

CHELTENHAM BOROUGH COUNCIL

INDOOR CRICKET CENTRE

FEASIBILITY STUDY



A

FINAL REPORT

BY

PMP

Section 1 - Introduction

- 1.1 PMP was appointed in April 2008 to carry out a feasibility study, on behalf of Cheltenham Borough Council (“the Council”), into the re-provision of the Cheltenham Indoor Cricket Centre (“the Centre”), which was damaged by flooding in July 2007. This study includes an assessment of the feasibility of providing an indoor gymnastics facility alongside cricket.

Background

- 1.2 In July 2007 Cheltenham suffered extensive flooding as a result of excessive rainfall in the area. Leisure@Cheltenham, the town’s public sports and leisure facility, was badly damaged as a result of its location near Pittville Lake, which flooded.
- 1.3 Cheltenham’s Indoor Cricket Centre (“the Centre”) adjoined the leisure facility. The Centre comprised a large indoor sports hall, with cricket lane provision, which was used by local cricket organisations. It was also used for a variety of other indoor sports activities including athletics, badminton and five-a-side football.
- 1.4 Due to its location on ground lower than the main facility, the Centre suffered additional flooding, when approximately 18 million litres of water flooded the Centre up to a height of two metres.
- 1.5 Emergency assessment undertaken by the Council in conjunction with their insurers revealed that the Centre suffered structural damage as a result of the flooding and could no longer be safely used for sporting activities. The Centre has therefore been shut since July 2007 with no public use or access.
- 1.6 In October 2007, the Council considered a number of options for the re-provision of the Centre, which included the option of rebuilding the Centre at a different location as a joint use facility with gymnastics. They have now appointed PMP to examine the feasibility of this option.

Our approach

- 1.7 To carry out this study, we have undertaken the following:
- consultation with local stakeholders, including representative from cricket, gymnastics, the Council and Sport England
 - an analysis of relevant demographic, planning and development issues
 - a facility needs analysis for cricket and gymnastics and an analysis of the options for re-provision of the Centre
 - analysis of capital and revenue funding options for a new facility
 - summary business plan and overview of management options.

Structure of this report

1.8 This report is structured as follows:

- **Section 2: local context** – this section contains a summary outline of the Centre and its usage prior to July 2007. It then provides a summary of key points arising from our consultations undertaken with local stakeholders, along with a demographic analysis and a review of local, regional and national policies relevant to this study
- **Section 3: facility options** – this section contains a summary of the options for re-provision of the Centre and provides an analysis of these options based on key relevant criteria. It then provides summary recommendations as to the optimum options for the Council to pursue
- **Section 4: capital funding options** – this section contains a summary of potential capital funding options for the new facility
- **Section 5: business plan** – this section contains an outline business plan for a new facility, based on the recommendations contained in Section 3
- **Section 6: conclusion and recommendations** – this section will outline our conclusions and provide recommendations for the Council as to the next steps.

Section 2 - Local context

Introduction

- 2.1 In this section we provide a brief overview of the history and usage of the Centre prior to its closure in July 2007.
- 2.2 We then provide an overview of local and national information relevant to this study. This is broken down as follows:
 - summary of consultations undertaken with key local, regional and national stakeholders
 - demographic data analysis for Cheltenham and the local area, including sports participation data
 - a strategic review of relevant local, regional and national policies.

Cheltenham Indoor Cricket Centre

- 2.3 The Centre was built in the late 1980s. Funding was provided by the Cheltenham and District Cricket Association, Sport England and the Council, who also provided the site for the Centre.
- 2.4 The Centre was located adjacent to the existing Leisure@Cheltenham building, off Tommy Taylors Lane and opposite the Prince of Wales stadium. An aerial photograph of the Centre and the adjacent facilities is provided at Figure 2.1.

Figure 2.1
Aerial
photograph of
Centre and
adjacent
buildings



- 2.5 The Centre was approximately 735sqm and contained five cricket lanes with netting, a small storage room and a small mezzanine viewing area at the eastern end of the building.
- 2.6 The Centre was accessed through the Leisure@Cheltenham building. Users were required to use the changing and other facilities in the Leisure@Cheltenham building as there were no ancillary facilities within the Centre itself. It was managed by the Council as part of the Leisure@Cheltenham facility.
- 2.7 The Centre was used annually by 8-10 local cricket clubs for indoor pre-season training in the January to April period. It was used extensively by Gloucestershire County Cricket Club, who used the Centre for three evenings per week for County Juniors training from October to April; and for all day weekly holiday courses during Christmas/Easter and spring half terms.

- 2.8 It was also used by the staff at Leisure@Cheltenham as an overflow facility for that building, with athletics, five a-side football, badminton and multisport activities taking place there throughout the year. A sample list of annual usage, along with a list of local cricket clubs who have previously used the facility is attached at Appendix A.
- 2.9 The Centre is the only indoor cricket facility in the region. The nearest other indoor cricket centres are located in Bristol (40 miles away), Edgbaston (55 miles away in Birmingham) and Taunton (80 miles away) and are ECB recognised Centres of Excellence.

Summary of consultations

- 2.10 We have carried out extensive consultation with relevant bodies, which provided an overview on the current issues around sport provision and facilities. These included consultation with stakeholders from the Council, from cricket and from gymnastics. A summary of the consultees and the key points is outlined below. A full list of consultees and their contact details is provided at Appendix B.

Consultation with Cheltenham Borough Council

- the Council appreciates the importance of cricket in the town's heritage and the demand for the Centre to be rebuilt. There is no other comparable cricket centre in the local area
- the location of a new facility on the site adjacent to the Prince of Wales Stadium could assist with a strategy to develop a multi-sports hub on the site
- on going running costs, rather than the initial capital build, are considered by the Council to be the crucial financial considerations
- the potential relocation of the centre represents an opportunity to increase size, quality and accessibility of the facility.

Consultation with cricket stakeholders

- Gloucestershire Cricket Board, Gloucestershire County Cricket Club, the ECB and local clubs have all expressed a strong desire to replace the Centre
- a new centre could match and increase usage levels of the Centre, through improved facilities, better marketing, expansion of activities (eg women's cricket) and demand led activities (eg individual coaching, indoor practice sessions)
- funding for capital build may be available from the ECB standard grant scheme and the ECB flood contingency fund
- there would be no objection to sharing facilities with gymnastics, provided it does not impact on the quality of the facility to deliver cricket at the appropriate standard and ability of the facility to generate commercial revenue
- there would be no objections to a council run facility, provided the relevant cricket stakeholders have representation within the management of the facility. The ECB has a strong preference for a management arrangement that moves the financial liability away from the Gloucestershire Cricket Board

- a viewing area and ancillary rooms would be essential to accommodate changing facilities, meeting/coaching rooms and a social/refectory area. All facilities must allow for disability access
- the rebuilding of the centre is the top priority of the regional facilities strategy, and this has been recognised by the ECB
- a flexible space that allows for a minimum of five lanes and a separate larger training area would enable different types of activity to take place simultaneously
- the loss of the Cheltenham facility is a concern to the ECB as it affects their strategic aim of providing everyone in England and Wales with an indoor cricket facility within 30 miles of where they live.

Consultation with gymnastics stakeholders

- there is strong demand for both a recreational and competitive gymnastics dedicated facility in the area. The nearest large gymnastics facility, Forest of Dean Gymnastics Centre, is 27 miles away. The largest current gymnastics club is located in the GL1 leisure centre in Gloucester (8 miles)
- usage of such a facility, including pre-school activities, in-curriculum schools coaching and activities for older people, could be up to six hours per day
- there would be no objections to a joint facility with cricket, with a separate gymnastics hall and the sharing of ancillary facilities
- a new gymnastics facility should be combined with provision for trampolining and sports acrobatics. A request was also made for spectator provision
- separate changing facilities may be required for children so as to comply with child protection procedures
- a new gymnastics venue would assist Cheltenham's bid to be an Olympic training facility
- lottery funding may be available for equipment.

Consultation with Sport England

- Sport England would in principle support a joint cricket/gymnastics centre as it fits with their overall aim to develop multisport hub sites across the region
- Sport England would like to see the re-provision of the facility incorporated into an overall facilities strategy for the area
- Funding would potentially be available from Sport England – however, their funding strategy is currently being restructured so no definite commitments can be given at this stage.

2.11 We also understand that a bid has been by the Council's Parks Team to the Heritage Lottery Fund, for "Parks for People" funding to improve the facilities and access at Pittville Park which includes the potential to locate a new skateboard park on the current location of the Centre.

- 2.12 We would strongly recommend that the Council monitor closely the progress of this bid and liaise with the Parks Team regarding their proposals and the possible impact on the future of the Centre.

Demographic data analysis

Cheltenham

- 2.13 According to the 2001 census, the population of Cheltenham was 110,013. Population projections predict that the 2008 population is 111,500 and that the 2020 population will have risen to 115,600.
- 2.14 Life expectancy is higher than the national average, whilst the proportion of adults who are obese is below the national average. This is reflected in the Active People data for the area (see Table 2.1), which shows that overall participation in sport and membership of sports clubs is higher than the national average.

