate in a wide range of events, activities and meetings reducing loneliness and isolation. The social capital and positive impact will be measured including the level of volunteering. In other campuses and hubs there has been a significant increase in the level of volunteers and hours provided to support services.

TIMESCALES

43. The design, planning and procurement is expected to conclude by the end of 2019; with construction commencing early 2020. It is estimated that construction will be a 1 year programme and that the centre will complete in spring 2021.
44. Please note these are indicative timescales. The full programme of work will be agreed with the contractor when the award takes place.