



Report of: Corporate Director of Transformation, Housing and Resources

Relevant Portfolio Holder: Councillor G Dowling

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**SUBJECT: USE OF COMMUNITY INFRASTRUCTURE LEVY MONIES ON
BURSCOUGH SPORTS CENTRE**

Wards affected: Borough wide

1.0 PURPOSE OF THE REPORT

- 1.1 To authorise the allocation of up to £600,000 of Community Infrastructure Levy monies towards the refurbishment of the Burscough Sports centre.

2.0 RECOMMENDATIONS

- 2.1 That a sum of up to £600,000 be taken from the Community Infrastructure Levy (CIL) to be used towards the refurbishment of Burscough Sports, subject to Council approval of the total cost of the scheme.

3.0 BACKGROUND

- 3.1 Members will be aware that the Council are taking steps to improve facilities at Burscough Sports. The objective of this project has been set to undertake a partial upgrade and refurbishment of key areas of the building, creating facilities that appeal to a much wider audience, generating additional usage, participation, and sustainable revenue. This investment in the facility means it should remain viable for a period of at least 10 to 15 years.
- 3.2 In June 2023 Cabinet approved the use of £320,000 of CIL funding to progress the project to RIBA (Royal Institute of British Architects) Stage 4, Technical Design. This stage is where the detailed architectural and engineering designs and specifications are produced, and a detailed design programme is finalised ready for construction to start. Following this Cabinet meeting Alliance Leisure were appointed as the professional design team for the project and are on course to complete RIBA Stage 4 in April 2024.

4.0 PROPOSALS

- 4.1 At the time of writing this report, Officers are working with the design team to ensure that the proposed works will meet policy requirements and offer good value for money. The total capital cost of the project will depend on the final schedule of works and specifications that are agreed but is expected to be just over £3m.
- 4.2 The eligibility of this project for CIL has previously been reviewed and confirmed as it will increase and enhance the infrastructure required to support new development. In addition to the £320,000 CIL funding identified above for design works, it has previously been agreed to allocate £326,000 from the Council's capital budget and £60,000 has also been received from the West Lancashire Community Leisure Trust for this project.
- 4.3 Given the total estimated capital cost of just over £3m and the funding identified to date, it is anticipated that up to a further £600,000 CIL funding (total CIL £920,000) could be required with the balance of the funding for the scheme then provided by borrowing.
- 4.4 Leisure consultants, FMG Consulting, have projected the revenue position of Burscough Sports following the renovation taking into account all expenditure and income, including debt costs. These projections show that it should be possible for Burscough Sports to operate at a small surplus based on a reasonable set of assumptions. This financial assessment will need to be revised and updated once the capital costs and funding package have been firmed up to ensure that the project remains affordable and viable.
- 4.5 A further report will be brought back to Council once the design process concludes RIBA stage 4. At this point the capital and revenue costs of the project should be clearer and the appropriate budget approvals can be sought. It is currently planned that Council approval for the project will be sought in April so that the construction works have the necessary lead in time and can take place between June and December. Completing the works in this period will help to minimise disruption in terms of visitor numbers and loss of revenue. It will also enable the renovated facilities to be open by January, which is the peak month for gym membership enrolment.

5.0 FINANCIAL AND RESOURCE IMPLICATIONS

- 5.1 The Medium Term Financial Forecast is showing that the Council is facing a challenging financial position, and the long term investment decisions that will be made on Leisure Facilities will need to take into account this difficult context.
- 5.2 There are sufficient CIL monies available to provide the funding of up to £920,000 required for this scheme. Prioritising CIL monies for this scheme will however reduce the amount of funding available for other potential schemes.

- 5.3 Final expenditure and funding budget approvals will be sought from Council when RIBA stage 4 has been completed and there is greater certainty on the financial position of the scheme.

6.0 SUSTAINABILITY IMPLICATIONS

- 6.1 There are no significant sustainability impacts associated with this report and, in particular, no significant impact on crime and disorder.

7.0 RISK ASSESSMENT

- 7.1 The further use of CIL monies would enable the Council to use funding that is already in place to progress this project. The element of risk in using CIL would be the potential requirement to repay the funding to the CIL pot if the project does not progress. Council will review the financial viability of the scheme before it is formally approved once RIBA stage 4 has been completed.

8.0 HEALTH AND WELLBEING IMPLICATIONS

- 8.1 The continued development of the Council's Leisure services will:
- Promote good health and wellbeing and enable people to flourish
 - Prevent and tackle the causes of ill health
 - Empower people in vulnerable, deprived and disadvantaged communities to realise their full health potential
 - Develop and support effective and high quality health and wellbeing services
 - Encourage and enable all people to take a role in identifying and addressing barriers to improve health and wellbeing
 - Increase people's independence throughout their life and their ability to lead full active lives.

Background Documents

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Report.

Equality Impact Assessment

The decision does not have any direct impact on members of the public, employees, elected members and / or stakeholders. Therefore, no Equality Impact Assessment is required.