Table 2.1 Active People data showing sports participation rates in Cheltenham

Key Performance Indicator	Cheltenham	National
At least 3 days a week x 30 minutes moderate participation	22.5%	21%
At least 1 hour a week volunteering to support sport	4.7%	4.7%
Club member	30.4%	25.1%
Received tuition from an instructor or coach in the last 12 months	19.9%	18%
Taken part in organized competitive sport in the last 12 months	16.9%	15%
Satisfaction with local sports provision	72.3%	69.5%

Local wards

- 2.15 As can be seen from the map in Figure 2.2, the current cricket facility is located in the Pittville ward and adjacent to the wards of St Pauls, Swindon Village and Prestbury.

Figure 2.2 Ward map of Cheltenham Indoor Cricket Centre location



2.16 Table 2.2 highlights key demographic data for the wards of St Paul's and Pittville.

Table 2.2 Ward information

Indicator	St Pauls	Pittville
General health	Good = 69.4% Not Good = 8.2%	Good = 73% Not Good = 7.2%
Life expectancy	Significantly lower than the England average of 78.5 years	Significantly higher than the England average of 78.5 years
Average income	£370 per week compared to £580 in the SW	£530 per week compared to £580 in the SW
Unemployment	2.74% (0.1% above Cheltenham average of 2.64%)	2.54% (0.1% below Cheltenham average)

2.17 As can be seen, St Pauls ward has higher rates of unemployment than the Cheltenham average, whilst average income is lower than the average for the region. Life expectancy is lower than the England average, whilst a higher percentage of people have worse health levels.

2.18 Provision of sports and leisure facilities in the area could potentially play a role in addressing these issues.

Strategic review

2.19 We have reviewed local, regional and national policies relevant to this study to provide the strategic context for the redevelopment of the Centre. These are summarised in the Table 2.3 overleaf.

Table 2.3 Strategic review of relevant policy documents

Document	Summary	Relevance to this study
National policy		
<p>Game Plan (Department for Culture, Media and Sport, 2003)</p>	<p>The Government's strategy document Game Plan makes recommendations in four areas:</p> <ul style="list-style-type: none"> • grassroots participation focusing on disadvantaged groups with an emphasis on young people, women and older people • high performance sport • mega-sporting events • delivery through organisational reform. <p>The plan also emphasises the importance of sport and exercise for the benefit of health and confirms that the total cost to England of physical inactivity is estimated to be in the order of at least £2billion a year.</p> <p>To increase grass roots participation, the Government has set a target of 70% of people taking part in 30 minutes of moderate activity five times a week by 2020.</p>	<p>A new sports facility, particularly with the potential for cross-sport usage, will assist in increasing participation.</p> <p>As shown by the usage statistics of the Centre, an indoor cricket centre can assist in participation at both grass roots and elite level.</p>

Document	Summary	Relevance to this study
<p>The Framework for Sport in England, 2004 - Making England an active and successful sporting nation: A vision for 2020</p>	<p>Sport England's 2004 Framework for Sport in England endorses the Game Plan report but identifies that a 1% growth per annum in sports participation (with the objective of achieving at least 50% participation by 2020) is a realistic and potentially achievable target.</p> <p>The vision of the framework is to increase activity and to increase success.</p> <p>It identifies seven key drivers to increasing participation:</p> <ul style="list-style-type: none"> • access – there is inequity with regard to access to sport, particularly for women, black & minority ethnic groups and those who are unskilled • capacity - 26% of all volunteers are involved in sport but the burdens on them are getting heavier (i.e. more bureaucracy, litigation, time demands) • educational sports facilities - participation must start in schools and schools must have the facilities to enable this to happen • age profile - in England there is an ageing population, thus less activity and reducing participation rates. The focus therefore needs to be to encourage people to stay in sport • how we use our time - one of the main causes of time pressures is long working hours. This has a significant effect on participation rates and there is thus a need to investigate new ideas of how to integrate sport with daily life • approach to health – England has poor health levels and a very sedentary population, with particularly high levels of obesity • how existing resources are used - there have been low levels of investment in sport and public facilities are ageing (i.e. estimated £550million required into public leisure stock). There is thus a need to better use the private sector and planning frameworks. 	<p>A new facility, particularly if placed close to an area such as St Pauls ward, with low health and physical activity levels, can help achieve increases in participation.</p>

Document	Summary	Relevance to this study
<p>Sport Playing its Part – The Contribution of Sport to Healthier Communities (Sport England, 2005)</p>	<p>This document highlights the contribution of sport to improving the health and well-being of local communities, promoting healthier communities and tackling health inequalities as a shared priority of both local and central government.</p> <p>Increasing levels of physical activity amongst young people is a major target area because it can provide a stronger platform for the maintenance of good health throughout life.</p> <p>One key target area for achieving increased participation is improving and promoting the range of local facilities and activities available, including expanding access to sport in a wider range of community venues such as community halls, parks and open spaces.</p>	<p>A new facility can help address the poor health of the adjacent St Pauls' Ward.</p> <p>However, targeted and effective marketing, to promote awareness of the facilities and activities on offer, will also be crucial.</p>
<p>Sport Playing Its Part: The Contribution of Sport to Building Safe, Strong and Sustainable Communities (Sport England, 2005)</p>	<p>This document outlines how sport can enrich people's quality of life, raise self-esteem and confidence levels and provide enjoyment to individuals. Sport has the potential to strengthen community involvement, engagement, identity and civic pride.</p> <p>Sport and other leisure services can be powerful tools to engage all sections of the community and break down barriers between them.</p> <p>The document notes that marginalised groups are often more willing to engage with such activities than other government funded activities.</p>	<p>A new facility, if located near St Pauls ward or other areas of deprivation could be play a part in local programmes to link and engage with excluded or marginalised groups.</p>

Document	Summary	Relevance to this study
<p>The Power of Sport (Sport England, 2006)</p>	<p>This document draws attention to the significant role that sport can play to promote community cohesion, whilst also taking forward the Government's other key targets in terms of increasing participation and performance in sport and improving health and well-being.</p> <p>The aims of The Power of Sport include:</p> <ul style="list-style-type: none"> • to clearly establish and promote the power of sport in the cohesion agenda • to present sports activities in a non-threatening, safe environment, which is capable of building trust and respect across ethnic and religious divides • to enable the widest possible participation, facilitate more equal access to sporting opportunities and to promote successful role models from all communities to create a stronger association between the success of individuals and teams and an identification with a multicultural society • to develop sporting activity as a means of building social capital – particularly through 'bridging' across communities – to build trust and to enhance civil renewal programmes • to highlight successful programmes and to provide examples of best practice. 	<p>The provision of new specialist sports centres will present a safe and inclusive environment for local communities to participate in sport. This is particularly relevant to the neighbouring St Pauls ward, which is recognised as being a deprived area.</p>

Document	Summary	Relevance to this study
<p>Choosing Activity: A Physical Activity Plan (Department of Health, 2005)</p>	<p>This Government White Paper presents the commitments the Government is making towards improving levels of physical activity. The paper outlines the many physical health benefits of regular exercise but also the mental health benefits (e.g. reducing the risk of depression, reduced anxiety, enhanced mood and self-esteem).</p> <p>The plan places an emphasis on children and young people and the need to experience a wide range of formal and informal activities both in and out of school, from walking to school, to community dance initiatives and active free play in well-maintained open spaces.</p> <p>The three core goals of this Activity Plan are to:</p> <ul style="list-style-type: none"> • create and maintain a wide range of opportunities for activity through sport • ensure high-quality, well targeted and attractive provision for walking and cycling • continue to make our public spaces and the countryside more accessible and attractive. 	<p>The provision of new facilities within Cheltenham will increase the range of sporting opportunities on offer within the town.</p>
Regional policy		
<p>Supporting the development of Multi Sport Environment in the South West, the 'Hub and Satellite' concept (Sport England South West Regional Plan bulletin 4, 2005)</p>	<p>The vision of this document is 'to develop multi sport environments that enable shared and more effective use of resources to drive up participation, improve performance and widen access to sport and physical activity.'</p> <p>From 2008 to 2014 it is proposed that 14 clubs will be supported by Sport England funding, with a further 12 clubs supported by other funding.</p>	<p>The development of additional specialist sporting facilities on Tommy Taylors Lane could provide the basis for a multi-sports hub, expanding the provision of sports on offer and enabling a network of club links.</p>

Document	Summary	Relevance to this study
Local policy		
<p>Our Future, Our Choice (Cheltenham's Sustainable Community Strategy 2008-2011)</p>	<p>The Cheltenham Strategic Partnership (CSP) has prepared a long-term vision that sets out a course of action for all partners to work towards over the next twenty years. This is supported by three underlying principles;</p> <ul style="list-style-type: none"> • the principle of community engagement and participation • the principle of tackling inequalities and promoting cohesion; and • the principle of tackling climate change. <p>Results for workshops conducted by CSP showed a desire for future development of sports, leisure and entertainment based buildings as well as a greater mixture of retail options within the borough.</p> <p>The Council will also produce a Local Development Framework. This will deal with development issues, aiming to conserve the existing environment whilst identifying land needed for future development.</p>	<p>Results for workshops conducted by the CSP showed a desire for future development of sports, leisure and entertainment based buildings as well as a greater mixture of retail options within the borough.</p> <p>It is expected that the local development framework (LDF) will make a difference by increasing sport and active leisure opportunities (particularly in those communities who do not have sufficient provision). Additionally, it is expected that the LDF will help to ensure that new developments and redevelopments are equipped with appropriate community, childcare, education, youth, sporting and recreation facilities.</p>

