Brighton & Hove City Council

Cabinet Agenda Item 38

Subject: **The King Alfred Leisure Centre Regeneration Project**

Date of meeting: **Thursday, 25 September 2025**

Report of: **Cabinet Member for Sports, Recreation & Libraries**

Lead Officer: **Name: Corporate Director- Operations**

Contact Officer: **Name: Mark Healy**

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Ward(s) affected: (All Wards);

Key Decision: Yes

Reason(s) 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 Cabinet agreement to progress the King Alfred Regeneration Project from its current concept design stage (Royal Institute of British Architects Plan of Work Stage 2 or RIBA 2) through to spatial coordination and technical design (RIBA stage 3 and 4) including submission of the planning application.

1.2 This paper sets out an overview of the emerging concept design (and associated cost plan) which the professional team have developed since their appointment at the beginning of the year. The concept design stage (RIBA 2) has now concluded.

1.3 The next stages (RIBA 3 & 4) will entail developing the detailed design with the main contractor up to the point where the planning application can be submitted, together with initial enabling works. This Cabinet report therefore represents a key gateway to secure agreement to take the project forward to those next stages.

1.4 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 the design team progress further the design proposals presented at appendix 1 and delegates authority to Corporate Director, City Operations in consultation with the Cabinet Member for Sports, Recreation & Libraries to proceed with submission of a planning application based on those designs.

2.2 Approves the indicative capital budget for the project of up to £65 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 allocation of a further £2.3 million of these resources, in addition to the £2.7million agreed at July 2024 cabinet, for professional fees, surveys, and investigations relating to the development of the design proposals through RIBA Stage 3 (including submission of a planning application), and RIBA Stage 4 with enabling works.

2.4 Approves the demolition of redundant parts of the site (appendix 5) between the current facility and the car park so that the enabling works for the new facility and regenerated public realm can come forward.

3. Context and background information

3.1 The regeneration of King Alfred Leisure Centre is a key strategic investment for the city. The project will deliver the regeneration of an iconic site and provide a 21st century leisure facility to meet the city's needs now and for decades to come. In addition to making accessible active leisure available, and the well-being benefits that generates, the wider placemaking across the site will also deliver a compelling destination for residents and visitors. The regeneration of the site will unlock the delivery of additional housing provision for the city, described in more detail below.

3.2 The delivery of a new facility 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.

3.3 The approach to the regeneration of the King Alfred site is underpinned by the council's commitment to placemaking, ensuring the scheme contributes positively to the character and function of the Hove seafront. The proposals are designed to create a welcoming and accessible civic destination that integrates with Hove Beach Park, the adjacent outdoor sports facilities, local residential neighbourhoods, the promenade and Hove Lawns. Key considerations include enhanced pedestrian and cycle connections, and improvements to public realm focused on encouraging activity, social interaction, and ease of movement.

3.4 In parallel with the delivery of the new leisure centre, the project will enable the release of surplus land for much-needed new housing provision, in support of the Council's wider housing objectives and Housing Strategy. Coordination with the recently established Seafront Development Board, which held its inaugural meeting in September 2025, will ensure that the project aligns with the broader strategic aims for regeneration and investment, providing a joined-up approach to placemaking across the wider seafront and maximising benefits for the city as a whole.

3.5 The project also offers an historic opportunity to make good on the council's commitment to deliver a *healthy city where people thrive*. As demonstrated in the paper presented to Cabinet last July, there are significant health inequalities across the city. Whilst Brighton & Hove is one of the country's most active cities, there remain some communities in which there are localised pockets where levels of physical activity are very low. This in turn often leads to higher instances of illness associated with low levels of activity. These illnesses include cardiovascular illness, stroke, type 2 diabetes, and others.

3.6 The new King Alfred facility will provide accessible active leisure opportunities for all Brighton & Hove's residents, especially those in the west of the city. In addition to improving the wellbeing and quality of life for the city's residents, the new facility also offers the potential to deliver economic benefits. In particular, reduced costs to the exchequer from dealing with the consequences of the negative health outcomes noted above. This is explained in more detail in section 11.

