

Place Overview & Scrutiny

Date: **12 August 2024**

Time: **5.00pm**

Venue: **Council Chamber, Hove Town Hall**

Members: **Councillors:** Evans (Chair), Cattell (Deputy Chair), Fishleigh, Fowler, Hewitt, Lyons, Pickett, Sheard, Thomson and Winder

Contact: **Luke Proudfoot**
Overview & Scrutiny Officer

Agendas and minutes are published on the council's website www.brighton-hove.gov.uk. Agendas are available to view five working days prior to the meeting date.

Electronic agendas can also be accessed through our meetings app available through ModernGov: [iOS/Windows/Android](#)

This agenda and all accompanying reports are printed on recycled paper



Chief Executive
Hove Town Hall
Norton Road
Hove BN3 3BQ

AGENDA

Part One

Page

WELCOME

1 KING ALFRED LEISURE CENTRE REGENERATION PROJECT

5 - 44

Report of the Corporate Director- City Services

Appendix E to follow

Contact Officer: Donna Chisholm

Ward Affected: All Wards

The City Council actively welcomes members of the public and the press to attend its meetings and holds as many of its meetings as possible in public. Provision is also made on the agendas for public questions to committees and details of how questions can be raised can be found on the website and/or on agendas for the meetings.

The closing date for receipt of public questions and deputations for the next meeting is 12 noon on the fourth working day before the meeting.

Meeting papers can be provided, on request, in large print, in Braille, on audio tape or on disc, or translated into any other language as requested.

Infra-red hearing aids are available for use during the meeting. If you require any further information or assistance, please contact the receptionist on arrival.

Further information

For further details and general enquiries about this meeting contact Luke Proudfoot, (, email) or email democratic.services@brighton-hove.gov.uk

Webcasting notice

This meeting may be filmed for live or subsequent broadcast via the Council's website. At the start of the meeting the Chair will confirm if all or part of the meeting is being filmed. You should be aware that the Council is a Data Controller under the Data Protection Act 1998. Data collected during this web cast will be retained in accordance with the Council's published policy.

Therefore, by entering the meeting room and using the seats in the chamber you are deemed to be consenting to being filmed and to the possible use of those images and sound recordings for the purpose of web casting and/or Member training. If members of the public do not wish to have their image captured, they should sit in the public gallery area.

Access notice

The Public Gallery is situated on the first floor of the Town Hall and is limited in size but does have 2 spaces designated for wheelchair users. The lift cannot be used in an emergency. Evac Chairs are available for self-transfer and you are requested to inform Reception prior to going up to the Public Gallery. For your own safety please do not go beyond the Ground Floor if you are unable to use the stairs.

Please inform staff on Reception if this affects you so that you can be directed to the Council Chamber where you can watch the meeting or if you need to take part in the proceedings e.g. because you have submitted a public question.

Fire & emergency evacuation procedure

If the fire alarm sounds continuously, or if you are instructed to do so, you must leave the building by the nearest available exit. You will be directed to the nearest exit by council staff. It is vital that you follow their instructions:

- You should proceed calmly; do not run and do not use the lifts;
- Do not stop to collect personal belongings;
- Once you are outside, please do not wait immediately next to the building, but move some distance away and await further instructions; and
- Do not re-enter the building until told that it is safe to do so

Brighton & Hove City Council

Place Overview & Scrutiny Committee - Call In Panel

Agenda Item 1

Subject: Call-in request: King Alfred Leisure Centre Regeneration Project

Date of meeting: 12 August 2024

Report of: Cabinet Member - Sports and Recreation
Cabinet Member - Finance and City Regeneration

Contact Officer: Name: Corporate Director City Services

Email: Donna.Chisholm@brighton-hove.gov.uk

Ward(s) affected: (All Wards);

Key Decision: No

For general release

1. Purpose of the report and policy context

1.1 To set out the call-in request and relevant supporting material in relation to a decision taken by Cabinet on 18 July 2024 on the King Alfred Leisure Centre Regeneration Project.

2. Recommendations

Having regard to the grounds for call-in and the information supplied in response:-

2.1 To determine that the challenge to the decision called-in should be taken no further and the decision may be implemented; or

2.2 To determine that that the decision called-in is contrary to the policy framework or contrary to or not wholly in accordance with the budget framework and that it should therefore be referred to full Council. In such a case the Committee must set out the nature of its concern to full Council; or

2.3 To refer the decision called-in back to Cabinet for reconsideration. In such a case the Overview & Scrutiny Committee must set out the nature of its concerns for Cabinet.

3. Context and background information

3.1 Part 3C1 of the Council's Constitution (Overview and Scrutiny Procedure Rules) includes a procedure under which decisions taken by Cabinet may be

“called in” for further consideration. The “Call In” procedure has been invoked in respect of a decision taken by Cabinet on 18 July 2024 on the King Alfred Leisure Centre Regeneration Project.

- 3.2 The decision called-in is the decision made by Cabinet on 18 July 2024 in relation to the King Alfred Leisure Centre Regeneration Project. A copy of the decision report is attached as **Appendix A**. The decision notice is attached at **Appendix B**. An extract from the draft minutes of the Cabinet meeting is attached as **Appendix D**.
- 3.3 The decision has been called in by Councillors Steve Davis (Green), Ollie Sykes (Green), Kerry Pickett (Green), Chloë Goldsmith (Green), Raphael Hill (Green), Sue Shanks (Green) and Alistair McNair (Conservative). The Call-in notice setting out the grounds for call-in is attached as **Appendix C**.
- 3.4 Further information provided by the Cabinet Member – Sport and Recreation is to follow as **Appendix E**.

4. Call-in Procedure

- 4.1 Call-in is the process by which an Overview & Scrutiny Committees can recommend that a decision made (in connection with Executive functions) but not yet implemented be reconsidered by the body which originally took the decision.
- 4.2 Call-in may only be used where one of the following grounds has been given as a reason for call-in;-
 - insufficient consultation with stakeholders prior to the decision;
 - the absence of sufficient evidence on which to base a decision;
 - the decision is contrary to the policy framework, or contrary to, or not wholly in accordance with the budget framework;
 - the action is not proportionate to the desired outcome;
 - a potential human rights challenge, failure to consider the public sector equality duty or not in accordance with or which undermines the Council’s corporate parenting responsibilities;
 - insufficient consideration of legal and financial advice;
 - the decision was a key decision and not labelled as such.
- 4.3 An Overview & Scrutiny Committee examining a decision which has been called-in does not have the option of substituting its own decision for that of the original decision. The Overview & Scrutiny Committee may only determine whether or not to refer the matter back to the original decision making body (or, in specific circumstances, full Council) for reconsideration.
- 4.4 In accordance with the procedures for the call-in of items, the Cabinet Member for Sports & Recreation and the Cabinet Member for Finance & City Regeneration has been invited to provide information at the meeting to assist the Committee to reach its conclusions.

- 4.5 A representative of the members who have requested the call-in has also been invited to the meeting and are invited to address the meeting.

5. Community engagement and consultation

- 5.1 The Committee is referred to the original Cabinet report at Appendix A.

6. Financial implications

- 6.1 The Committee is referred to the Finance Implications set out at Section 7 of the original Cabinet report presented to Cabinet on 18th July 2024. There are no direct financial implications arising from the recommendations of this report.

Name of finance officer consulted: James Hengeveld Date: 31/07/2024

7. Legal implications

- 7.1 Call-in is a process by which Overview and Scrutiny Committees can recommend that an executive decision made but not yet implemented be reconsidered by the decision-maker. Call-in does not provide for the Overview and Scrutiny Committee to substitute its own decision. That person or body can only be asked to reconsider any particular decision once.
- 7.2 The Council's Overview & Scrutiny Procedure Rules set out that six members of the Council, including members from at least two political groups, or at least one political group plus independent members(s) are required to call in a Key Decision of the Executive, which has been taken but not implemented, citing at least one of the reasons set out at paragraph 4.2 above.

Name of lawyer consulted: Elizabeth Culbert Date consulted 31/07/24

8. Equalities implications

- 8.1 There are no direct equality implications to this report. The 18 July 2024 Cabinet decision was made with regard to the equality implications contained within the original report as set out at Appendix A.