Document	Summary	Relevance to this study
Sports specific policies: cricket		
ECB Building Partnerships: cricket's strategic plan 2005-2009	<p>This strategy aims to address issues regarding the game's growth and to create a strategic framework for the successful expansion of the game in England and Wales.</p> <p>The strategy is based upon four key pillars:</p> <ul style="list-style-type: none"> • improving the way the game is lead through effective leadership and governance • building on a vibrant domestic game • enthusing participation and following, especially among young people • developing successful England teams. 	<p>One objective of the strategy is to support the creation of more cricketing facilities. The ECB has sought to establish an ECB interest free loan fund for the development of cricket facilities, which will rise in value to £5 million by 2009.</p> <p>This is a potential source of funding for a new facility (this is explored further in Section 4).</p>
ECB National Facilities Strategy	<p>Ensuring that appropriate facilities of the right standard are available is an essential requisite in the realisation of the national strategy for cricket. The facilities strategy analyses these requirements and identifies the main priorities for investment over the next few years.</p> <p>In general terms there are sufficient indoor facilities. The main priority is for these to be upgraded, with those catering for wider District and County requirements taking precedence. There is a need to upgrade the indoor facilities of Regional Centres other than where new facilities have been provided in recent years.</p> <p>County Cricket Boards (CCB's) are encouraged to consider, firstly their development needs and, thereafter, to seek the support of potential investors.</p>	<p>The ECB has recognised the reprovision of the Centre as the top regional priority for the Gloucestershire County Cricket Board.</p> <p>However, any new provision will have to complement the existing Centres of Excellence at Taunton, Bristol and Edgbaston.</p>

Document	Summary	Relevance to this study
<p>ECB Technical Specifications: Cricket Specific Indoor Centre (“TS2”)</p>	<p>This document outlines the minimum requirements for a cricket specific indoor centre, as follows:</p> <ul style="list-style-type: none"> • flooring to meet ECB technical performance specification for artificial surfaces • additional spin mats if available and required • bowlers shock pads in each lane throughout crease area and for a minimum of 3m into follow through strides • batting and bowling creases marked in each lane • full length match pitch with bowlers shock pads to be marked in the centre of the hall. <p>It is recommended that cricket specific indoor centres should have the following minimum equipment;</p> <ul style="list-style-type: none"> • at least 1 bowling machine • video recording camera in one lane positioned at the front and rear of a net bay and also at right angles to the batting and bowling crease. 	<p>We would not recommend a cricket hall that is not able to adapt to alternative sporting use as it severely restricts the sporting usage, marketing and income generation opportunities. Section 3 outlines in full our recommendations for the new facility.</p> <p>However, if this option is chosen and funding for the initial capital build is provided by the ECB, any new facility will have to comply with these Technical Specifications.</p>

Document	Summary	Relevance to this study
<p>ECB Technical Specifications: Indoor Sports Halls with Cricket Provision (“TS3”)</p>	<p>The ECB recognises that cricket specific indoor centres are expensive to build and without combining with other sports programming time, expensive to maintain. Therefore if necessary, indoor cricket schools should be designed with multiple uses in mind.</p> <p>This document outlines the issues which need to be considered when designing indoor sports halls with cricket provision, including:</p> <ul style="list-style-type: none"> • space – establish if cricket is the primary sport • netting – an essential component for the safe practice of indoor cricket • lighting – cricket requires specific lighting levels • surface – some require modification for cricket • maintenance – an early awareness of maintenance regimes of components • budget – must reflect the requirements of the primary sport <i>throughout</i> the life of the facility. 	<p>We would recommend that any new facility have capacity for sports other than cricket, to maximise the sporting usage, marketing and revenue generation opportunities. (Section 3 outlines in full our recommendations for the new facility).</p> <p>As stated above, if funding for the initial capital build is provided by the ECB, any new facility will have to comply with these Technical Specifications.</p>

Document	Summary	Relevance to this study
Sports specific policies: gymnastics		
British Gymnastics Facility Strategy Stage 1 (June 2006)	<p>This document outlines the facility strategy for gymnastics for the period 2005-2009. It includes among its overall aims the following:</p> <ul style="list-style-type: none"> • development and improvement of gymnastics facilities • establishment of dedicated centres for each county, to encourage the formation of county squads • ensuring access to gymnastics facilities for disabled people • provision of support for new facility builds. <p>A key objective of the strategy is to develop and improve the country's network of performance development and club facilities.</p>	<p>As well as the need to develop higher specification for elite performance activities, there is a need to assist in the development of facilities capable of delivering grass roots programmes.</p> <p>Cheltenham currently has no gymnastics dedicated facility and a new combined cricket/gymnastics centre would effectively address this lack of provision.</p>
Gymnastics Development Plan 2005-2009: South West (SW) Region	<p>The regional development plan for gymnastics highlights the objectives for the region for the full spectrum of gymnastic disciplines. In relation to club and facility provision, their key aims are as follows:</p> <ul style="list-style-type: none"> • to provide and support permanent facilities where equipment can remain in full time operation and to ensure that such a facility be provided within each County • to provide a quality facility for all competitions and all disciplines within each County. 	<p>The nearest large permanent gymnastics facility is in the Forest of Dean (27 miles away), whilst the nearest Centres of Excellence are in Birmingham and Bristol.</p> <p>A new combined cricket/gymnastics facility in Cheltenham would address the lack of provision in the town and its immediate vicinity.</p>

Section 3 - Facility options

Introduction

- 3.1 In this section, we summarise the findings from our consultations, desk based research and relevant strategic policies as to the demand for re-provision of the Centre.
- 3.2 We then provide a summary outline of the options available to the Council for the re-provision of the Centre, followed by an analysis of the strengths and weaknesses of those options based on key criteria.
- 3.3 Finally, we provide a summary of our recommendations as to the options the Council should consider taking forward.

Summary of consultation: cricket stakeholders

- 3.4 There is strong demand to replace the Centre, from local clubs, Gloucestershire CCB, Gloucestershire CCC, ECB and other local cricket stakeholders. A new centre could match and increase usage levels, through improved facilities, better marketing, expansion of activities (eg women's cricket) and demand led activities (eg individual coaching).
- 3.5 Cricket stakeholders would have no objection to sharing a facility with gymnastics, provided the gymnastics hall and cricket halls were separate, with only ancillary facilities being used jointly. There were also no objections to the facility being a sports hall with potential for other sporting uses (rather than a cricket only facility), as they felt this could contribute to cross marketing and usage opportunities.
- 3.6 Basic facility requirements for a new centre would be as follows:
 - 5 lane cricket hall (minimum 735 sqm)
 - viewing area
 - changing rooms
 - storage facility
 - meeting/classroom
 - social area/refectory.

Summary of consultation: gymnastics stakeholders

- 3.7 There is strong demand for a gymnastics dedicated facility in the area. Usage of such a facility, including pre-school activities, in-curriculum schools coaching and activities for elder people, could be up to six hours per day.
- 3.8 There would be no objections to a joint facility with cricket, provided there was a separate gymnastics hall with only the ancillary facilities being jointly shared. Lottery funding may be available for the purchase of equipment for the gymnastics element in the new facility.

3.9 Basic facility requirements for an indoor gymnastics centre would be as follows:

- indoor gymnastics hall - minimum 780 sqm
- children's changing rooms (male and female - to comply with child protection requirements) – minimum 150 sqm
- storage room for equipment minimum 200 sqm.

Summary of relevant local area information

3.10 The current leisure facilities are located in the Pittville ward, next to St Pauls' ward. The St Pauls ward is one of the most deprived areas of Cheltenham and is amongst the 5% most deprived wards nationally. It has an average weekly income of over £200 less than the regional average. Life expectancy is lower, whilst the level of unemployment is higher than the local averages. New provision of sporting and leisure facilities in the area could play a role in addressing these issues.

3.11 The 30 acre site to the east of the Prince of Wales stadium on Tommy Taylors Lane (known as the Midwinter Development) has been earmarked by the Council as a site for regeneration. Plans developed by Bloor Homes details the inclusion of 157 new homes, a David Lloyd gym and tennis facility and an area of public open space on the site, as well as the retention of the current allotment site.

Summary of relevant strategic policies

3.12 Reprovision of the Centre is the top priority for the Regional Facilities Strategy of Gloucestershire County Cricket Board. It also fits within the ECB's National Facilities Strategy to maximise availability of appropriate facilities and their overall strategic plan to support the creation of more cricket facilities.

3.13 Results for workshops conducted by the Cheltenham Strategic Partnership showed a desire for future development of sports, leisure and entertainment based buildings.

3.14 Sport England South West are currently seeking to support the development of multi – sport environments within the region. The vision is to develop multi sport environments that enable shared and more effective use of resources to drive up participation, improve performance and widen access to sport and physical activity. The South West regional plan for sport sets a target of setting up 114 hub and satellite clubs by 2020.

Conclusions

3.15 We have concluded from the above that there is definite need, demand and opportunity for the Centre to be rebuilt. Furthermore, there is additional demand for the provision of an indoor gymnastics centre, which could be constructed as a joint indoor facility with cricket.