Cabinet decision to deliver the new facility

3.7 At its July 2024 meeting Cabinet considered a paper setting out options for replacing the existing King Alfred Leisure Centre with a new facility. The paper explained why a refurbishment of the existing facility would not be viable and then went on to set out options for delivering a new facility. The options presented offered several illustrative designs on two separate sites – the current site and the council-owned green space south of the Sainsbury's superstore at the junction of the A273 and Old Shoreham Road.

3.8 Having considered the site options, the business case outcomes, and the results of the resident engagement, Cabinet agreed the recommendations set out in the paper. The key recommendations were to:

- develop design proposals for a new facility on part of the existing site,
- agree delegated authority to the Corporate Director to approve the procurement of the associated professional team and to progress the project to planning application stage.

Appointment of the professional team

3.9 Following Cabinet's decision to proceed with the project the officer team undertook a programme of procurement work to appoint the professional team that will take forward the design work to the planning application stage. More information on the process is given in section 12.

3.10 The outcome of that process was that officers identified an architect and professional team through the UK Leisure Framework, accessed through development partner Alliance Leisure.

3.11 The core professional team selected is made up of:

- GT3 Architects, one of the UK's leading architects with a primary focus in the leisure sector and proven expertise in designing energy efficient sports facilities. GT3 previously worked with the council on the development of the Sports Facilities Investment Plan and have a good understanding the council's vision for sport and leisure in the city.
- Engenuiti, civil and structural engineers for the project. Engenuiti were part of the team which developed the project's business case earlier this year and prepared the structural report which was key in supporting the council's proposal to replace rather than refurbish the existing facility.
- Van Zyl & de Villiers (VZDV), building services and engineering consultancy. They have a strong track record in the leisure sector having completed over 150 leisure facilities in the UK, Channel Islands, and 11 countries in mainland Europe.
- Hadron Consulting, technical project manager. During the market engagement work described in 3.5 – 3.7, Hadron prepared some very effective cost consulting work in which they demonstrated a high degree of innovation and sector knowledge in showing how the most impactful facility could be delivered for the available budget. As the project progresses, Hadron will bring on other specialist consultants as required.
- Willmott Dixon, main contractor. Appointed on a Pre-Construction Service Agreement, they are the UK's leading leisure centre contractor with experience of successfully building leisure centres across the country. They are able to advise the team on issues such as buildability and site preparation. They will not be appointed to deliver the full project unless the team are happy with the proposed cost once the building design is complete and this is also subject to Cabinet approval.

3.12 Following appointment via Alliance Leisure, the design team have been working closely with officers to develop the design proposals for the new facility, together with outline master- planning work for the whole site. The outcomes of this work are set out in the next section.

4. Analysis and consideration of alternative options

Design proposals: facility mix and floor layout

4.1 The design of the new facility began with developing an agreed facility mix and determining how best to arrange those facilities to respond the challenges and opportunities presented by the seafront site. **The proposed general arrangement drawings (floor plans) for the new facility, together with internal and external images, are set out at appendix 1.**

4.2 The design proposals at this stage represent the work of the design team up to the end of RIBA Stage 2 (concept design). As the project progresses into RIBA Stages 3 and 4, some of the design elements may change to reflect discussions with the contractor on questions of buildability and other factors to maximise the efficiency with which the facility mix is delivered within the building's envelope.

4.3 The team have sought to arrange the facilities to meet the following objectives:

- to make best use of the site to accommodate the fullest range of facilities, making creative use of the on-site elevation changes
- to provide a mix of facilities that reflects the ambition of the Sports Facilities Investment Plan (SFIP) whilst remaining affordable
- to make use of the site's orientation to provide sea views from the cafeteria, pools, and fitness suite, and to make the most of the south-facing side of the building to help heat the pool halls by maximising solar gain
- to provide a main entrance which opens out into a regenerated public realm, protected from prevailing winds and away from traffic
- to minimise wasted space, with no unnecessary corridors or stairways such as those which characterise the current facility.
- to reflect advice and guidance from national governing bodies, such as Sport England and Swim England
- to reflect feedback from engagement earlier this year on the emerging designs for the new facility with sports governing bodies, local sports clubs, regular users, and resident groups (see section 5, paras 5.1 – 5.4)
- to reflect the advice of leisure operators captured through recent soft market engagement with them (see section 5, paras 5.9 – 5.12)
- to provide an appropriate level of parking, without letting the car park dominate the site, along with easy and safe access for cyclists and pedestrians.