9. Sustainability implications

- 9.1 There are no direct sustainability implications to this report. The 18 July 2024 Cabinet decision was made with regard to sustainability implications contained within the original report as set out at Appendix A.

10. Health and Wellbeing Implications:

- 10.1 There are no direct health and wellbeing implications to this report. The 18 July 2024 Cabinet decision was made with regard to health and wellbeing implications contained within the original report as set out at Appendix A.

11. Conclusion

- 11.1 The Committee are invited to consider the call-in request and the information supplied in response and to determine their response in accordance with the Overview and Scrutiny Procedure Rules.

Supporting Documentation

1. Appendices

- A. Cabinet Report Agenda Item 29 18 July 2024
- B. Cabinet 18 July 2024 Decision Record
- C. Copy of the Call-in request dated 26 July 2024
- D. Extract from draft minutes of Cabinet meeting held on 18 July 2024
- E. Further information supplied by Cabinet Member – Sport and Recreation
(To Follow)

Brighton & Hove City Council

Cabinet

Agenda Item 29

Subject: The King Alfred Leisure Centre Regeneration Project

Date of meeting: 18th July 2024

Report of: Cabinet Member for Sports and Recreation

Contact Officer: Name: Max Woodford Assistant Director - City Development & Regeneration

Email: Max.Woodford@brighton-hove.gov.uk

Ward(s) affected: All

Key Decision: Yes

Reasons Key: Expenditure which is, or the making of savings which are, significant having regard to the expenditure of the City Council's budget, namely above £1,000,000 and is significant in terms of its effects on communities living or working in an area comprising two or more electoral divisions (wards).

For general release

1. Purpose of the report and policy context

- 1.1 This paper seeks a Cabinet decision on the preferred site to deliver the new 'West Hub' facility to replace the King Alfred Leisure Centre.
- 1.2 The replacement of the King Alfred Leisure Centre aligns with the Council Plan 2023-2027, particularly Outcome 1 *A city to be proud of*, which sets out a commitment to *'Deliver improvements to leisure facilities across the city'* and Outcome 3, *'A healthy city where people thrive'*. Replacing the facility is also a specific commitment of the council's Sports Facilities Investment Plan (SFIP).

2. Recommendations

That Cabinet:

- 2.1 Agrees that part of the existing seafront King Alfred site is the preferred site on which to take forward the development of the new sports and leisure facility to replace the existing King Alfred Leisure Centre.
- 2.2 Approves the indicative capital budget for the project of up to £47.4 million to be included in the Medium Term Capital Investment programme to be funded from a combination of capital receipts, government grants and council borrowing.
- 2.3 Approves an initial allocation of £2.7m of these resources to progress the project to planning application stage funded from council borrowing.

- 2.4 Agrees to the commencement of design work for the development of the Leisure Centre on the preferred site, to include procuring the lead architect and professional team to deliver the new facility and delegates authority to the Corporate Director to approve the procurement of the associated professional team and to progress the project to planning application stage.
- 2.5 Notes the inclusion of £1.07 million estimated ongoing revenue commitment within the Medium Term Financial Strategy to recognise the potential net financing costs of the project from 2025/26 onwards.
- 2.6 Notes that as the project progresses to key decision points further reports will be presented to cabinet in line with the timetable set out at 4.16.

3. Context and background information

- 3.1 The delivery of a new West Hub to replace the existing King Alfred Leisure Centre is central to the Council's Sports Facilities Investment Plan 2021-31 (SFIP). The SFIP was approved by Policy & Resources Committee in July 2021 and is the strategic plan for improving the city's sports facilities.
- 3.2 The proposal in the SFIP was based on full stock condition surveys which highlighted that significant investment and major works would be required in order to keep the centre operational. Due to the building's age and condition, a 'do nothing' option would increase the likelihood of the centre having to close in the short to medium term without any further investment. This would mean the loss of the city's largest leisure centre, without a plan to deliver a new one. Therefore a 'do nothing' option has not been assessed in detail. The option to refurbish the facility has been examined, and this is explained further in the following paragraphs (3.3 - 3.6).

Refurbishment

- 3.3 As a baseline 'reference case', the business case examines the cost and practicality of refurbishing the existing facility. The business case reports that an estimated £13.98m would be required to carry out the minimum remedial works for the facility to continue operating. These works include asbestos removal, structural concrete repairs, reinforcement of foundations, renewal of roof coverings, and replacing the main plant and pool plant. These works are anticipated to extend the usable life of the facility for an estimated 10 years. At that stage, the refurbished King Alfred would then still need to be replaced with a modern facility.
- 3.4 The facility's history as a 1930s building that was extended in the 1980s means that many aspects of the design and layout are compromised and fall short of modern standards and expectations. A refurbishment to the existing building would not address these issues. They could only be resolved by replacement with a modern facility designed and built to reflect Sport England guidance and best practice in modern sports facility operation. For example:

Sports Halls

- The current sports halls are constructed directly above the 1930s swimming pools, which has dictated their size and shape. The halls do not meet Sport England or sports' national governing body (NGB) requirements. The run-off outside the lined areas is constrained, and there are no spectator facilities. The heights of the ceilings, windows, and skylights reflect the original use as pool halls. The natural lighting requirements for newly designed sports halls is very different and the impact of bright sunlight creating glare for users of the current facility is an ongoing issue.

Pools

- The main 25m pool and leisure water area use the same shared body of water and have a common filtration system. The leisure water should be maintained at a higher temperature than the main pool, but this is impossible with the current design which a refurbishment could not feasibly address. Contamination in one pool also results in both being closed.
- The main pool has only 6 lanes, rather than 8, which limits use for competitive swimming clubs. The size and layout of the pools and the shallowness of the teaching pool means that separate private sessions for, say, faith groups cannot be accommodated. This issue was raised by some of those we spoke to during engagement as a barrier to them participating.

Gym and health & fitness provision

- The space occupied by the gym was previously the location of the café, and as with the sports halls is not a purpose-designed space. It accommodates 31 stations, much smaller than would be expected for a sports and leisure facility of the King Alfred's size. It could not accommodate the minimum 100 stations proposed for the new West Hub. Relocating the gym elsewhere in the facility would not be feasible without, say, giving up one of the sports halls, further compromising the facility as a whole.
- Gym & fitness remains one of the most popular ways for people to be active in our city, and therefore increasing the capacity and performance of our gyms will enable us to meet the demand now and in the future. Health and Fitness membership (which includes the gym) is one of the most important income sources for a modern leisure centre, and so a constrained gym would also limit the financial viability of the facility.

Voids and wells

- The 1930s parts of the building features a number of prominent void or well areas which are open to the air but not readily accessible for maintenance and cleaning. These represent further unused space within the footprint of the building, in many cases with glazing in poor condition, all of which adds to the heat loss and energy inefficiency issues.

3.5 For a refurbished facility, running costs would remain high. New boilers and other plant would be expected to provide more efficient heat generation.

However, heat losses through the fabric of the building would not be significantly improved by the works listed above. Further detail is provided at appendix 1.

- 3.6 The business case has shown that a refurbishment would represent a poor investment, referenced in paras 4.5. and 4.6 below. The economic modelling shows that the investment would return only 47p for every £1 invested. As described above, a refurbishment would also fail to bring the facility up to modern standards and Sport England guidance. With that in mind, the recommendation to Cabinet is to deliver a replacement facility as set out in section 2.

The need and urgency to replace the existing King Alfred facility

- 3.7 The requirement to replace the King Alfred with a new facility has been recognised for over 30 years. There have been three previous attempts to deliver a new facility with the last project (undertaken with Crest Nicholson) stalling in 2019. The failure of those projects and the lessons learned have highlighted the importance of:
- prioritising financial viability and practical deliverability
 - retaining control of the project
 - keeping the delivery of leisure centre separate from any residential development on the existing site
 - taking a realistic view of what the development is being expected to deliver.
- 3.8 The current project to replace the facility was initiated in late summer 2022. Three key workstreams have been undertaken to create the evidence base which informs the recommendations in this paper. Those are:
- a comprehensive site search, to identify and evaluate all sites in the west of the city with the potential to host the new facility
 - the development of an HM Treasury-compliant ‘Green Book’ business case to comprehensively examine and evaluate the options for delivering the new facility (detailed in section 4, below)
 - a programme of resident engagement to bring residents along with the project as it develops and to provide a means for their views to shape the project where practicable (detailed in section 5, below).
- 3.9 Only two sites emerged from the site search process – the existing King Alfred site (“the existing site”) and the council-owned land south of Sainsbury’s fronting Old Shoreham Road (“LSS site”).