Options for re-provision

3.16 From our initial consultations and research, we have evaluated that there are three headline scenarios for the re-provision of the Centre. These are as follows:

- **Replacement** – this would amount to a straight re-provision of the Centre in the same location and structure as the existing Centre
- **Renovation** – this would amount to the provision of a new and upgraded facility which would contained improved and increased facilities (such as changing rooms, teaching area, etc) and incorporate up-to-date ECB technical specifications
- **Renovation with gymnastics** – this would amount to an upgraded facility, as above, but with the addition of a gymnastics hall incorporated into the facility and sharing ancillary aspects (eg changing rooms)

3.17 Taking into account potential additional permutations, such as location, these three headline scenarios translate into seven options for the provision of indoor cricket and gymnastics. These are outlined in table 3.1.

Table 3.1 Options summary

Option	Scenario classification	Description	Specification	Location
A	Replacement	Re-provide existing indoor cricket centre in current location	Basic re-provision of existing Centre	Current site
B	Renovation	Build new cricket centre in current location	Upgraded cricket centre of similar size, including improved and upgraded provision through incorporation of ECB Technical Specifications and additional ancillary facilities	Current site
C	Renovation	Build new cricket centre on nearby site adjacent to the Prince of Wales stadium	Upgraded cricket centre (as above)	Adjacent to Prince of Wales stadium
D	Renovation	Build new cricket centre in different location	Upgraded cricket centre (as above)	Unknown
E	Renovation with gymnastics	Build new cricket centre with gymnastics facility in current location	Upgraded cricket centre (as above) with additional indoor gymnastics hall	Current site
F	Renovation with	Build new cricket centre with	Upgraded cricket centre (as above) with additional indoor	Adjacent to Prince of

	<i>gymnastics</i>	gymnastics facility on nearby site adjacent to the Prince of Wales stadium	gymnastics hall	Wales stadium
G	<i>Renovation with gymnastics</i>	Build new cricket centre with gymnastics facility in different location	Upgraded (as above) cricket centre with additional indoor gymnastics hall	Unknown

Analysis of options

3.18 Our analysis has been structured to reflect the strengths and weaknesses of each option, based on three criteria:

- specification
- location
- cost.

3.19 In appraising these options, we have also considered:

- the input received from consultation with local stakeholders
- the strategic and local context
- the financial and logistical investment required for each option
- the long term strategic benefit for the Council and the local community.

3.20 We have also taken into account of the fact that that the interests and priorities of local stakeholders – particularly from different sports - can differ and often are in conflict. Where this is the case, we have taken a strategic view of the overall benefits which could be derived, to ensure that the interests of particular stakeholders do not take precedence over long term benefits for the Council and the local community.

Specification

3.21 In this analysis, Specification concerns the quality and type of facility mix options. Table 3.2 summarises the options available.

Table 3.2 Specification analysis

Option	Strengths	Weaknesses
<p>Basic replacement (Option A)</p>	<ul style="list-style-type: none"> • simplest and cheapest design and build process • shortest build time • minimal planning issues • continuity of operation and management • continued cross-usage/overflow opportunities with Leisure@Cheltenham. 	<ul style="list-style-type: none"> • lost opportunity to improve and expand cricket provision • no provision for gymnastics • new facility users would face same operational and design issues as at the Centre (eg lack of changing facilities, no classroom or social area) • even basic reprovision would require certain improvements, such as DDA access, which could increase cost.
<p>Renovated cricket centre (Options B, C & D)</p>	<ul style="list-style-type: none"> • would enable new design and build improvements such as changing rooms, social/viewing area, teaching area, and separate car park • improvements in facility could lead to additional cricket usage and revenue • potential increased cross-sport usage due to upgraded facilities • could enable partnership working, through bringing in external partners to manage and operate facility. 	<ul style="list-style-type: none"> • more expensive than simply rebuilding existing facility • no provision for gymnastics • potential planning issues resulting from need for increased footprint/extra design specifications • design and build process would be longer, delaying cricket provision further.
<p>Renovated cricket centre with additional gymnastics hall (Options E, F & G)</p>	<ul style="list-style-type: none"> • provision made for gymnastics • cross sport marketing opportunities to increase/expand usage • provides basis for future multi-sport hub site • efficiencies associated with housing both cricket and gymnastics centre on the same site. 	<ul style="list-style-type: none"> • increased complexity, expense and timescales for the design and build process • additional requirements for operation and management • potential additional planning issues resulting from need for increased footprint/extra design specifications • management complications of combining needs of cricket and gymnastics stakeholders (eg scheduling, capacity) • additional child protection requirements to accommodate younger gymnastics participants.

Location

3.22 It is our understanding that the options currently available for the location of the new facility are as follows:

- the current site adjacent to Leisure@Cheltenham
- the nearby site adjacent to the Prince of Wales stadium.

3.23 For completeness, we have also examined the option of siting the facility at another potential location.

3.24 The strengths and weaknesses of the various proposed locations are analysed in Table 3.3.

Table 3.3 Location analysis

Option	Strengths	Weaknesses
Current site	<ul style="list-style-type: none"> • minimal planning issues • existing infrastructure and historical presence of cricket school on site • no public transport issues • continued usage as an overflow hall for the leisure centre. 	<ul style="list-style-type: none"> • cannot be built until flood defences around Pittville Lake are confirmed • additional flooding threat given geographical location • missed opportunity for a sports hub operation • site footprint potentially restrictive which could affect design and specification • upgraded facility may be too large for the current site.
Nearby site adjacent to the Prince of Wales stadium	<ul style="list-style-type: none"> • large site footprint available • provides basis for future multi-sport hub site • potential basis for healthy living/physical activity programmes for local area • contribute to local regeneration. 	<ul style="list-style-type: none"> • loss of use of the centre as an overflow hall for the leisure centre • additional administrative cost of the centre being separate from the leisure centre site • additional planning issues • potential additional site issues (eg ground works, access road etc) • linked to the timescales of the Midwinter Development – potential for delays.
Unknown	<ul style="list-style-type: none"> • potential to diversify provision across 	<ul style="list-style-type: none"> • increased time and expense to identify and analyse appropriate site (eg

Option	Strengths	Weaknesses
	town <ul style="list-style-type: none"> potential to address sports provision/physical activity needs elsewhere in Cheltenham. 	feasibility study, needs analysis, local consultation etc) <ul style="list-style-type: none"> additional planning issues greater marketing and promotional cost of raising awareness and attracting users to new site.

Cost

3.25 Table 3.4 outlines the predicted costs associated with each option.

Table 3.4 Cost of each option proposed

Option	Description	Estimated cost	Cost breakdown	Key issues
A	Re-provide existing indoor cricket centre in current location	Covered by insurance at no cost to the Council	Covered by insurance at no cost to the Council	This would be a “like for like” replacement for the Centre as it was before it was destroyed. However, the new build would be required to take into account potential additional costs relating to improved flood defence works and improved DDA access.
B	Build new cricket centre in current location	£2.88m minimum + additional enabling costs	Hall: 880sqm @ £1600 per sqm = £1.4m Changing facilities: 300sqm @ £1600 per sqm = £480,000 Meeting/classroom: 150sqm @ £1600 per sqm = £240,000	The additional flood defence works that are necessary may result in higher than anticipated costs. Furthermore, additional costs may arise from the groundwork needed to accommodate

Option	Description	Estimated cost	Cost breakdown	Key issues
			<p>Viewing area and storage room: 300sqm @ £1600 per sqm = £480,000</p> <p>Social area/refectory: 175sqm @ £1600 per sqm = £280,000</p> <p>Enabling ground works: c£140,000 (based on estimate received from ECB for standard indoor cricket centre enabling works)</p> <p>Additional: There would also be additional costs relating to flood defence work; any design/build issues resulting from a potentially larger footprint on the site; and improved DDA access and access to Leisure@Cheltenham.</p>	foundations/footprint/design specifications of a larger facility.
C	Build new cricket centre on nearby site adjacent to the Prince of Wales stadium	£2.88m minimum + additional enabling costs	<p>The capital build would be similar to Option B.</p> <p>Additional: With this option, there would be greater additional costs relating to planning issues, increased design and build requirements and potential costs related to access routes and delays related to Midwinter Housing Development.</p>	The costs – and delays – relating to enabling works may increase due to the potential difficulties associated with the site and its links with the Midwinter Housing Development.
D	Build new cricket centre in different location	£2.88m minimum + additional	<p>The capital build would be similar to Option B.</p> <p>Additional: There would be additional costs relating to the identification of new site, feasibility studies, needs</p>	Locating the cricket centre in a new location is likely to create significant extra costs (and delays). The cost of land and