4.4 The floor layouts and internal design proposals reflect the design team's work in seeking to meet those objectives. Notable features of the design proposals are:

- incorporation of a much larger fitness suite (140-150 gym stations). We know from engagement with operators that the fitness suite will generate the most income per m^2, and which is also most effective in delivering improved health outcomes
- a family entertainment zone, which in discussion with the operator can be fitted out as a soft play area, clip and climb, or similar attraction. These facilities are highly effective in attracting new users and in generating income

- a leisure water facility, to help encourage water confidence for children, to attract families, and to help generate revenue.

Emerging exterior and interior design proposals

4.5 Given the more intense weathering associated with the coastal location, it has been especially important to ensure that the facility's design features and material choices take account of those challenges. The detail of the surface finishes and material choices is currently being developed with Willmott Dixon.

4.6 The emerging proposals include the use of innovative, but well-tested technologies such as structural timber of the frame of the building. In addition to the sustainability benefits set out in section 10, composite timber materials are also better suited than steel to weathering the humid, saline conditions that characterise the site.

Wider public realm

4.7 The King Alfred site is one of Hove's most iconic waterfront locations, and it is also a key gateway for those arriving in the city from the West. With that in mind, in addition to designing the new King Alfred facility, the design team were also commissioned to develop proposals for regenerating the surrounding public realm. The team were asked to develop proposals to:

- create a compelling outdoor and indoor destination for all residents visiting the area, not just users of the new King Alfred
- design a public space to connect logically and sensitively to the Kingsway, Esplanade, Hove Beach Park, and other surrounding areas
- create an inspiring place where residents and visitors will want to spend their leisure time
- ensure inclusivity, with a space that can be easily navigated by disabled residents, including wheelchair users, parents with young children / pushchairs, and others.

4.8 The public realm designs will be shared as part of our next stage of engagement as described in section 5.

Financial viability

4.9 From its inception three years ago, the funding for the current project has been based on a combination of the capital receipt from the sale of part of the site together with prudential borrowing over the life of the new facility. The financial viability of the project is therefore dependent on three key elements:

- the total project costs for delivering the new facility, including build costs and professional fees
- the capital receipt to be realised from the sale of the remainder of the King Alfred site
- the increased revenue the new facility is expected to generate, which will help service the debt over the life of the new facility.

4.10 The financial viability of the project was examined in the business case presented to Cabinet last July. That work has been updated with new land valuations produced by commercial agents Avison Young and Stiles Harold Williams (SHW), new project costs prepared by the main contractor Willmott Dixon, and updated revenue projections prepared by Continuum Sport and Leisure (the same consultant who produced last year's business case and The Sport Consultancy (TSC).

4.11 A summary of the headline figures from the new financial modelling is set out in table 1 below:

Table 1. Headline project costs

Headline financials		**Notes**
£65m	Total project costs	This figure reflects the RIBA 2 cost plan developed by Willmott Dixon. It includes £43.9m for build costs, £4.7m for main contractor preliminaries, £6.9m for contingencies, a 6 per cent inflation allowance (£2.9m), professional fees, and other relevant costs including insurance, and overhead and profit (OH&P). Officers are presently interrogating these costs with input from cost consultants Abacus with a view to securing savings and value engineering to reduce the overall project cost. However, for the purpose of this report the total figure (rounded up) provided by the contractor has been used.
£17.3m-£26.4m	Capital receipt from sale of 60% of the site	For the cabinet paper presented in July 2024, the land valuations used were based on a report completed in December 2022 by Avison Young. That report suggested a value for the whole site of £31.2m, equating in pro-rated terms to £18.7m for the 60% proposed for residential development. Two separate land valuations were commissioned for the site with commercial agents Avison Young and Stiles Harrold Williams (SHW). The valuations were conducted for the residential part of the site only. Those reports returned a range of values from a lowest possible estimate of £17.3m to a higher estimate used for this report of £26.4m. That higher estimate included an assumption of 40% affordable housing, and the demolition and remediation costs funded by Homes England Grant. The report did include land value estimates with lower levels of affordable housing which were significantly higher. However, this report focusses on using the highest policy-compliant estimate. Both valuations, together with the upper and lower revenue estimates