4. Analysis and consideration of alternative options

- 4.1 The delivery options for a new facility on each site were assessed with sport and leisure consultants (Continuum Sport and Leisure) and architects Faulkner Brown using the Treasury Green Book methodology.

- 4.2 The Green Book methodology examines the costs for building and for operating the new facility, and compares that to the future revenue and benefits the leisure centre will deliver. The detailed evaluations for each option are summarised with one headline figure – the benefit cost ratio (BCR). The BCR shows for each option how much beneficial value is delivered for each £ spent.
- 4.3 This value of the benefits is built up by attaching an estimated monetary value to each of the key benefits each option is expected to deliver. These elements comprise:
- the value of the positive health and wellbeing impacts, including reduced healthcare costs to the exchequer and improved quality of life for residents
 - the direct land value uplift (LVU) – which measures the increased value of the site(s) arising from the delivery of the new facility and the delivery of the residential development on some or all of the existing site
 - the spillover land value uplift (LVU) – which measures the increased value of the land in the area(s) immediately around the location of the new sport and leisure facility and the new residential development.
- 4.4 The detailed evaluations for each option are summarised with one headline figure – the benefit cost ratio (BCR). For a delivery option to represent a sensible investment, the BCR must equal at least 1.0, representing one £ in benefits returned for each £ spent. Treasury guidelines consider any BCR between 2.0 and 3.0 as ‘good’, and any BCR greater than 3.0 is considered by Treasury as ‘very good’.

Economic benefits

- 4.5 Table 1, below, shows the BCR for each delivery option examined by the business case.

Table 1. comparison of economic costs and benefits of each of the options considered in the business case				
Option	1: Reference Case	2: Existing site - stacked design	3: Existing site - low rise design	4: LSS Site
Economic Benefit (National Scale Impacts)	£9.46m	£85.20m	£59.76m	£124.38m
Gross Economic Cost	£20.09m	£65.36m	£55.72m	£60.25m
Benefit/Cost Ratio (Gross)	0.47	1.30	1.07	2.06
Net Economic Cost	£20.09m	£49.08m	£45.54m	£39.90m
Benefit/Cost Ratio (Net)	0.47	1.74	1.31	3.12

- 4.6 The figures in table 1 show that:

- the reference case (option 1), which entails refurbishing the facility, represents a poor investment, returning just 47p in value for each £1 invested. This reflects the relatively high costs (£13.98m) and the very limited benefits that would be realised in terms of increased participation and improved health outcomes for the city.
- both delivery options examined for the existing site (options 2 & 3) represent acceptable investment options, with the more costly basement parking version (option 2) representing a better overall investment proposition, returning £1.74 for each £1 invested. This is largely due to the increased capital receipt received from the disposal of more of the existing site for development, reducing the need for borrowing.
- the LSS site offering a ‘very good’ investment option, returning £3.12 for each £1 invested. This is in part due to the greater health and wellbeing benefits expected to be generated, in part due to the greater land value uplift achieved, and in part due to the option enabling the maximum capital receipt to be achieved for the existing site. However, there are planning, legal, and other factors which favour the existing site, explained further in paragraph 4.7 below.

Wider factors influencing choice of site

- 4.7 In addition to the economic analysis other factors need to be considered relating to planning policy, legal matters, loss of green space, and the outcomes of public engagement. In brief, these factors are:
- planning considerations, which favour the existing site as it is allocated in the [City Plan Part 1](#) for a sports facility and residential development. Conversely, the LSS site has been designated in the [City Plan Part 2](#) as Local Green Space (CPP2 Policy DM38). This represents the strongest restriction to development equivalent to green belt designation
 - legal constraints at the LSS site, where a restrictive covenant set by previous owners Sainsbury’s would require removal, adding time and cost to the delivery of the project
 - loss of green space and existing amenity value at the LSS site. An alternative ground for Portslade Cricket Club would need to be provided. Sport England are expected to be sensitive to the loss of a playing field, even though the planned development is a sports and leisure centre, and an objection from Sport England could also result in the application being ‘called in’ for determination by the Secretary of State.
 - Whilst the results of the public engagement reflect differing views from different parts of the community the most recent survey work showed a clear preference for the existing King Alfred site. 70% of respondents indicated that a new facility at the existing site would be part of their active and healthy lifestyle, compared with 37% for the LSS site. This is explained in more detail in section 5.

Financial viability

- 4.8. The purpose of the financial case is to identify the delivery option which will be the most affordable for the city. The financial case models the new facility's capacity to increase user numbers and income generation whilst lowering running costs. Crucially, it also takes account of the borrowing costs for delivering new facility, which can be minimised by maximising the capital receipt from the sale of some or all of the existing site.
- 4.9 The capital cost estimates set out in the financial case have been prepared for each of the options based on outline designs. The basic description of these is set out in table 2 below.

Option	Description	Nominal capital costs
1. Reference Case	Refurbish existing facility to enable it to remain operational for a further 10 years. To include asbestos removal, structural concrete repairs, reinforcement of foundations, replacement of walls, masonry strengthening, renewal of roof coverings, redecoration, replacing the main plant and pool plant and other M&E works, external works and services including external landscaping.	£13.98m
2. Existing site, stacked design	5,925m ² new build leisure centre on part of KALC site with basement car park and remaining site sold for residential development.	£47.38m
3. Existing site, low rise design	5,925m ² new build leisure centre on part of KALC site with surface car park and remaining site sold for residential development.	£39.83m
4. LSS site	7,369m ² new build leisure centre with enhanced specification on LSS site with KALC site sold for residential development	£46.39m

Source: King Alfred Redevelopment Business Case – Final Report March 2024, Continuum Sport and Leisure

- 4.10 Conversations with funders and strategic key bodies in the sport and leisure industry will continue and the council will be closely monitoring and pursuing any available funding streams that are announced for the next cycle. This includes engaging and securing support for the project from Sport England and other relevant government departments.
- 4.11 The costs of financing the net borrowing required have been calculated, together with a detailed revenue projection to provide a Net Project Cost (NPC) for each new build option over a 40-year period. This is shown in table 3 below. The reference case is not included in this table, as it is expected that a refurbishment would extend the operational life of the facility for a maximum of around 10 years, after which replacement would be required.

Option	Capital costs (£m)	Capital receipt (£m)	Financing costs (£m)	Revenue surplus (£m)	Nominal finance costs net of revenue surplus (£m)	Net project costs (£m)	Annual net project costs (£m)
2. Existing site, stacked design	47.4	25.0	37.8	17.9	19.91	42.3	1.06
3. Existing site, low rise design	39.8	15.5	36.5	17.9	18.61	42.9	1.07
4. LSS site	46.4	31.0	31.1	22.3	8.78	24.2	0.6

Source: King Alfred Redevelopment Business Case – Final Report March 2024, Continuum Sport and Leisure
Note: Reference case (option 1) not included in this table.