Option	Description	Estimated cost	Cost breakdown	Key issues
			assessment, acquisition of land, planning issues, enabling works etc.	enabling works to ensure necessary infrastructure is also likely to be very costly.
E	Build new cricket centre with gymnastics facility in current location	£2.88m + gymnastics facility (£1.6m) =£4.48m minimum	<p>The cricket centre cost is estimated as the same as Option B, ie (£2.88m minimum).</p> <p>The gymnastics centre capital cost is estimated to be £1.6m minimum, broken down as follows:</p> <p>Hall: 910 sqm @ £1098 per square metre = £1m.</p> <p>Additional children's changing facilities: 150 sqm @ 1600 per sqm = £240,000</p> <p>Storage room for equipment: 200 sqm @ 1098 per sqm = £220,000</p> <p>Equipment: c.£175,000</p> <p>Additional: There may be additional costs relating to potential planning, design and build issues due to the restrictive size of the site.</p>	<p>The cost of the gymnastics hall can range from £750k to £1.25m depending upon building materials and specification. Our £1m represents a reasonable estimate of the likely cost of the hall.</p> <p>The cost of the works required to enable the building of the gymnastics facility is likely to raise cost considerably. Provision of additional children's changing facilities is also likely to be an issue due to the requirements of gymnastics.</p>
F	Build new cricket centre with gymnastics facility on nearby site adjacent to the Prince of Wales stadium	£4.48m minimum + further	<p>The capital build cost would be similar to Option E.</p> <p>Further: There would be additional costs relating to planning issues, increased design and build requirements and potential costs related to access routes and delays related to Midwinter Development.</p>	As with Option C, the costs – and delays – relating to enabling works may increase due to the potential difficulties associated with the site and its links with the Midwinter Development.
G	Build new cricket centre with	£4.48m minimum +	<p>The capital build cost would be similar to Option E.</p> <p>Further:</p>	As with Option D, Locating the cricket centre in a new location is

Option	Description	Estimated cost	Cost breakdown	Key issues
	gymnastics facility in new location	further	There would be additional costs relating to the identification of new site, feasibility studies, needs assessment, acquisition of land, planning issues, enabling works etc.	likely to create significant extra costs (and delays). The cost of land and enabling works to ensure necessary infrastructure is also likely to be very costly.

NOTE: all estimates are based on information provided by relevant stakeholders and are broad estimates only.

Summary of analysis

- 3.26 In Tables 3.2-3.4 we provided an analysis of the strengths and weaknesses of each option, based on the three analysis criteria.
- 3.27 In Table 3.5 we analyse how each option addresses the issues that have been highlighted by those tables. In Table 3.5, green indicates that the option addresses the issue in a way that is favourable for the Council. Red indicates that the option does not resolve the issue. Yellow suggests that the issue will remain, but can potentially be overcome through effective planning and management.
- 3.28 The issues are listed in order of importance, with cost deemed to be the most important.

Table 3.5 Options analysis

Option	Cost	Timescales	Regeneration of local community	Planning	Cricketing needs	Gymnastics needs	Ease of management	Sports hub potential	Marketing requirements	Summary
A	●	●	●	●	●	●	●	●	●	Re-provision at the existing site represents the quickest and cheapest option for the Council. However this option represents a missed opportunity to meet the wider needs of the cricket and gymnastics communities and the potential for the centre to provide regeneration benefits to the local communities in Cheltenham.
B	●	●	●	●	●	●	●	●	●	The same issues as identified in option A prevail in option B. There may be additional costs and delays relating to additional groundworks for the new facility resulting from larger footprint/design specification.
C	●	●	●	●	●	●	●	●	●	Option C has the potential to contribute to the regeneration of the St Pauls/Pittville area, as well as potentially providing the basis for a multi-sport hub development. However, the difficulties associated with the site (potentially dependant on Midwinter Development, potential planning and groundwork issues) may well result in increased delays and a greater expense.
D	●	●	●	●	●	●	●	●	●	Any attempt to locate the facility at a different, unknown location will bring significant delays to any kind of re-provision. It is also likely that there will be increased costs associated with any new site – needs assessments, feasibility study requirements etc – as well as planning issues.
E	●	●	●	●	●	●	●	●	●	This option could provide an effective solution, by enabling provision for both cricket and gymnastics and retaining the physical and operational links with Leisure@Cheltenham. However, it is not clear if

Option	Cost	Timescales	Regeneration of local community	Planning	Cricketing needs	Gymnastics needs	Ease of management	Sports hub potential	Marketing requirements	Summary
										there is sufficient space at the current site to enable a joint cricket/gymnastics facility to be located there and a solution is likely to be complex, incurring further delay and expense. Equally, additional planning issues might arise from the larger facility requirements.
F	●	●	●	●	●	●	●	●	●	This option has the potential to meet the needs of both the cricket and gymnastics groups, as well as contributing to the regeneration of the local area. However, it may potentially require greater time and expense than using the current site.
G	●	●	●	●	●	●	●	●	●	Any attempt to locate the facility at a different, unknown location will bring significant delays to any kind of re-provision. It is also likely that there will be increased costs associated with any new site – needs assessments, feasibility study requirements etc – as well as planning issues.

Conclusion

Recommended options

- 3.29 On the basis of these considerations, we would recommend that the Council proceed with either option C or F.

Option C

- 3.30 This option - to build a new cricket centre on the nearby site adjacent to the Prince of Wales stadium would have the following advantages:

- it would contribute to the development of “multi sports hub” at that location, combined with rugby and athletics. This could lead to increased usage, cross marketing with other sports and increased revenue
- the new centre could be linked to sports development programmes in the local area to assist with education, crime and health issues (as identified in Section 2).
- the location, near to the new Midwinter Development, would be in direct proximity to new users in the form of the new residents of the development

Option F

- 3.31 This option - to build a new cricket centre with gymnastics facility on the nearby site adjacent to the Prince of Wales stadium would have the following advantages:

- it would create a permanent facility for gymnastics
- it would enable cross sport marketing opportunities to increase/expand usage
- it would reinforce the potential for the site to be a future multi-sport hub site
- it could create management and operational efficiencies by housing both cricket and gymnastics centre on the same site.

- 3.32 It is important to note that both of these options C and F will incorporate the following challenges:

- **timescales** - the local cricket community have stated that their priority is for the Centre to be re-provided as soon as possible. The choice of site and specification may result in delays arising from planning, ground works, access and expense, which would mean that the completion of the facility could take longer than if provided at the current site. However, it is our view that the benefits of linking the centre to the stadium’s sports facilities, as well as addressing the regeneration agenda of the local area, outweigh the potential delays in project timeframe.
- **cost** – both of these options would be more expensive than basic re-provision or upgrading the facility at the current site. In particular, the provision of a gymnastics centre in addition to a cricket school will result in significant capital cost increases.

However, we consider that the increased benefits resulting from the location and specification, including increased usage, cross marketing possibilities and potential regeneration value to the area mean that it is better long term strategic value to the Council and key stakeholders.

Least recommended options

- 3.33 We would not recommend that any option to build a facility at an unknown location (Options D and G). Whilst there is obvious potential for a new site to meet the issues identified in Table 3.5, there are too many variables that will result in inevitable delays and likely higher costs from studies and ground works that will need to be completed.
- 3.34 Equally, as timescale is acknowledged to be a matter of priority for cricket stakeholders, the level of uncertainty in finding and securing a new site is deemed too great.
- 3.35 Option A (to re-provide the cricket centre as it existed in 2007 pre-flood damage) would be the quickest and easiest option to follow (and therefore potentially preferred by local cricket stakeholders). However, we feel this represents a missed opportunity to upgrade the centre to a contemporary and modern standard.

Section 4 - Capital finance

Introduction

- 4.1 The financial issues relating to a new facility, in terms of both the initial capital build and ongoing financial sustainability, are crucial concerns for the Council.
- 4.2 In this section we outline initial estimates for the capital investment required for the construction of the centre, and outline options for procuring funding. In Section 5, we provide an outline business plan relating to the ongoing income and expenditure costs of the Centre.

Capital investment

Estimates of capital build cost

- 4.3 As can be seen from Section 3, the minimum cost for replacing the existing indoor cricket facility with a new indoor centre would be £2.88m. This rises to a maximum of £4.48m for a new facility combining cricket and gymnastics.

Available funding

- 4.4 From our consultations with the Council, it is our understanding that the Council's insurers have indicated that they will provide £120,000 to reinstate the cricket hall on a "like for like basis".
- 4.5 An application was made to the Severn Trent Water Community Recovery Fund for £200,000 for capital funding for renovation but was unsuccessful.
- 4.6 The implications of this for the Council are that the Centre could be replaced on a "like for like" basis at its existing site (Option A) at no cost to the Council.
- 4.7 We outline in Table 4.1 below the capital costs shortfall for each of the current build options:

Table 4.1 Shortfall of capital funding by option

Option	Minimum estimated cost	Shortfall
A	<i>Covered by insurance at no cost to council</i>	n/a
B	£2.88m	£2.76m
C	£2.88m	£2.76m
D	£2.88m	£2.76m
E	£4.48m	£4.36m
F	£4.48m	£4.36m
G	£4.48m	£4.36m

- 4.8 We summarise below potential capital funding procurement options to enable the Council to build up this shortfall.