		(see below) are used in the following sections to set out four alternative cost scenarios shown in 4.14 and table 2.
£38.6m-£47.7m	Balance to finance over 50 years @ 4.5% interest	The balance to finance is the total project less the capital receipt. Two values are shown reflecting the upper and lower land valuation estimates from the row above. The finance is based on a 50-year borrowing period which reflects the expected operational life of the project and the maximum period permitted for Public Works Loan Board (PWLB) borrowing. The indicative interest rate used reflects predicted PWLB rates once the project is in construction. The impact of other rates has been modelled and is summarised in section 6 *Financial Implications.*
£1.95 - £2.4m	Gross annual cost of debt over 50 years	This is the annual cost of servicing the debt based on the payment period (50 years) and interest rate (4.5%) set out above. Two values are shown reflecting the cost of financing the upper and lower balances shown in the row above.
£1.06m - £1.45m	Projected turn-around from revenue	As with the land valuation, two separate reports were commissioned to provide updated revenue projections for the new facility. One of the reports was produced by Continuum Sport and Leisure who prepared the business case which formed the basis of the July 2024 cabinet paper. The other was prepared by The Sports Consultancy. Both are leading sports consultants using their own well-established methods to estimate potential future revenue from the new facility mix. They each produced a range of estimates based on different assumptions. The highest and lowest assumptions are shown here and used in the four scenarios shown in 4.14 and table 2, below.
£0.55m - £1.4m	Net annual cost to revenue budget service debt.	The net borrowing annual costs are derived from the gross costs (£1.95- £2.4m) less the projected revenue (1.0m – 1.4m). This gives a range of costs

4.12 The headline project cost of £65m includes £6.9m contingencies, and a further £2.9m of tender inflation. Taken together these represent **£9.8m** incorporated into the headline cost for contingencies and inflation. The contingency allowance incorporates the main contractor's contingencies (approximately 10 per cent of construction costs) plus additional client

contingencies. The inflation allowance is based on industry forecasts and aligned with the target delivery dates for the programme.

4.13 The business case presented to Cabinet in July 2024 had proposed a total project cost of £47.4m. The differences between the two estimates reflect:

- an enhanced specification for the new facility developed with the design team. Compared to the proposal presented last year, the facility has a much larger fitness suite, family entertainment zone, larger cafeteria, leisure water offer, and features such as a movable floor for the training pool, as well as a more impactful overall presence for the facility
- a more detailed understanding of the site conditions and the remediation work required, informed by the new site survey work commissioned with the design team and from engagement with the main contractor
- a more realistic view of the costs of an undercroft car park
- the inclusion of the development of the new area of regenerated public realm to form an entrance plaza to the facility, which is an addition to the original brief
- cost inflation in the construction sector.

4.14 Table 2 below shows the annual revenue cost to the council based on the four scenarios mentioned in table 1. These scenarios reflect the upper and lower capital receipt estimates (£17.3m and £26.4m) cross-tabulated against the upper and lower revenue estimates (£1.06m and £1.4m).

Table 2. Comparison of all revenue costs based on highest and lowest land valuations and revenue estimates.

	Lower capital receipt estimate		**Upper capital receipt estimate**	
	Scenario 1	**Scenario 2**	**Scenario 3**	**Scenario 4**
	Lower revenue estimate	**Upper revenue estimate**	**Lower revenue estimate**	**Upper revenue estimate**
Total project costs	£65m	£65m	£65m	£65m
Capital receipt from sale of 60% of the site	£17.3m	£17.3m	£26.4m	£26.4m
Balance to finance over 50 years @ 4.5% interest	£47.7m	£47.7m	£38.6m	£38.6m
Gross annual cost of debt over 50 years	£2.4m	£2.4m	£1.95m	£1.95m
Projected turn-around from revenue	£1.06m	£1.4m	£1.06m	£1.4m
Net annual revenue cost to service debt	**£1.34m**	**£1.0m**	**£0.89m**	**£0.55m**

4.15 Based on the assumptions described in table 1 and paragraphs 4.12 – 4.14, table 2 shows the range of possible annual revenue costs to the council. These range from a highest cost of £1.34m per year – reflecting the lowest estimated land value and the lowest estimated revenue, to £0.55m per year reflecting the highest estimated capital receipt and highest estimated revenue.