- 4.12 The analysis above shows that a development on either site would be economically viable, with the potential for the greatest economic benefits at the LSS site (£3.12 for every £ invested). However, a new facility on the existing site could also deliver significant benefits for the city (up to £1.74 for every £ invested).
- 4.13 Furthermore, as noted in 4.7, there are other factors which favour development on the existing site. The city’s planning policy allocates the existing site for leisure and residential development (City Plan Part 1) whereas the LSS site is protected from development (City Plan Part 2). The legal constraints at the LSS site would require removal adding time, cost, and risk to the delivery of the project. Development on the LSS site would also entail a loss of green space and would require an alternative ground to be found for Portslade Cricket Club.
- 4.14 Responses to the public engagement undertaken have shown a range of views amongst residents, but the majority of those expressing a view favoured the existing site. In the Council Plan 2023-2027 under Outcome 2: ‘A fair and inclusive city’ the council says it will improve engagement and collaboration with the city and its residents. This includes a promise to improve how we listen and respond to residents, as well as how we will collaborate to drive change and improve the city. As a listening council the views of residents who engaged in the consultation have therefore been a key factor in decision making. This is explained further in section 5.
- 4.15 Following Cabinet’s decision, the next stage of the project will be to proceed with the appointment of the professional team including the lead architect to begin the design work for the new facility. Cabinet is not at this stage being asked to express a preference for a low rise or stacked design on the existing site. Further detailed design work will develop this ahead of a agreement to an RIBA Stage 3 scheme by Cabinet.
- 4.16 Below is an indicative timeline for delivery of the project. This may change as the details of the procurement route are developed. We will seek to use the Corporate Director’s delegated authority to pursue procurement

following market engagement and review. This will include examining the options outlined in 11.2.

Table 4. Key project stages and cabinet decision points				
Project stage	Key activities	Start date	End date	Cabinet decision
Gateway 1				
Design	Design team tender	October 2024	December 2024	
	Design stage	December 2024	June 2025	
	Planning pre-app	March 2025	June 2025	Cabinet agree RIBA stage 3 design and give land owners consent for submission of planning application.
Gateway 2				
Planning	Planning application	June 2025	September 2025	
	Technical design stage	June 2025	September 2025	
	Planning approval	September 2025	December 2025	Cabinet decision for full budget approval
	Enabling works	Autumn 2025	Spring 2026	
Gateway 3				
Contractor procurement & construction	Contractor tender	December 2025	Spring 2026	
	Contractor appointment	Spring 2026	Spring 2026	
	Construction of new leisure centre	Spring 2026	Spring 2028	
Gateway 4				
Handover and operation		Spring 2028		

5. Community engagement and consultation

5.1 Since its inception in Autumn 2022, the current project has been accompanied by a wide-ranging programme of public engagement. There have been three key phases of engagement so far, these being:

- phase 1, September to December 2022. Focused on core users of the King Alfred such as the leaseholders (e.g. the boxing club), sports clubs, and community groups that regularly book the facility
- phase 2, from January 2023. Connecting with wider community groups and residents. This phase included the all-day drop-in event in April 2023, and specialist work with partners to engage with minoritised ethnic groups and younger people
- phase 3, beginning of January 2024. Focused on the on-line questionnaire which generated over 3,600 responses.

Key findings from the survey

- 5.2. The outcomes of public engagement are also a significant factor in informing the choice of site. In brief, whilst there has been a diverse plurality of views about the location of the new facility, the survey work conducted in the most recent phase of the engagement showed a preference for the existing King Alfred site. Residents were asked firstly if they would use a new facility on the current site, and then asked if then if they would use a facility on the LSS site. Respondents could therefore indicate if they had a preference for one site over the other, or they could show that they would be equally likely to use a facility on either site. Some 70% of respondents indicated that a new facility at the existing site would play a key role for them in an active and healthy lifestyle, compared with 37% for the LSS site (suggesting 7% would be content with either).
- 5.3. In interpreting these results it is important to consider that current users and those living close to the existing facility represented the largest group of respondents. The overall results are therefore strongly influenced by their views. It is also important to note that although the response rate was high, the profile of respondents was not fully representative of the city's population. Younger people (18-34) and those from minoritised ethnic groups were particularly underrepresented. For example, 28% of the city's population are aged 18-34, but only 10.5% of respondents to the survey were in that age group. Some 11.6% of the city's population identify as Asian, Black, or mixed ethnicity, compared to just 6% of respondents to the questionnaire.

Key findings from the unstructured questions and emails

- 5.4. Of the 3,679 responses received, some 2,287 featured a free-text response for question 18 which asked: '*Are there any additional comments you would like to make about the proposed options?*'. A further 128 emails were sent to the project mailbox featuring comments about the proposals.
- 5.5. A sentiment analysis was undertaken on these responses. That process entailed reviewing each of the responses and then categorising them against a schema in which each comment was mapped to one or more key messages that corresponded with the sentiments expressed in the free text.
- 5.6. Key themes from the sentiment analysis were:
- regular and keen users of the existing facility strongly prefer continuity of provision at the existing site
 - there are some residents close to the existing site who may not use the facility, but who are opposed to any new development on the site
 - some residents close to the LSS site are concerned about the impact of development on the site in terms of noise, traffic volumes, parking, property values, and related matters
 - users of the LSS site, most notably Portslade cricket club, are opposed to the site's redevelopment

- many residents around the Hangleton and Knoll area would welcome a new facility in the area and would prefer the LSS site for the new facility
- some respondents were agnostic about the location but felt it important that the new facility be made accessible for active travel and public transport, families, and children.

5.7. In addition, the sentiment analysis entailed identifying which site the respondent preferred. Based on the responses received, the sentiment of preferred site is as follows:

Preference identified in sentiment analysis	Percentage of respondents
Existing site	60%
Don't proceed with either option	1%
LSS site	14%
No preference expressed	24%
One facility each site	1%
Total	100%

5.8. Of those who expressed a preference, the existing site had around four times as much support (60% of all responses) as the LSS site (14%). However, almost a quarter (24%) expressed no clear preference. As noted above, the self-selecting nature of the survey, and in particular the free text section, functioned to particularly mobilise current users of the facility, most of whom are in favour of keeping the facility at its existing site, as well as mobilising those opposed to development on the existing site and/or development on the LSS site.

6. Financial implications

6.1 The options for the reprovision and enhancement of the leisure facilities at King Alfred Leisure Centre provide compelling investment options from an overall outcome for the city perspective. However the options have different direct financial implications for the City Council, all of which will require a significant increase in ongoing funding for their delivery.

6.2 A robust evaluation of the business cases for the LSS site and the existing site has been undertaken. The evaluation of each site relied on detailed financial assessments of costs, revenues, and key assumptions. These have been applied consistently and demonstrate that the development at LSS provides the lowest direct financial impact on the council as shown in table 3, above. However, the overall assessment favours the existing site after considering wider factors as set out in paragraph 4.7.

6.3 The indicative capital cost of the recommended option is £47.4 million and the expected ongoing increase in revenue costs to service the net debt after allowing for an improved financial performance of the new facility is £1.07 million. This additional revenue cost is £0.47 million per annum higher than the lowest cost option. The increased revenue cost will add to future years'

budget gaps and therefore result in additional savings required for a balanced budget. The actual direct financial impact is subject to a number of key variables. These include the level and timing of any capital receipts, the success and level of obtaining government grants; overall build costs; financing costs; net change in parking revenue and the increase in net revenue from a replacement facility. The financial risks created by these variables can only be mitigated or fully understood through the development of a preferred option.

- 6.4 The costs of developing the business case to date has been met from the King Alfred development reserve. The estimated cost of completing this business case is £0.191m and this leaves £0.058m towards the next phase of the project.
- 6.5 The development of the recommended option will require significant financial resources that will be at risk. An initial allocation of £2.7 million within the 2024/25 and 2025/26 capital investment programme will support progress to the planning application stage. This investment would be funded from council borrowing with the interest being rolled into the overall project cost until the new Leisure Centre is completed.
- 6.6 This allocation forms part of the overall estimated cost of £47.4 million. However, if the project is not completed this initial investment would need to be covered by one off resources as it would not result in an asset.
- 6.7 The existing Leisure contract currently provides a net contribution to the council of £0.167m. The new facility is expected to deliver a substantial increase in net revenue to offset in part the increased financing costs of the investment. The existing facility has been under severe financial pressure due to the significant increase in costs of energy. The new leisure centre will be highly energy efficient and therefore help to mitigate this risk.

Name of finance officer consulted: James Hengeveld. Date consulted:
(26/06/24)

7. Legal implications

- 7.1 The Council has a power under s.19 Local Government (Miscellaneous Provisions) Act 1976 to provide recreational facilities within its area and a duty under NHS Act 2006 to take such steps as it considers appropriate to improve the health of the people in its area. In addition, the Council has the general power of competence contained in section 1 of the Localism Act 2011 which allows the Council to do anything that an individual may do subject to any statutory constraints on the Council's powers. None of the constraints on the Council's s.1 power are engaged by these decisions. The recommendations in this report are in keeping with these powers.

