

**EXECUTIVE SUMMARY – HOUNSDOWN SCHOOL COMMUNITY SPORTS CENTRE – MANAGEMENT ARRANGEMENTS**








**Summary of Purpose and Recommendations:**

Partnership with Hounslow School to manage a programme of activities and Sports Development Plan at Hounslow Community Centre

**Cost to Council: Nil**

**Within existing budget? No**

**Contribution to Corporate Plan (Minor/Moderate/Major/Neutral):**

|   | +        |  | - |                                | +     |  | - |
|---|----------|---|---|--------------------------------|-------|---|---|
|   | Moderate |   |   | <b>Priorities</b>              |       |   |   |
|  | Major    |   |   | Clean Streets and Public Space |       | Neutral   |   |
|  |          | Neutral   |   | Crime and Disorder             | Minor |   |   |
|  | Minor    |   |   | Housing                        |       | Neutral   |   |
|  |          | Neutral   |   | Managing our Finances          |       | Neutral   |   |

**Comments on Impacts on Corporate Objectives and Priorities:**

The Council is continually seeking to improve the services it provides to the Community. The proposed partnership will ensure the widest possible community use of this Sports facility at no additional cost to the tax payer



Organisation of excellence



Working with public and partners



Economic well being



Social well being



Environmental well being

## HOUNSDOWN REPORT

### 1. BACKGROUND

- 1.1 Hampshire County Council is constructing a new 4-court Sports Hall and changing rooms at Hounslow School using a lottery grant awarded by the New Opportunities fund.
- 1.2 The successful bid included a comprehensive Sports Development Plan, and a proposal to partner with NFDC in the management of the facilities in order to give widest possible access to the community.
- 1.3 It is anticipated that the Sports Development Plan will include a Community Sports programme offering 35 – 40 hours of community use a week during term time and up to 60 hours during school holidays.
- 1.4 The general principle of a joint partnership between this Council and the school in managing the facilities was included in the current Leisure Plan agreed by Members in September 2003.
- 1.5 The purpose of this report is for Members to agree the main principles upon which the partnership will be based and evaluate any implications for the Council.

### 2. FACILITIES AND DEVELOPMENT PLAN

- 2.1 The new sports hall will complement the existing facilities at the school which include a school gymnasium, a Performing Arts studio and a 15m pool.
- 2.2 The school currently hires these facilities to community organizations on a 'lettings basis', and together with the new Sports Hall, these facilities will form 'Hounslow Community Sports Centre'.
- 2.3 The development plan has the following objectives:
  - To maximize school and community use and enjoyment of the new facilities at the Centre
  - To maximize community involvement in the delivery of Sports Development through coaching and administration
  - To ensure that there are suitable sporting opportunities for all by providing a balanced programme of activities that appeal to the whole community.
- 2.4 The Centre facilities will be available for public use as from January 2005.

### 3. JOINT MANAGEMENT ARRANGEMENTS

- 3.1 A Partnership with NFDC Leisure Services has been proposed for the management of all the Community facilities, and the basis of an agreement has been negotiated.
- 3.2 The Agreement would commence in January 2005 for an initial period of 3 years with a 6 month notice of termination available to both parties.

- 3.3 The Leisure Service proposes to manage community use of Hounslow through the Management Team at Applemore and linked to Applemore via the Centre's computerised management and booking system.
- 3.4 There are 2 key principles underlying the management arrangements, which are:
- There will be no financial cost to the Council as a result of entering into the Partnership.
  - The school will receive a payment from the Council in the form of an "Asset Charge" based on a proportion of the running costs of the facilities and the projected loss of income from Sports Hall lettings.

#### **4. PARTNERSHIP BENEFITS**

##### **4.1 Benefits to New Forest District Council**

- Hounslow is strategically located between Applemore and Totton and the Service's involvement in Hounslow will ensure that a strategic approach can be developed to offer a balanced and complementary programme across the east side of the Forest.
- Hounslow offers an excellent opportunity for the Council to deliver a Community Sports programme with an emphasis on 'Sports Development' particularly for young people. This will enhance the community provision on the Waterside and help the Council achieve its service objectives for Leisure, Health and Social Inclusion.
- The addition of Hounslow will create opportunities for employee development at all Management levels.

##### **4.2 Benefits to Hampshire County Council**

- The addition of a 4 court Sports hall will greatly enhance the provision for Sport within the curriculum, and offer opportunities for pupils to progress in Sport.
- NFDC Leisure Services can ensure quality management and operation of the Centre, and provide expertise to maximize the community use of the facilities and meet the aims of the programme.

#### **5. PROPOSED MANAGEMENT AGREEMENT\***

##### **5.1 A draft Agreement has been drawn up, and the principles of the Agreement are as follows:**

- The Council will operate the facilities to the same standard as the 5 Health and Leisure Centres and will retain all income from the hire of facilities and activities in the programme.
- Hounslow School will be responsible for all utility costs and maintenance of the facilities.
- New Forest District Council will be responsible for the operational procedures, staffing, programme development and marketing of the programme.

- New Forest District Council will make a financial contribution to the school (Asset Charge) to reimburse the school for the additional costs arising from the Council's use of the school facilities and the loss of earning potential.
- The asset charge agreed is below that originally calculated by the school as reimbursement and it is for that reason that the apportionment of any 'operational profit' is weighted in favour of the school.