Comparison with 2024 business case proposal

4.16 Working with the design team, officers have examined the feasibility of delivering a new facility within the original £47.4m budget. Whilst a facility could be delivered on site for that budget, it would require a significantly compromised design that would fall some way short of the ambition of the Sports Facilities Investment Plan. The lower cost option would feature:

- no family entertainment zone
- no leisure water
- a much smaller fitness suite
- smaller studios
- sports hall capacity for 4 courts only
- no undercroft car parking, with only very limited surface parking.

4.18 This more constrained specification would not only fall short of the council's ambition for the new facility and diminish its potential for improving the city's health outcomes, it would also result in markedly reduced revenue generation. Table 3, below, sets out a summary of the modelled headline financials for both options.

4.19 The table shows that whilst the annual borrowing costs for the £47m option would be £0.45m lower, the projected revenue would also be much lower (£0.5m compared to £1.06m). There would be a £0.4m annual loss of revenue resulting from the loss of car parking capacity on the site. Taken together, these factors are projected to result in net annual costs for the £65m proposal that are £0.45m less than for the £47m proposal.

Table 3. Comparison of costs for current design proposal with notional costs for a reduced specification facility

	Current proposal	**Reduced cost proposal**
Total project costs	£65.0m	£47.0m
Capital receipt from sale of 60% of the site	£26.4m	£26.4m
Balance to finance over 50 years @ 4.5% interest	£38.6m	£20.6m
Gross annual cost of debt over 50 years	£1.95m	£1.5m
Projected turn-around from revenue	£1.06m	£0.5m
Loss of revenue from car park	--	(£0.4m)
Net annual revenue cost to service debt	**£0.89m**	**£1.4m**

4.20 For both cases, the higher capital receipt estimates have been used. This is because the capital receipt featuring that valuation was a more recent piece of work, reflecting more up-to-date market intelligence. As noted in table 1, that report did also include significantly higher valuations for developments that were not policy compliant. However, for this report, the policy compliant (40% affordable housing) valuation has been used. For both cases, the lower revenue assumption has been used. This reflects a more cautious approach to business planning which recognises the potential for volatility in the leisure sector over the life of the project.

4.21 The capital receipts used to model the financing of the project assume remediation costs for the site will be met by grant funding. The project team is liaising with Homes England to explore options for grant funding to support the capital receipt for the residential part of the site and to reduce the abnormal and enabling costs for the leisure centre part of the site. The team has also been securing support for the project from Sport England and other governing bodies to help strengthen the case for grant funding.

4.22 For the previous project to deliver a new King Alfred facility (Crest Nicholson, 2019), a Housing Infrastructure Fund (HIF) grant of £15m was secured to support remediation and basement works. However, this was not sufficient to prevent the project stalling due in part to viability concerns by the developer. This historical precedent demonstrates the need for grant funding to enable the project to progress, which is one of Homes England's requirements for securing grant funding. The project team is continuing advanced negotiations with Homes England to bring in a higher level of funding for both the leisure and residential parts of the site to ensure this iteration is not stalled by abnormals.

Further financial modelling

4.23 The exact structure of the loans and the details of the borrowing arrangements will be developed further over the next stages of the project. For example, the capital receipt for the sale of the residential part of the site will not be received until after the new facility is completed. The business case last year modelled borrowing based on the capital receipt being received in four installments over an eight-year period.

4.24 The base assumption of ongoing costs to the council's revenue budget of the facility is £0.890 million. This is planned to be offset by a combination of the following actions which could generate between £0.800 million and £1.250 million

- reprioritising income streams within Leisure Services
- making use of new agency regulations to recover previously unrecoverable VAT for leisure operating contract
- as noted in 4.21 and 4.22, pursuing Homes England grant funding to support remediation and enabling works on the existing leisure centre side of the site

- improving potential turnaround performance of the new King Alfred facility - to be examined by newly commissioned work with The Sport Consultancy (TSC)
- reduce planned maintenance
- reprioritise the capital investment programme to redirect additional funding to the new King Alfred facility
- sale of other assets to reduce borrowing.