Development of new leisure centre

- 7.2 The Council may in the exercise of its duties and powers develop a new leisure centre in its area. This design and build procurement is required to comply with legislation in relation to the procurement and award of contracts above the relevant financial thresholds for services, supplies and works. The Council's Contract Standing Orders (CSOs) will also apply. Using a suitable Framework is a compliant route to market. As a key decision, the procurement route for this project may need to be made by Cabinet at a future date.

Name of lawyer consulted: Siobhan Fry Date consulted: (21/06/24)

8. Equalities implications

- 8.1 The council is committed to providing a range of opportunities and provision for residents across the city to participate in sport and be physically active. As set out in the Sports Facilities Investment Plan (SFIP), the successful delivery new West Hub Facility will be a key step in ensuring the council makes good on that commitment. With that in mind, the project team has prioritised engaging with communities representing the diversity of the city and has considered how the delivery of a new facility can help in addressing health inequalities across the city.
- 8.2 Officers began development of an equalities impact assessment (EIA) shortly after the initial project inception in September 2022. The Equalities, Diversity, and Inclusion team closely participated in that initial work and remain involved as the project and EIA is developed further.
- 8.3 Early engagement, including the drop-in sessions at King Alfred highlighted the way in which some groups were notably under-represented, in particular younger people and those from minoritised ethnic groups. In response to that officers have sought ways to better engage those groups and to ensure that their voices are represented. That has included:
- commissioning work with the Trust for Developing Communities to undertake focused community research communities representing minoritised ethnic groups and with young people
 - establishing a project reference group, seeking to ensure representation of younger people and those from minoritised ethnic groups, and those representing disabled people.
 - Engaging in face-to-face meetings with groups representing the diversity of the city, including groups representing:
 - **disabled people**, including: Dolphin's Disabled Swimming Club, Possability People East Sussex Sight Loss Council, and The Thomas Pocklington Trust, (a national sight loss charity)
 - **the LGBTQ+ community**, including: Out to Swim (LGBTQ+ swimming club), Older and Out (an over 50s LGBTQ+ group), Brighton and Hove LGBTQ+ Switchboard, and sports clubs with strong LGBTQ+ representation

- **older and younger residents**, including: the Youth Council, the 'Active for Life Social Ping' group (a sports club for older residents), and other sports clubs oriented to older members.
- 8.4 From an equalities perspective, the engagement work and EIA have shown that a new facility on either site offers the potential to improve inclusivity and remove barriers to participation in active leisure. For example, a purpose built new facility will have improved access for disabled people – including being easier to navigate for blind and visually impaired users – which arose as a theme during engagement. Similarly, some women, faith groups, and older people we spoke to indicated a wish for greater privacy in changing areas, studios, and swimming pools, which could be provided with a new facility on either site.
- 8.5 The findings from the engagement work have informed the development of the business case and will inform the detailed design of the new facility once a site is chosen. At that stage officers will engage with the groups mentioned above again, along with any others with expertise in this space, so that the understanding from their professional expertise and lived experience can continue to helpfully inform the project throughout the design and build stage.

9. Sustainability implications

- 9.1 For the outline designs used in the business case, architects Faulkner Brown adopted the same sustainability principles they used for other facilities they have recently designed such as the [Ravelin Sports Centre](#) and the [Britannia Leisure Centre](#). The new facility will be designed to BREEAM (Building Research Establishment Environmental Assessment Method) 'very good' or 'excellent' standards. Where possible, it will embody principles of Passivhaus construction.

10. Health and Wellbeing Implications:

- 10.1 Improving health and wellbeing for the local community is a key priority for the King Alfred regeneration project and supports the wider objectives of the Sports Facilities Investment Plan.
- 10.2 The business case examines the health and wellbeing implications of each delivery option in detail, and this is summarised in section 4. The estimates for health and wellbeing impact have been evaluated using Sport England's research which follows the Chief Medical Officer's (CMO) Physical Activity Guidelines 2019. For either site, a new facility is expected to deliver benefits. The greater benefits estimated for the LSS site reflect its closer proximity to the more disadvantaged parts of the city and the greater potential for increased physical activity in those communities.

Other Implications

11. Procurement implications

- 11.1 The approach for procuring the build contractors and professional team will be confirmed once the project progresses to the next stage. Officers are

exploring options, such as using the UK Leisure Framework, which could help to accelerate the procurement process.

- 11.2. The team have been undertaking initial research and soft market testing on the procurement route for the next stages of the project. This is likely to involve the procurement of a consultant and professional team (either via a framework or tender). This team will take the project through the next stages of design and planning and prepare for the appointment or procurement of a contractor to build out the development. There are a number of options including the UK Leisure and SCAPE Frameworks, as well as open procurement.

12. Crime & disorder implications

- 12.1. A new facility will provide an opportunity to positively influence crime rates. Research shows that good quality sports and leisure facilities help to build community cohesion and can assist in reducing levels of anti-social behaviour and other low-level nuisance and criminality.

13. Conclusion

- 13.1 The business case, as summarised in section 4, shows that a new facility delivered on either site represents a compelling investment option. The business case shows that the LSS site has the potential to deliver the greatest economic benefits (£3.12 for every £ invested), but also shows that a new facility on the existing site could also deliver significant benefits for the city (£1.74 for every £ invested).
- 13.2 However, the business case also considers other factors which favour the existing site. From a planning perspective, developing on the existing site would be consistent with the [City Plan Part 1](#), whereas the LSS site is protected from development ([City Plan Part 2](#)). In addition, there are legal constraints at the LSS site, (the Sainsbury's restrictive covenant), the removal of which would add time, cost, and risk to the delivery of the project. Development on the LSS site would also entail the loss of green space and would require an alternative ground to be found for Portslade Cricket Club.
- 13.3 Whilst responses to the engagement work have shown a range of views amongst residents from different parts of the community, the majority of those expressing a view favoured the existing site.
- 13.4 Cabinet is asked to consider the information set out in this paper and supporting documents and agree that part of the existing seafront King Alfred site is the preferred site on which to take forward the development of the new sports and leisure facility to replace the existing King Alfred, along with responding to the other recommendations set out in section 2.

Supporting Documentation

1. Appendices

1. Summary of the reference case (refurbishing the existing facility).
2. Summary of the site search process and outcomes.

2. Background documents

1. Brighton and Hove City Council [Sports Facilities Investment Plan 2021 to 2031](#).
2. Preliminary Ecological Assessment (PEA) report by CSA environmental, November 2023.
3. Questionnaire and information booklet for the January 2023 engagement programme.

APPENDIX A

Appendix 1. Summary of the reference case (refurbishing the existing facility)

1. Background to the current facility and its condition

- 1.1 Of all the city's sport and leisure facilities, the need to replace the King Alfred Leisure Centre is the most pressing. The current facility remains popular with users. However, parts of the building date from the 1930s, and the building falls significantly short of modern standards for energy efficiency or space efficiency. It does not meet modern users' expectations.
- 1.2 The seafront location has contributed to weathering to the building's fabric and foundations. That in turn has contributed the increasing costs of maintaining the facility, and the increasing challenge of keeping it open and operational.
- 1.3 Due to its age and condition, the centre also requires careful management of health and safety issues. Some of the basement areas are no longer in use being of particular high risk because of poor air quality and the presence of asbestos. This is reflected in the high costs of the reactive and planned maintenance that has been required for the facility during recent years.
- 1.4 These costs include significant recent investment to replace major plant including boilers, control panels, pool plant, and improvements to air handling and ventilation. Additionally, there have also been costs associated with reactive maintenance to address issues not previously anticipated. This is likely to continue given the age and condition of the building.