Additional sources of funding

Private Debt Finance

- 4.9 Typically, the private sector have borrowed money and invested in public facilities under management contracts or “Design, Build, Finance and Operate” (DBFO) contracts. This may be from borrowing themselves and undertaking capital investment from their own balance sheet, or under a DBFO arrangement, securitising the cashflows of a services contract.
- 4.10 In terms of the latter, normally a Special Purpose Vehicle (SPV) is set up to contract with the Council for a new facility. The borrowing is lent to the SPV, but the bank will have rights over the future cashflows and the SPV itself. Banks have tended to lend up to 90% of the capital investment requirement, with the SPV funding 10% equity. Margins on this type of borrowing range from 1.10% to 5%, depending upon the risk and status of the borrowing.
- 4.11 The payment of the debt costs to the private contractor are made by the Council through the management fee or the unitary charge, which itself is at risk, if their performance does not meet the standards set out in the contract. This provides a real incentive for the contractor to perform.
- 4.12 It is up to the Council to decide whether this is a route which they would like to follow for the construction and management of the centre. If they do not wish to use the private sector, the following options would still be available:

Public Debt Finance

- 4.13 The introduction of the Prudential Code on the 1st April 2004 provided local authorities with the opportunity to raise capital finance for the procurement of assets (prior to the 1st April 2004, capital controls limited such investment, resulting in the public sector having to use the private sector to provide this investment via management contracts or the “Design, Build, Finance and Operate” contracts, as described above).
- 4.14 Local authorities are theoretically able to borrow more cheaply than private companies as they are considered lower risk by lenders. In fact, local authorities should be able to borrow from the Public Works Loan Board (PWLB), at a rate of circa 5%, compared to a blended rate of circa 8%+, which currently represents the market rate for private finance.
- 4.15 However, in order to borrow funds, a Council must satisfy itself that with the new debt financing costs, its overall budget will still remain affordable. The Prudential Code states that affordability is ultimately determined by a judgement about acceptable council tax levels.
- 4.16 If the local authority is subject to council tax capping, if the facility does not generate the projected income to which the investment decision was made, this will cause difficulty by impacting upon the level of council tax.

Section 106 Agreements

- 4.17 Section 106 of the Town and Country Planning Act 1990 (s106) allows landowners to enter into “planning obligations” either unilaterally or by agreement with a Council as local planning authority. Most planning obligations are by agreement and are referred to as “Section 106 agreements”. Planning obligations relate to a specific area of land and are generally used to make sure that a planning permission is carried out satisfactorily. They may cover one or more of the following:

- restricting the use of the land or the way in which a development is to be carried out
- requiring specific operations or activities to be carried out
- requiring the land to be used in a specific way
- requiring a sum or sums of money to be paid to the Local Planning Authority for a specified purpose.

Capital Receipts

- 4.18 Capital receipts have previously been a source of capital funding for local authorities, particularly prior to April 2004, when there were restrictions in place relating to their ability to raise capital finance.
- 4.19 However, it is our understanding that no confirmed capital receipts are available for this project.

Revenue Funding


- 4.20 With increasing difficulties relating to council tax rises, local authorities are now not in a position to finance large elements of their capital investment from revenue. However, they can release revenue from replacing assets which are expensive to run with new modern facilities and use any surplus resources to finance public sector borrowing. On average, every £70,000 of saving will finance £1 million of debt (25 year).
- 4.21 The business plan projections in Section 5 outline the projected income and expenditure relating to a new cricket centre.

Grant Funding

- 4.22 Table 4.1 overleaf outlines the grant funding streams that are currently available within the industry and estimates the extent to which an application to these streams would be appropriate.

Table 4.1 Grant funding streams

FUNDING STREAMS AVAILABLE IN SOUTH WEST

Funding Stream	Key details	Amounts available	PMP assessment
European			
EU Funding	<p>There are no specific EU sports related funding programmes. (From 1995 to 1998 the Commission ran a sports programme called Eurathlon. However, following a European Court of Justice ruling, it was found that, as there was no European institutional competence in sport, there was no legal basis for funding the programme and so it had to be suspended).</p> <p>Sports projects can currently only be funded indirectly under other programs relating to other EU policies, such as those dealing with health, youth, education, environment, regional policy etc. (It is anticipated that the Lisbon Reform Treaty will allow the Union to provide sports specific funding streams.)</p> <p>The Structural and Cohesion Funds are the EU's main instruments for supporting social and economic restructuring across the EU. The UK will receive €9.4 billion worth of funds for 2007-13, of which €124.7m has been allocated to the South West region for 2007-2013.</p> <p>This funding can be distributed to sports projects, which are in recognised economically deprived priority areas, and which would have a significant economic impact on the area or are part of a wider economic investment programme.</p>	<p>There is no confirmation at this stage as to how much funding could be available.</p> <p>PMP are continuing to investigate.</p>	<p style="text-align: center;"></p> <p>This is a potentially strong source of funding, particularly if it can be shown that the new Centre will have a positive economic and regenerative impact on the St Pauls ward area.</p>
National sporting funding streams			

Funding Stream	Key details	Amounts available	PMP assessment
Sport England	<p>Sport England have recently restructured their funding strategy. Under the new strategy for 2008-2011, Sport England will allocate approximately £205m of funding. This will be allocated through a number of different funding streams from 2009 onwards, of which the most relevant to this project are as follows:</p> <p>‘Managed’ rounds of Lottery funding for projects specifically aligned with Sport England’s strategic objectives, e.g. work with the voluntary sector and community sports organisations to grow participation in sport. The managed rounds will enable Sport England Main Board to prioritise funding to ensure that the overall delivery of objectives remains on track (c£33m)</p> <p>Investment in facilities in line with a strategic facilities investment plan. This will be based on a sport by sport audit of existing facilities, and an aggressive plan for ensuring their maximum exploitation. It would also be informed by work at the regional level on the pattern of facilities available locally (c£13m)</p> <p>A small grants scheme (on a scale similar to our current involvement in Awards for All), with investment of around £10m a year into smaller sports clubs and other local facilities (c£10m)</p> <p>An innovation fund to identify and pilot best practice in all aspects of community sport (c£7.5m)</p> <p>Sport England are also currently running the Community Investment Fund - this is a funding stream distributed through the Regional Sports Boards to support community and grass roots sports. Applications are made to Regional Sports Boards (in this case, Sport England South West).</p>	<p>Max: tbc Min: tbc</p> <p>Max: tbc Min: tbc</p> <p>Max: tbc Min: tbc</p> <p>Max: tbc Min: tbc</p>	<p style="text-align: center;">✓</p> <p>It is highly likely that the rebuilding of the Centre will be eligible for one of these funding streams. This is more likely if the Council pursue the combined gymnastics/cricket centre option</p>

Funding Stream	Key details	Amounts available	PMP assessment
	A consultation process is currently underway to decide whether the Community Investment Fund will continue after April 2009.		
National Sports Foundation (NSF)	<p>The NSF is a Government-led initiative to facilitate and encourage partnerships between private investors and community sports projects in England. NSF will match donations from commercial bodies and individuals with government funding. There are three key priority areas:</p> <ul style="list-style-type: none"> • 2012 Kids - getting more children and young people playing sport • Women into Sport - involving more women in playing sport • Fit for Sport - investment in clubs, coaches and volunteers in local communities. <p>Projects must be focused on improving community-based, sporting activity at grass roots level in England and involve a recognised sporting activity.</p> <p>The NSF have £6m to allocate by end of April 09. Capital projects – including Sports Villages - are considered.</p>	Grants are made for a minimum of £50,000. There is no 'maximum' set.	<p style="text-align: center;">✓</p> <p>A funding source to be pursued.</p>
Foundation for Sport and the Arts (FSA)	<p>Established in 1991, the FSA channels money originally donated by Littlewoods and other football pools companies to a wide range of sporting and artistic causes.</p> <p>They look to support a wide range of activities where there is clear beneficial impact across the community. Their particular goal is to encourage active participation by young people.</p> <p>Most socially inclusive sport is considered apart from professional football and horse racing. They aim to offer grant aid where it will help to create or maintain facilities and opportunities for the general community or will assist arts or sports provision that the community can enjoy. They will also consider making interest-free loans where these would be appropriate.</p>	Up to a maximum of £40,000, but typically less than the full amount – unable to be more specific.	<p style="text-align: center;">✓</p> <p>There is a focus on improving opportunities for young people – any bid would need to demonstrate this.</p>

Funding Stream	Key details	Amounts available	PMP assessment
	<p>Grants are awarded by a board of trustees. The process from application to award decision is generally 6-8 months. Should other funding bodies be involved, such as the Lottery, the FSA would look to fund a discrete part of the facility (such as the changing rooms).</p>		
Non sports specific funding streams			
<p>The Big Lottery Fund</p>	<p>The Big Lottery Fund hands out 50% of the money from the National Lottery to community groups and to projects that improve health, education and the environment. Their aim is to bring real improvements to communities and the lives of people most in need. The Big Lottery Fund administers a range of funding programmes, of which the following is the most relevant to this project:</p> <p>Myplace - this £160m fund is being delivered by the BLF on behalf of the Department for Children, Schools and Families. It aims to deliver world class youth facilities driven by the active participation of young people and their view and needs.</p> <p>Funded projects must deliver all the following outcomes:</p> <ul style="list-style-type: none"> • more young people, parents and communities feel that young people have exciting and safe places to go in their leisure time where they can get involved in an attractive range of activities; • more young people, particularly the most disadvantaged, participate in positive leisure time activities that support their personal and social development; • more young people have access to information, advice and support services from within places they feel comfortable; • stronger partnership working between local authorities, third, private and public sector partners to plan, deliver and operate financially sustainable youth facilities with and for 	<p>Max: £5,000,000 Min: £1,000,000</p>	<p>●</p> <p>This is a significant funding source but the process would need to be heavily focussed on providing for young people, as well as including them at every stage – starting at facility design.</p>