\* *A full copy of the Management Agreement is available from Bob Millard or Grainne O'Rourke*

## **6. FINANCIAL IMPLICATIONS**

- 6.1 The basis of the agreement is that the Council will not incur any financial loss in entering into the partnership with the school.
- # 6.2 Appendix 1 shows the projected budgets for 2004/5 and 2005/06. In the first 3 months of operation (January – March 2005) projected expenditure will exceed target income due to the project set up costs including equipment purchase, IT systems and marketing. To take account of these initial costs there will be no asset charge by the school for this period. Also no support costs are included for this period as they will already have been apportioned within the Authority for the current financial year.
- 6.3 Any 'profit' would be shared 65.35 in favour of the school and any 'losses' would be deducted from the Asset Charge paid to the school under the agreement. Income projections are somewhat conservative and the Centre hopes to improve on the budgeted position.

## **7. RISK ANALYSIS**

- 7.1 Initial consideration of a possible partnership included an evaluation of the effect that the project might have on the programmes at Applemore and Totton. It was concluded that the effect would if anything be positive given that:
- There was an excess demand at both sites for Sports hall space, swimming lessons and some mind/body courses.
  - There was a latent demand in the Hounslow catchment area which could not be met by either Applemore or Totton.
  - That the Hounslow project offered the opportunity to adopt a more strategic approach to developing an integrated activity programme across the whole of the area
- 7.2 The financial risk to the Council has been minimised in that any losses against budget will be a charge against the payment to the school of £21,000. If any losses exceeded this amount then it is proposed that the Council would either re-negotiate the financial arrangements or terminate the agreement.
- 7.3 Given that the arrangement is initially for a period of 3 years the intention is that any employees involved in operating the project would be employed on a fixed term contract. If at the end of the period the arrangement was to be terminated then it is envisaged that these employees would be re-deployed elsewhere in the leisure service. In the unlikely event that re-deployment was not possible then the Council would incur some redundancy costs.

**8. CRIME AND DISORDER IMPLICATIONS**

8.1 It is anticipated that a Community Sports Programme at Hounslow will reduce Crime and Disorder in the area, particularly amongst young people as the Centre will provide a wide range of out of school sports opportunities for young people.

**9. ENVIRONMENTAL IMPLICATIONS**

9.1 There will obviously be some environmental effect associated with the year round operation of a large Sports Hall.

**10. RECOMMENDATION**

10.1 It is recommended that the Cabinet agrees the proposal to partner with Hampshire County Council in the management of Hounslow Community Sports Centre on the basis outlined in sections 3 to 6 of this report and authorise the Director of Community Services in consultation with the Head of Legal and Democratic Services to enter into a Management Agreement with Hampshire County Council on the basis set out herein.

**For further information contact:**

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**Background Papers:**

Hounslow Management  
Agreement (Draft)

Portfolio - 6000 Leisure  
 Policy Budget - 6350 Applemore Health & Leisure Centre  
 Cost Centre - AN212 Hounslow

Budget Holder - J Bailey

Accountant - K Leach

|                                       |      | Original<br>2004/05 | Original<br>2005/06 |
|---------------------------------------|------|---------------------|---------------------|
| <b>Employee Costs</b>                 |      |                     |                     |
| Attendants                            | E031 | 2,330               | 10,930              |
| Instructors                           | E032 | 1,440               | 5,460               |
| Hounslow                              | E*** | 5,780               | 23,820              |
| <b>Total: Employee Costs</b>          |      | <b>9,550</b>        | <b>40,210</b>       |
| <b>Transport</b>                      |      |                     |                     |
| Car Allowances                        | T200 | 170                 | 480                 |
| <b>Total: Transport</b>               |      | <b>170</b>          | <b>480</b>          |
| <b>Supplies &amp; Services</b>        |      |                     |                     |
| Equipment & Tools                     | S002 | 2,520               | 630                 |
| Printing                              | S020 | 750                 | 750                 |
| HPSN - Sockets                        | S050 | 0                   | 1,200               |
| HPSN - Calls                          | S051 | 0                   | 120                 |
| Marketing                             | S086 | 750                 | 750                 |
| Contribution to School/College        | S214 | 0                   | 21,500              |
| <b>Total: Supplies &amp; Services</b> |      | <b>4,020</b>        | <b>24,950</b>       |
| <b>Capital Financing</b>              |      |                     |                     |
| Repairs & Renewals                    | C150 | 1,200               | 300                 |
| <b>Total: Capital Financing</b>       |      | <b>1,200</b>        | <b>300</b>          |
| <b>Support Services</b>               |      |                     |                     |
| Corporate Costs                       | A999 | 0                   | 570                 |
| <b>Total: Support Services</b>        |      | <b>0</b>            | <b>570</b>          |
| <b>Total Expenditure</b>              |      | <b>14,940</b>       | <b>65,940</b>       |
| <b>Income</b>                         |      |                     |                     |
| Fees & Charges                        | R424 | -15,000             | -66,510             |
| <b>Total: Income</b>                  |      | <b>-15,000</b>      | <b>-66,510</b>      |
| <b>Net Expenditure</b>                |      | <b>-60</b>          | <b>0</b>            |