2. Refurbishment of the existing facility

- 2.1 As a baseline 'reference case', the project business case examines the cost and practicality of refurbishing the existing facility. This work shows that an estimated £13.98m would be required to carry out remedial works to enable the facility to continue operating for a further 10 years. It is important to note that these works would not deliver more or better facilities and would not improve the energy efficiency of space.
- 2.2 The works would entail:
 - asbestos removal
 - structural concrete repairs,
 - reinforcement of foundations
 - replacement of walls
 - masonry strengthening
 - renewal of roof coverings
 - redecoration
 - replacing the main plant and pool plant and other M&E works

APPENDIX A

- external works and services including external landscaping.
- 2.3 The works would be expected to extend the usable life of the facility by around 10 years. At that stage, the refurbished King Alfred would then still need to be replaced with a modern facility.
- 2.4 During the extended life of the refurbished King Alfred the running costs and energy efficiency, although improved, would remain high. The new boilers and other plant are expected to provide more efficient heat generation. However, heat losses through the fabric of the building would not be significantly improved by the works listed above. Therefore heat loss, heating costs, and emissions would remain much higher than for a new build.
- 2.5 Similarly, the refurbishment works would not address the poor space efficiency of the building. Large sections of unproductive corridor space, stairwells et cetera would remain which would require heating, lighting, cleaning, and maintenance. Energy costs and maintenance overheads would consequently remain higher than for a new facility.
- 2.6 The refurbishment would not significantly improve the facilities available to users of the pools, gym, studios, and sports hall. This is because there are practical limitations arising from the design, layout, construction and condition of the current facility that restricts the extent to which it could be improved by refurbishment. Examples of these issues are set out below.

Sports halls

- 2.7 The current sports halls are located within the original 1930s part of the building. They are constructed directly above what were the original swimming pools, with the size and shape of the pools therefore dictating the size and shape of the sports halls.
- The sports halls are not built in line with Sport England or sports' national governing body (NGB) requirements. The run-off outside the lined areas is constrained, and there are no spectator facilities, which limits the extent to which competitive events and matches can be held.
 - The main sports hall at King Alfred is arranged into a single row of 5 courts, which greatly limits the extent to which the hall can be used and adapted to accommodate different activities and makes simultaneous use for two different sports generally impractical.
 - The purpose-built main sports hall proposed for the replacement facility would feature 6 or 8 courts arranged into two rows. This would enable the hall to be split in half or even quarters so that, for example, five-a-side football could take place on one half of the hall with badminton taking place on the courts on the other half. That degree of flexibility is designed-in to modern sports facilities. It enables the operator to respond to customer demand and maximise the use and value of the facility's assets.

APPENDIX A

- The halls have no modern ventilation or heating systems. One consequence is that the halls do not conform to Sport England guidance on the desired number of fresh air changes per hour.
- The halls both lack spectator space, meaning they are not suitable for hosting events or competitions. This is one of the drivers prompting local clubs to hold their competitions outside of the city.
- The heights of the ceilings, windows, and skylights reflect the original use as pool halls. The natural lighting requirements for newly designed sports halls is very different and the impact of bright sunlight creating glare for users of the current facility is an ongoing issue.

Swimming pools

2.8 The current swimming pools are located in the rear extension to the facility which was added in the 1980s. They comprise a six-lane 25m pool, a leisure water area, and a separate small, shallow, teaching pool. Whilst a refurbishment could improve the finish of the pools with new tiling, there are other more fundamental issues about the design of the pools which a refurbishment could not address. These are:

- The main 25m pool and leisure water area use the same shared body of water and have a common filtration system. This means it is not possible to independently control their temperatures. To deliver the best user experience the leisure water should be maintained at a higher temperature than the main pool, but this is not possible with the shared body of water. In addition, any contamination in one pool, or any issue with the filtration system would result in both pools, rather than just one, being closed.
- The main pool has only 6 lanes, rather than 8, which limits use for competitive swimming clubs.
- Many of the swimmers we spoke to during the engagement work, particularly the younger women and girls, reported feeling uncomfortable about the lack of privacy. Whilst it is common to have the main pool overlooked by the gym, the size and layout of the pools and the shallowness of the teaching pool doesn't can't accommodate sessions for, say, faith groups. This issue was raised by some of those we spoke to during engagement as a barrier to them participating.
- The pools do not now operate as originally designed in relation to the pool water circulation system. There is no water inlet in the leisure water area (due to a historical pipework failure). This means that the circulation system does not perform as designed or as well as a modern system. As a result, there is limited turnover and agitation of the leisure water, which could result in increased contamination.
- Whilst some improvements to the plant room have been made over the years (including replacement of ozone with ultraviolet (UV) for secondary disinfection) further improvements and efficiencies are not practical.

APPENDIX A

Gym

2.9 The gym is located close to the main entrance and is separated from the reception area by transparent partitions and overlooks the swimming pool. The space occupied by the gym was previously the location of the café, and as with the sports halls is not a purpose-designed space.

- The current gym accommodates a total of 31 stations with a mix of cardio-vascular (CV) and fixed resistance machines, with some free weights. Whilst the slightly unusual shape of the gym space may have worked well in its former use as a café, it limits the ways in which gym equipment can be deployed. With only 31 stations it is smaller than would be expected for a sports and leisure facility of the King Alfred's size. It could not accommodate the minimum 100 stations proposed for the new West Hub. Gym and fitness remains one of the most popular ways for people to be active in our city, and therefore increasing the capacity and performance of our gyms will enable us to meet the demand now and in the future.
- The small capacity of the gym limits the number of members that can be signed up, which in turn impacts the financial viability of the whole facility. Health and Fitness membership - which includes the gym - is one of the most important income sources for a modern leisure centre, generating much more revenue per square metre than sports halls or studios.
- The lack of space around the gym means the studios are not in adjoining rooms and the spin room is located at the other side of the building. Ideally, the health and fitness suite should be adjacent to the studio space, which could be achieved with a new build but not with a refurbishment.
- The gym needs to be maintained at a cool temperature with low humidity. However, its location next the pools with only glass separation means that it frequently becomes hotter and more humid than is desirable, with heavy condensation sometimes forming on the windows and other surfaces. This also results in air conditioning units having to work much harder to maintain suitable conditions, resulting in greater energy consumption, more maintenance, and shorter lifespans for the units.

Voids, wells, and roofs

2.10 The design of the 1930s parts of the building features a number of prominent void or well areas which are not readily accessible. These voids introduce a number of issues, in particular:

- They represent further unused space within the footprint of the building. This adds to the space efficiency issues outline above.

APPENDIX A

- They add additional surface area to the building. In many cases the glazing is in poor condition, all of which adds to the heat loss and energy inefficiency issues described above.
- They create a challenging maintenance problem. The void areas are very difficult to access, so much so that arial drones had to be used to undertake the recent survey of the building. Pigeons and gulls have accessed the area causing damage with guano and droppings which, given the accessibility issues, is very difficult to manage and rectify. The internal walls of the voids are also subject to weathering and climatic damage, which is much more difficult to mitigate and repair than for external walls which can be accessed normally.
- In addition to the two large main voids, the 1930s building has other similarly problematic features including an open tower and a well in the ballroom area which is a full height (four storey) void which also attracts gulls, pigeons, and general weathering.

Energy efficiency

- 2.11 The building's layout also gives rise to wider challenges heating and lighting.
- 2.12 A single plant room is equipped with the three boilers and the control systems which provide heating for all parts of the building including the pools and hot water for the changing room showers. The building's layout is a compromised combination of repurposed elements from the 1930s and new build from the 1980s. This means that the heating system has to pump hot water through a very large and complex network of pipes which take long, circuitous routes around the whole building.
- 2.13 This plumbing arrangement is highly inefficient, with lots of lost heat energy through the old pipework, as well as creating multiple points of failure and potential for leaks in locations that are difficult to access. There is no plan of the pipe system, having been adapted numerous times over the years which also complicates any redevelopment or remodelling of the existing building.
- 2.14 It is likely that the 1930s parts of the building will not be suitable for cavity wall insulation. As part of the objective of refurbishing the building would be to preserve the character of the 1930s building, external cladding could not be used to improve energy efficiency. There would be limited scope for internal cladding, and use of internal cladding would result in the loss of even more internal space adding to the compromises set out above for areas like the sports halls.