Funding Stream	Key details	Amounts available	PMP assessment
	<p>young people.</p> <p>Crucially, young people will need to be involved with the project from the start, including at the design stage.</p> <p>The deadline for applications is 30th September.</p> <p>Projects are only eligible to apply for funding from one Lottery programme. Should an application be made, the Myplace programme should be the preferred option as the level of capital grant potential is significantly higher and the application criteria for favourable.</p>		
Awards for All	<p>Awards for All is a Lottery grants scheme for local communities. There are different schemes for each of the four countries of the UK.</p> <p>In England, it awards grants of between £300 and £10,000 for people to take part in art, sport, heritage and community activities, and projects that promote education, the environment and health in the local community. Examples of sports and leisure projects which have been funded include:</p> <ul style="list-style-type: none"> • a training and activities programme to involve more disabled people in sport • play and sports facilities with qualified coaching for young people on an urban estate • promoting healthy eating and greater physical activity. <p>Grants can be spent on equipment, feasibility studies and professional fees</p>	Anything between £300 and £10,000	<p style="text-align: center;">●</p> <p>The Cheltenham Indoor school would qualify for scheme funding, but a capital contribution is felt unlikely.</p>

Funding Stream	Key details	Amounts available	PMP assessment
Landfill Communities Fund	<p>The LCF is a funding scheme for community and environmental projects around landfill sites. Landfill Operators (LOs) must pay a tax to the Government on every ton of waste that they dispose of in a landfill site. The LCF allows LOs to 'offset' a percentage of the landfill tax and give a proportion of it to organisations who deliver environmental objectives, instead of paying it as tax to Government. Funds are distributed directly from the LOs or from Distributive Environmental Bodies (DEBs) who distribute funds on behalf of a LO or for more than one LO. Any non-governmental/not for profit organisation can apply for funding so long as the project is within 10 miles of a landfill site.</p>	No max or minimum – at the discretion of the LO/DEB	<p style="text-align: center;">✓</p> <p>Cheltenham is within 10 miles of a relevant land fill site so this opportunity would be worth pursuing.</p>
Tesco Charity Trust Community Awards Scheme	<p>Tesco's Community Awards Scheme offer one-off donations of between £1,500 and £5,000 to voluntary and community groups based in areas where Tesco has stores, and supports organisations who work with and support elderly people and children and adults with disabilities.</p>	The maximum level of funding is £5,000, and the minimum is £1,500.	<p style="text-align: center;">●</p> <p>Any application is likely to be unsuccessful.</p>
Sports specific: Cricket			
England and Wales Cricket Board	<p>There are two sources of funding that the Council could source with the ECB:</p> <p>The Grant Aid Scheme aims to finance capital projects, including renovations, to improve facilities which contribute to increased participation in cricket.</p> <p>Eligible projects include:</p>	There is no confirmation at this stage as to how much funding could be available.	<p style="text-align: center;">✓</p> <p>An indoor cricket school in Cheltenham is a priority for the Gloucester Cricket Board, and would</p>

Funding Stream	Key details	Amounts available	PMP assessment
	<ul style="list-style-type: none"> • Fine Turf Match Pitches • Non Turf Practice Net Areas • Indoor Centre Upgrades/New Build • Communal Changing Facilities. <p>The scheme is only available to Focus Clubs with a Development Plan registered and approved by the ECB. Indoor schools are eligible to apply for this funding. The ECB would support any scheme that was supported by the GCB.</p> <p>A dedicated Flood Relief Programme has been setup by the ECB (one of only two NGBs to do so). Funding for this came from The England and Wales Cricket Trust and the National Sports Foundation. This fund was setup specifically to address the flooding of 2007.</p>	<p>PMP are continuing to investigate.</p> <p>There is c£130,000 left in this fund. It is felt a significant proportion of this could be used for the Indoor school.</p>	<p>therefore looked at favourably by the ECB in any application.</p> <p style="text-align: center;">✓</p> <p>Any application for funding is likely to be successful.</p>
<p>Lord's Taverners Foundation</p>	<p>This is a charity, founded in and based upon cricket, that helps young people, particularly those with social, environmental, physical or learning disadvantages, to enjoy cricket and other sporting and leisure activities.</p> <p>Fifty per cent of the funds we award goes to cricket projects - equipment and competitions for those young people playing the game at grass roots level in schools and clubs. The other half is awarded to special needs schools or organisations, supporting their work to encourage youngsters to participate in recreational activities and a wide range of disabled sports.</p>	<p>Generally a maximum of £25,000, but normally in the region of £10,000</p>	<p style="text-align: center;">●</p> <p>There is a premium focus on cricketing provision for children and young people. This would have to be demonstrated throughout the application</p>

Funding Stream	Key details	Amounts available	PMP assessment
	<p>Relevant funding streams within the Lords Taverners are as follows:</p> <p><u>Youth cricket at grass roots level</u> – this supplies grants to encourage cricket participation by young people. Projects funded include equipment and non-turf pitch grants</p> <p>Sports and recreation facilities for young people with special needs - Since 1988 The Lord's Taverners have given grants towards sports & recreational equipment under a programme known as SRSN (Sport & Recreation for young people with Special Needs).</p> <p>Examples of equipment which has been funded include specially adapted sports equipment, outdoor play equipment, soft play and multi-sensory equipment, riding equipment, pool hoists, water ski equipment and sports wheelchairs.</p> <p>The Lords Taverners are going through an appraisal of their funding criteria currently, so any application would need to be made once the new criteria has been finalised.</p> <p>Funds are not earmarked, so any application would need to be 'ready to go' once either successful.</p>		<p>process.</p> <p>Funds are not made available for capital schemes, but significant monies are available for equipment – nets etc.</p>

Applications to multiple funding sources

- 4.23 If applications to grant funding sources are made, it is also necessary to consider the cumulative effect of multiple applications for sums of money using several funding sources.
- 4.24 The first problem is that each funding source has its own aims, objectives and criteria. The reality of bidding for grants is that projects are shaped by the applicant to meet the aims and objectives of funding sources. This becomes difficult when more than one funder is approached as the project attempts to be all things to all people and consequently less attractive to funders.
- 4.25 The second problem is that many funders require 'financial need' to be demonstrated by the applicant. One test of financial need is to show that funding cannot be obtained from other grants. The consequence is that many projects tend to have a single major grant funder. A third potential problem is that Lottery grant rules prohibit one Lottery grant being used to match-fund another Lottery grant.
- 4.26 There is also the problem of timing. Funders are unlikely to allow their grants to remain unspent for long periods of time following award of the grant. Thus it is difficult to secure a small grant to act as match funding to a large grants, because of the time involved in preparing the large grant application. Alternatively, one would need to make all applications simultaneously, with one grant being conditional on the others being awarded. However, grant funders do not like the risk involved with this approach so may be unwilling to award any funds at all.
- 4.27 Of course, experienced fundraisers recognise the above problems and have their own strategies for addressing them. However, the key point is that multiple grant funding increases project risk. The consequence of one bid failing is that the whole project may fail.

Section 5 - Business Plan

Introduction

- 5.1 This section lays out a draft 5 year business plan, outlining projected income and expenditure for a new facility.
- 5.2 Following our recommendations from Section 3, we provide a business plan for Option C – a new cricket facility with provision for other sporting uses located on the site adjacent to the Prince of Wales stadium, and for Option F – a combined indoor cricket and gymnastics facility located on the site adjacent to the Prince of Wales stadium.

Supporting information for financial model

- 5.3 This section outlines the key assumptions which make up the business plan/ financial model.
- 5.4 All assumptions used in the model have been rounded. We have, in developing our assumptions, sought to be conservative in the projections to ensure realistic and robust projections.

Income assumptions – usage

- 5.5 For usage of the cricket centre, we have based our usage assumptions on the sample usage statistics provided by the Council and attached at Appendix A. The assumptions are therefore conservative as they do not take into account the extent to which usage will increase due to improved facilities, interest in a new centre and increased marketing spend.
- 5.6 For usage of the gymnastics centre, we have based our usage assumptions on the feedback we received in consultation with the gymnastics stakeholders.
- 5.7 For both facilities we have assumed the same opening hours as for the existing Centre (ie 6.30am – 10pm Monday to Friday, and 8am to 10pm at weekends).

Income assumptions – pricing

- 5.8 For pricing, we have used the prices charged for the existing Centre, supplied to us by the Council. These were £15 per hour for a cricket lane, and £36 per hour for the entire hall. These will be conservative, as they do not take into account inflation, nor the increased prices which could be charged as a result of new and improved facilities.
- 5.9 For hire of the meeting room, we have assumed a figure of £18 per hour.

Income assumptions – other

- 5.10 We have assumed basic food and beverage vending facilities, providing an income of £5000 pa.
- 5.11 We have increased the income by 3% each year to reflect normal price increase rates.