APPENDIX A

Appendix 2. Summary of the site search process and outcomes

- 1.1 Between autumn 2022 and spring 2023 a comprehensive site search process was undertaken for the new project. Officers examined over 20 sites across the west of the city. In order to be a credible location to host the new facility, sites had to be at least 1.5 hectares in size to accommodate a new facility of up to 9,500m² with all the necessary ancillary features such as car parking space. Sites were also favoured which were more centrally located in the west of the city with good transport connectivity for private road vehicles, public transport, and for active travel.
- 1.2 The sites examined included both public and privately owned sites. Priority was given to looking at all viable brownfield sites in the west of the city which could offer the potential to deliver the new facility without the loss of open space or biodiversity. More information about the sites that were considered is given in paragraphs 1.6 to 1.12 below (*'Outcomes of the site assessment and EOI process'*).
- 1.3 The sites were assessed by a multi-disciplinary panel of experienced officers drawn from a range of relevant disciplines including planning, sport and leisure, regeneration, finance, legal, and estates. The assessments were conducted in a structured way against 10 criteria to examine each site's relative strengths and weaknesses. These criteria related to themes including location, land ownership, planning considerations, legal constraints, and likely development and maintenance costs.

Expressions of interest

- 1.4 To ensure that all potential sites were identified, the site search process was complemented by an 'expressions of interest' (EOI) process which was undertaken between January and the end of March 2023. Through this process over 100 developers, landowners, commercial agents, and other sector contacts were invited to come forward with any sites with the potential to accommodate the new facility. Five proposals were received in response to the EOI process, two of which were proposals based on sites which officers had already examined.
- 1.5 The proposals sent in through the EOI process were also assessed by the same cross-functional site assessment panel using the same approach as used for the officer-identified sites to ensure consistency.

Outcomes of the site assessment and EOI process

- 1.6 Through their assessments of the sites, the panel determined that the majority of the sites did not offer the potential for further development. The reasons for not taking forward the other sites are summarised below:
 - landowners not prepared to sell their sites

APPENDIX A

- the sites being too small, too constrained, or not sufficiently well connected to support the development of a landmark sports and leisure facility
- the sites' locations being too remote and not sufficiently accessible for local residents
- a disproportionate loss of open space or biodiversity that could not be readily replaced or mitigated with the new development
- the topography and shape of the site making development costly, and/or compromising the design layout and thus quality of any facility to be delivered on the site
- planning policy constraints on the sites.

1.7 The publicly owned sites which the council considered included:

- **Hangleton Bottom waste management site.** The site offers the space to deliver a high quality facility that would be readily accessible from the A27 and A23. This aligns well with the West Hub's role in hosting county and regional level events. However, the West Hub's primary role is as a community facility. With that in mind the location was judged to be too far from the centre west of the city to successfully fulfill that role.

There are also other constraints on the site. Specifically, the site has been designated as a waste management site in the East Sussex, South Downs and Brighton & Hove Waste & Minerals Sites Plan (Policy SP1) and is the only safeguarded site for new waste facilities in Brighton & Hove. Under planning law every city has to have designated waste land in the city for temporary storage and the land needs to be available for development of waste infrastructure if needed.

An alternative waste management site would therefore need to be identified before any development could take place. No suitable alternative sites are currently available.

- **The council-owned parks and recreation grounds in Hove:** (i) Hove Park, (ii) Hove Recreation Ground, (iii) Nevill Recreation Ground, (iv) Victoria Recreation Ground. Each of these sites is a designated area of open space in the City Plan and therefore subject to a strong level of protection under Policy CP16. In addition, these sites currently enjoy high levels of use by the local community. The topology of some of the sites, in particular Hove Park, would make the delivery of any facility costly and difficult.
- **Hove recycling centre.** The site's constraints would limit the scope of the facility that could be delivered. It would not be suitable for accommodating a flagship leisure centre intended to serve the community and host regional and county-level events. The access roads into the site are constrained which would make managing visitor flows

APPENDIX A

difficult at peak times. This could give rise to greater congestion on Old Shoreham Road and beyond.

The cost of delivering an alternative recycling facility for the council's waste contractors (Veolia) would add significantly to the total project cost. There would also be cost, time, and risk implications associated with agreeing the surrender of Veolia's lease on the current site and with agreeing a lease on a new site.

- **Benfield Valley North.** The site's location is well connected and well located to serve the west of the city. However, the site is one the city's key areas of biodiversity, which together with its shape and topography combine to make the site much less viable than the site south of Sainsbury's.

Part of the site was allocated in the City Plan Part 2 for residential development. Hollybrook Homes are looking to bring forward a residential-led development of around 100 homes on the area of Benfield Valley north of Hangleton Lane part of which is allocated in City Plan Part 2 (H2 Housing Sites – Urban Fringe). The development is currently at the pre-application stage. With this development likely to come forward there would therefore be very limited capacity on the site for any further development.

- 1.8 The privately owned sites cannot be identified in this paper as the discussions with the current landowners were conducted on a commercial-in-confidence basis. We can however specify that they included sites across the west of the city from the Shoreham Harbour area in the west to sites in the east of Hove, in some cases on or close to Old Shoreham Road. Some of the sites were in current use for commercial purposes. Others have development currently taking place or are likely to have development taking place in the near future.
- 1.9 The reasons for the privately owned sites not being shortlisted often related to the sites being too small or too constrained to accommodate the new facility, and/or to their locations being too far from the centre-west of the city. However, for the most viable private sites, the principal reason for not taking the site forward was that the current owner was unwilling to sell.
- 1.10 Only two sites emerged from the site search and EOI process described above. These being:
- the existing site
 - the site at the council-owned land south of Sainsbury's (LSS).
- 1.11 A third site had tentatively been identified through the EOI process. A developer had suggested that an opportunity existed to deliver the new facility on the car park owned by Sainsbury's. Throughout autumn of last year officers pursued that option with Sainsbury's, including an approach by the Chief Executive.

APPENDIX A

- 1.12 However, Sainsbury's remained reluctant to engage and indicated that they were not willing to sell the site. With that in mind, that option was not included in the business case or site development options which feature in Continuum's final report.

CABINET

4.30pm 18 JULY 2024

COUNCIL CHAMBER, HOVE TOWN HALL

DECISION LIST

Part One

29 KING ALFRED LEISURE CENTRE REGENERATION PROJECT

Decision implemented at close of business on: 26 July 2024 unless called in

Ward Affected: All Wards

That Cabinet:

- 1) Agrees that part of the existing seafront King Alfred site is the preferred site on which to take forward the development of the new sports and leisure facility to replace the existing King Alfred Leisure Centre.
- 2) Approves the indicative capital budget for the project of up to £47.4 million to be included in the Medium Term Capital Investment programme to be funded from a combination of capital receipts, government grants and council borrowing.
- 3) Approves an initial allocation of £2.7m of these resources to progress the project to planning application stage funded from council borrowing.
- 4) Agrees to the commencement of design work for the development of the Leisure Centre on the preferred site, to include procuring the lead architect and professional team to deliver the new facility and delegates authority to the Corporate Director to approve the procurement of the associated professional team and to progress the project to planning application stage.
- 5) Notes the inclusion of £1.07 million estimated ongoing revenue commitment within the Medium Term Financial Strategy to recognise the potential net financing costs of the project from 2025/26 onwards.
- 6) Notes that as the project progresses to key decision points further reports will be presented to cabinet in line with the timetable set out at 4.16.

Place Overview and Scrutiny Committee APPENDIX C

12 August 2024

King Alfred Leisure Centre Regeneration Project

Appendix 1. Call in request submitting by opposition members

From: Cllr Ollie Sykes <Ollie.Sykes@brighton-hove.gov.uk>
Sent: Friday, July 26, 2024 8:14 AM
To: Jess Gibbons <Jessica.Gibbons@brighton-hove.gov.uk>
Cc: Elizabeth Culbert <Elizabeth.Culbert@brighton-hove.gov.uk>; Cllr Steve Davis <Steve.Davis@brighton-hove.gov.uk>; Cllr Sue Shanks <Sue.Shanks@brighton-hove.gov.uk>; Cllr Raphael Hill <Raphael.Hill@brighton-hove.gov.uk>; Cllr Chloë Goldsmith <Chloe.Goldsmith@brighton-hove.gov.uk>; Cllr Alistair McNair <Alistair.McNair@brighton-hove.gov.uk>; Cllr Kerry Pickett <Kerry.Pickett@brighton-hove.gov.uk>
Subject: IMPORTANT Call-in request: King Alfred Leisure Centre Regeneration Project, Cabinet of 18th July
Importance: High

Dear Jess

I understand the deadline for call-in of this decision is today.

The undersigned request that the Decision on Item 29 in Cabinet of 18th July 2024 (King Alfred Leisure Centre Regeneration Project) be called in on the basis of the following grounds as described in the Council Constitution Overview and Scrutiny Procedure Rules:

13.1.2 the absence of sufficient evidence on which to base a decision.

Reasons for use of these grounds for call-in are as follows:

1. Evidence provided in the paper (Item 29) to Cabinet on 18th July was very high level and was in and of itself insufficient for members to fully understand the decision.
2. Following a comment about insufficient information and consequent questions put by Cllr Sykes to Cabinet about Item 29 at Cabinet on 18th July, additional information was shared directly with Cllr Sykes by an officer on behalf of Cabinet. Point 3 below refers to this information, which Cllr Robins undertook to have included in the minutes to the meeting and which is appended to this letter.
3. Incorporation of a risk /contingency allowance component in the Nominal Capital Cost and Gross Economic Cost figures appears from this additional information not to have followed government guidance on use of Optimism Bias (OB) ([Green Book supplementary guidance: optimism bias - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/green-book-supplementary-guidance-optimism-bias)). Critically, the assumption appears to have been made in Item 29 on 18th July, that the KALC project type will be a 'standard building'. The Green Book OB guidance states that any project that includes elements of demolition, whose construction involves particular complexity or difficulty and which includes unique characteristics

(swimming pool) should be considered either as a non-standard building project, or a programme including a non-standard building; thereby requiring a higher range of OB figures to be used. The guidance also states that the starting value for use of OB should be the upper bound of the guidance range. Following this it is apparent that the initial OB to be used in figures for options appraisal and for projecting financing requirements should have been nearer 40% and possibly up to 51%, rather than the 20% OB figure used. Consideration of OB at 40% would have increased the capital funding requirement for the preferred option by up to £8m.

4. We have a separate concern about the treatment of the 'Refurbish' option. It is assumed that the attribution of a 10-year lifespan to the 'Refurbish' option, presented in the paper to Cabinet as the Reference Case, provides a 10-year appraisal period for the purposes of calculation of project benefits. The 10-year lifespan appears to be an arbitrary figure as no reason is given why a £14m refurbishment need last only 10 years. There is potential for this chosen 10-year lifespan to be seen as a way of favourably skewing options benefit-cost ratio ranking, unless further details are provided on the basis for the figure, or additional sensitivity analysis is presented that shows investment required in a refurb for a 20 or 30 year lifespan. Clearly a 20- or 30- year benefit period for a refurbished building could alter the conclusions of the economic options appraisal.
5. Additionally, the statement made in the additional information shared by Cllr Robins that *'The detailed business case has been shared with cabinet members but due to reasons of commercial sensitivity has not been shared more widely'* needs to be challenged as there is no inherent reason why a detailed business case cannot be shared at this stage, as there are no contractor tender estimates yet and any individual figures such as design costs could be redacted.

We hope this provides sufficient basis on which to call this item in for consideration at a meeting of Place Overview and Scrutiny Committee.

Kind regards

Steve Davis (Green)

Ollie Sykes (Green)

Alistair McNair (Conservative)

Kerry Pickett (Green)

Chloë Goldsmith (Green)

Raphael Hill (Green)

Sue Shanks (Green)

Additional information received from Cabinet on 18th July 2024:

To develop the business case, we engaged specialist consultants who have developed many Green-book businesses cases that have successfully secure grant funding for many local authorities. The project's team also includes officers who have developed Green Book business cases for local authorities that have successfully secured millions of £ pounds of funding from the Town Deal, Local Growth Fund, and Housing Infrastructure Fund. I am

therefore content that the approach used was rigorous, thorough, and compliant with HM Treasury requirements. Particular attention was given by the consultants to ensuring that the business case would be best oriented to securing any potential future government grant funding.

The business case includes detailed analysis of costs and the value of the social benefits (nominal and Net Present Value) which have been summarised for brevity in section 4 of the paper. To briefly respond to some of the councillor's specific points:

Table 1 is taken from the economic case and shows the value of the costs and benefits in net present value (NPV) terms. These NPV figures have been converted from the nominal figures in the financial case by (i) stripping out background inflation, (ii) adjusting for optimism bias, and (iii) discounting for present values. The economic benefits shown in the table are made up of the social benefits and land value uplift as set out in paragraph 4.3.

The Green Book recommends an optimism bias of between 2% and 24% for standard buildings. For this business case, a value at the higher end of that range (20%) was chosen as construction contracts are not yet in place.

Quantity surveyors (Stace) were engaged during the production of the business case and provided detailed cost estimates for each delivery option on which the capital build costs are based. The revenue estimates have been calculated based on well-framed assumptions about the future levels of use and running costs for the facility, as advised by our specialist consultants Continuum Sport and Leisure.

Tables 2 and 3 are taken from the financial case, and these therefore use nominal figures rather than the NPV values used in the economic case and in table 1.

The critical success factors of strategic fit, value for money, supplier capacity, affordability and achievability have all been considered in forming the decision on the preferred option.

The detailed business case has been shared with cabinet members but due to reasons of commercial sensitivity has not been shared more widely.

Ollie Sykes (Green Party)

City Councillor, Brunswick and Adelaide ward

Brighton & Hove City Council

07394843182

Brighton & Hove City Council

Place Overview & Scrutiny

APPENDIX D

Subject: King Alfred Leisure Centre Regeneration Project

Date of meeting: 14 December 2023

Report of: Corporate Director- Corporate Services

Contact Officer: Name: John Peel
Email: john.peel@brighton-hove.gov.uk

Ward(s) affected: All

For general release

Action Required of Place Overview & Scrutiny Call In Panel:

- 1) To note the minutes extract of the Cabinet meeting held on 18th July 2024

BRIGHTON & HOVE CITY COUNCIL

CABINET

4.30pm 18 JULY 2024

COUNCIL CHAMBER, HOVE TOWN HALL, NORTON ROAD, HOVE

MINUTES

Present: Councillor Sankey (Chair) Taylor (Deputy Chair), Burden, Daniel, Muten, Pumm, Robins and Williams

PART ONE

29 KING ALFRED LEISURE CENTRE REGENERATION PROJECT

29.1 Cabinet considered a report that sought approval on the preferred site to deliver the new 'West Hub' facility to replace the King Alfred Leisure Centre.

29.2 Councillors Sankey, Robinson, Pumm, Nann, Taylor, Muten, Daniel, Alexander and Robins contributed to the debate of the report.

29.3 Resolved-

That Cabinet:

- 1) Agrees that part of the existing seafront King Alfred site is the preferred site on which to take forward the development of the new sports and leisure facility to replace the existing King Alfred Leisure Centre.
- 2) Approves the indicative capital budget for the project of up to £47.4 million to be included in the Medium Term Capital Investment programme to be funded from a combination of capital receipts, government grants and council borrowing.
- 3) Approves an initial allocation of £2.7m of these resources to progress the project to planning application stage funded from council borrowing.
- 4) Agrees to the commencement of design work for the development of the Leisure Centre on the preferred site, to include procuring the lead architect and professional team to deliver the new facility and delegates authority to the Corporate Director to approve the procurement of the associated professional team and to progress the project to planning application stage.
- 5) Notes the inclusion of £1.07 million estimated ongoing revenue commitment within the Medium Term Financial Strategy to recognise the potential net financing costs of the project from 2025/26 onwards.

- 6) Notes that as the project progresses to key decision points further reports will be presented to cabinet in line with the timetable set out at 4.16.

The meeting concluded at 7.00pm