Expenditure assumptions

- 5.12 We have based our expenditure assumption on the estimates of the existing Centre's running costs.
- 5.13 We were informed by the Centre staff that the existing Centre was run and managed as part of Leisure@Cheltenham, and there were no separate meters for utilities or other methods of calculating expenditure specific to the Centre. They therefore could not provide us with separate expenditure breakdowns for the existing Centre.
- 5.14 However, we were provided with estimated costs for utility services and salaries for 2008-2009 for the entire facility of Leisure@Cheltenham. We then apportioned these costs for the proposed new facility by calculating the new facility as a percentage of the entire Leisure@Cheltenham square metrage and applying the same percentage to the estimated costs.
- 5.15 In line with income, the estimates were increased by 3% each year to take into account inflation.
- 5.16 This method obviously contains accuracy limitations. For example, it should be noted that whilst the expenditure estimates appear high, particularly those relating to utilities, the actual utility costs for a new indoor cricket facility are likely to be lower. This is because a new cricket facility is essentially a basic shell building with limited utility usage, whereas Leisure@Cheltenham requires other costs such as water heating, electricity for fitness stations etc, which obviously results in higher utility consumption.
- 5.17 For staffing, we have based our assumptions on what would be reasonable for a cricket centre which is separately run from Leisure@Cheltenham (ie a general manager, receptionist and some administrative support).

Business plan for Option C – new cricket facility with provision for other sporting uses

- 5.18 A full draft business plan for Option C is attached at Appendix E.
- 5.19 A summary table providing an overall income and expenditure position is provided at Figure 5.1 overleaf:

Figure 5.1

Summary projected income and expenditure table

FINANCIAL SUMMARY

Income:

	YEAR 1 (£)	YEAR 2 (£)	YEAR 3 (£)	YEAR 4 (£)	YEAR 5 (£)
Cricket hall	70,979	73,108	75,301	77,560	79,887
Meeting/classroom	7,660	7,889	8,126	8,370	8,621
Food and beverage vending	5,000	5,150	5,305	5,464	5,628
Total Income	78,638	80,997	83,427	85,930	88,508

Expenditure:

STAFFING COSTS

	YEAR 1 (£)	YEAR 2 (£)	YEAR 3 (£)	YEAR 4 (£)	YEAR 5 (£)
Salaries and Wages	52,245	53,812	55,427	57,090	58,802

PREMISES

Gas	27,724	28,556	29,412	30,295	31,204
Electricity	21,634	22,283	22,952	23,640	24,349
Business Rates	57,333	59,053	60,825	62,649	64,529
Water rates	14,500	14,935	15,383	15,845	16,320
Sewerage	5,800	5,974	6,153	6,338	6,528
Refuse Collections	1,305	1,344	1,384	1,426	1,469
Cleaners and cost of cleaning	10,247	10,554	10,871	11,197	11,533

ADVERTISING AND MARKETING

3%	12,000	6,000	6,180	6,365	6,556
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ADMINISTRATION

Insurances	14,400	14,832	15,277	15,735	16,207
Printing, Postage and Stationery	1%	522	538	554	571
Telephones	1%	522	538	554	571
Other Administration	2%	1,045	1,076	1,109	1,176

OTHER SUPPLIES AND SUNDRY ITEMS

3%	2,359	2,430	2,503	2,578	2,655
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Total Expenditure

221,637	221,926	228,584	235,441	242,505
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NET OPERATING SURPLUS / (COST)

-142,999	-140,929	-145,156	-149,511	-153,996
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Business plan for Option F – a combined indoor cricket and gymnastics facility

- 5.20 A full draft business plan for Option F is attached at Appendix F.
- 5.21 A summary table providing an overall income and expenditure position is provided at Figure 5.2.

Figure 5.2 Summary projected income and expenditure table

FINANCIAL SUMMARY		YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
		(£)	(£)	(£)	(£)	(£)
Income:						
Cricket & gymnastics hall		172,085	177,248	182,565	188,042	193,683
Meeting/classroom		9,191	9,467	9,751	10,044	10,345
Food and beverage vending		5,000	5,150	5,305	5,464	5,628
Total Income		181,277	186,715	192,316	198,086	204,028
Expenditure:						
STAFFING COSTS						
Salaries and Wages		52,245	53,812	55,427	57,090	58,802
PREMISES						
Gas		46,844	48,249	49,697	51,188	52,723
Electricity		36,554	37,651	38,780	39,944	41,142
Business Rates		96,873	99,779	102,773	105,856	109,031
Water rates		24,500	25,235	25,992	26,772	27,575
Sewerage		9,800	10,094	10,397	10,709	11,030
Refuse Collections		2,205	2,271	2,339	2,409	2,482
Cleaning		17,314	17,833	18,368	18,919	19,487
ADVERTISING AND MARKETING	3%	12,000	6,000	6,180	6,365	6,556
ADMINISTRATION						
Insurances		22,400	23,072	23,764	24,477	25,211
Printing, Postage and Stationery	1%	522	538	554	571	588
Telephones	1%	522	538	554	571	588
Other Administration	2%	1,045	1,076	1,109	1,142	1,176
OTHER SUPPLIES AND SUNDRY ITEMS	3%	5,438	5,601	5,769	5,943	6,121
Total Expenditure		328,263	331,751	341,704	351,955	362,513
NET OPERATING SURPLUS / (COST)		-146,987	-145,036	-149,387	-153,869	-158,485

Management options

- 5.22 From our consultations with the Council, we understand that their preferred option for a new facility is to outsource the management to a Leisure Trust.
- 5.23 We provide in Appendix G an examination of the different vehicles through which this can be achieved. We also outline the advantages and disadvantages of each management option, including in-house management by the Council.

Section 6 - Conclusions and recommendations

Demand for new facility

- 6.1 As outlined in Section 3, we have identified that there is sufficient need and demand for reprovision of the cricket centre. Reprovision of the centre would fit with the national and regional policies of the England and Wales Cricket Board and Gloucestershire County Cricket Board.
- 6.2 There is also strong demand for the reprovision of a gymnastics facility, and provision would fit with the facilities strategy of British Gymnastics.
- 6.3 Reprovision of an indoor cricket centre and sports hall would also fit with the demographic needs of the local area, where social issues such as low life expectancy could be assisted with the provision of improved sports facilities.

Facility recommendations

- 6.4 As outlined in Section 3, we would recommend that any future provision is located on the site adjacent to the Prince of Wales stadium. This would have the following advantages:
- it would fit with Sport England's strategic aims to increase the number of multi-sports sites in the area, by contributing to the development of "multi sports hub" at that location, combined with rugby and athletics. This could lead to increased usage, cross marketing with other sports and increased revenue
 - the new centre could be linked to sports development programmes in the local area to assist with education, crime and health issues (as identified in Section 2) and could assist with the regeneration of the area
 - the location, near to the new Midwinter Housing Development, would be in direct proximity to new users in the form of the new residents of the development.
- 6.5 It is our view that rebuilding a facility on the existing site could face challenges relating to future flood defence work and also the potential restrictive nature of the site itself. Likewise, it is our view that the problems associated with locating the facility at an entirely new site within the town outweigh the benefits that could be created.
- 6.6 In terms of future provision at the Prince of Wales site, we would recommend either of the following:
- To build an upgraded cricket centre (Option C)
 - To build a joint indoor cricket/gymnastics facility (Option F).
- 6.7 We would recommend that any indoor cricket centre be constructed as a sports hall with potential for other sporting uses, rather than a cricket only facility. This would allow for cross marketing and usage opportunities and additional income generation.
- 6.8 We appreciate the fact that since this report was commissioned, the Council have taken steps to address the flooding issue and that therefore the existing Centre could be replaced in its existing location with the risk of flooding significantly diminished.

However, we still that recommend that there are significant sporting, community and health benefits to pursuing these options over the option of a straight re-provision of the Centre in its existing location.

Challenges

6.9 Both of these options bring with them significant challenges, as follows:

Timescales

- 6.10 The local cricket community have stated that their priority is for the Centre to be re-provided as soon as possible. The choice of site and specification may result in delays arising from planning, ground works, access and expense, which would mean that the completion of the facility could take longer than if provided at the current site. However, it is our view that the benefits of linking the centre to the stadium's sports facilities, as well as addressing the regeneration agenda of the local area, outweigh the potential delays in project timeframe.
- 6.11 Equally, we would suggest the Council explore with the architects the possibility of a phased development, whereby the cricket centre is constructed first and a gymnastics hall is added at a later date.

Cost

- 6.12 Both of these options would be more expensive than basic re-provision or upgrading the facility at the current site.
- 6.13 In particular, the provision of a gymnastics centre in addition to a cricket school will result in significant capital cost increases, requiring almost double the amount of funding to be found.
- 6.14 However, we consider that the increased benefits resulting from the location and specification, including increased usage, cross marketing possibilities and potential regeneration value to the area mean that it is better long term strategic value to the Council and key stakeholders.
- 6.15 Equally, the benefits associated with a multi-sport centre, and the fact that the new centre could address regional and national strategic policies, may mean that additional funding is possible to access.

Next steps

- 6.16 If the Council decides to pursue the options outlined above, we would recommend that the following actions be undertaken to progress the process further:
- close liaison with the Council's Parks Team regarding their proposals for Pittville Park and the funding bid submitted to the Heritage Lottery Fund
 - consultation with the Council's planning department to confirm the current situation relating to the Midwinter Housing Development (and whether any further capital contributions could be provided)
 - further consultation with potential funding providers, (in particular the ECB and Sport England), to elicit further details as to the amounts of funding available, the likelihood of success, relevant parameters or conditions and application processes

- consultation with the Council's quantity surveyors and construction advisors to obtain a more detailed estimate of capital build costs, and in particular enabling works and future flood defence works
- consultation with any potential management/operations partners (such as a Leisure Trust) for the new facility to identify key challenges and issues
- initial contact with architects to examine potential designs for a new facility.