Professional fees – spend to date and forecast pre-contract expenditure

4.25 At Cabinet in July 2024 a sum of £2.7 million was approved for the development of design including submission of a planning application. Since then, the project team, appointed via Alliance Leisure, have completed RIBA stage 2, and have commenced RIBA stage 3. Professional fees expended to date amount to just under £0.8 million of the £2.7 million agreed last year.

4.26 As noted in paragraph 2.4, approval of an allocation of a further £2.3 million is sought to progress the project to RIBA 4. This increased allocation will not only enable the project to progress to planning application but will also enable key elements of the sub-contractor design work to be completed at an earlier stage. The allocation will also enable the team to proceed with preparatory work for the demolition and associated enabling works for the green roof area between the current King Alfred and the car park. That work will entail surveys, making safe, and removal of harmful materials (including asbestos) where needed. This is explained further in the following paragraphs.

4.27 Willmott Dixon as main contractor were appointed earlier this year under a pre-construction services agreement (PSCA). Willmott Dixon are responsible for the design team and surveys and investigations from RIBA Stage 3 onwards. The key project stages to complete to allow a main contract to be entered into are RIBA Stages 3 & 4. At the end of RIBA Stage 3 a planning application will be submitted, with the planning fee paid by BHCC. A Planning Performance Agreement (PPA) is also being entered into which also attracts a fee.

4.28 In addition to the continuing design work and planning application, the additional budget allocation will also support:

- significant investigation and survey work required during RIBA Stages 3 & 4, to support the enabling works and making-safe the existing bowling alley
- council direct costs to be attributed to the project, predominantly for capitalised salaries of the council project team
- completion of a number of key design elements to be completed by sub-contractors, (the ‘contractors’ design portion’ (CDP) elements). This work would typically be undertaken post-contract. However,

bringing this work forward will significantly benefit the scheme and reduce risk

- delivery of an overall bigger scheme and more highly specified facility than conceived in the July 2024 cabinet paper.

4.29 The resulting forecast for pre-contract expenditure for RIBA Stages 3 & 4 amounts to £4.2 million in addition to the £0.8 million spent so far. With that in mind, Cabinet approval is sought for an allocation of a further £2.3 million of these resources, which together with the £2.7 million agreed last year will provide a total allocation of £5 million to take the project to RIBA 4 including enabling works.

UK Leisure Framework – Commercial Arrangements

4.30 The Council have appointed Alliance Leisure under an Access Agreement to develop the pre-construction elements of the project (RIBA Stages 1 – 4). The Access Agreement constitutes a pre-construction agreement for construction projects. In entering into the Access Agreement, the Council does not commit itself to enter into a call off contract for the construction phase, which the Council may do or not do at its discretion.

4.31 Alliance Leisure have entered into a Pre-Construction Services Agreement with Willmott Dixon for Main Contractor and Design Team services to develop the scheme during the pre-construction elements of the project (RIBA Stages 3 – 4). There is no commitment to Willmott Dixon to enter into contract unless the Council wish to do so.

4.32 Alliance Leisure have also instructed Abacus cost consultants to independently review the Willmott Dixon Stage 2 Cost Plan to ensure value for money (VfM). Each RIBA stage cost plan will be reviewed and challenged to ensure costs remain within the budget envelope.

4.33 Contingency and inflation allowances have been considered in detail with the wider project team, and the client contingency figure considered against similar schemes and the specific risks and issues presented by the King Alfred project. A detailed risk register is being managed throughout the pre-construction stages with responsibilities for each risk clearly identified, which will be included within the main contract.

4.34 Should it not be possible to reach an agreement to enter into a main contract, or if the council wish to pause or walk away from the project, the contractor grants a non-exclusive, assignable, irrevocable and perpetual licence (including the right to sub-licence) to the council to copy, adapt, publish, distribute and otherwise use the project-specific information and designs that have been developed.

Marketing of the residential part of the site

4.35 From the project's inception, the capital receipt from the disposal of part of the site for residential development has been a key component in the funding strategy for the new facility. In addition to being central to the

funding strategy, the residential development is also a planning policy requirement. Specifically, in addition to redeveloping the sport and leisure facility, City Plan part 1 allocates the current King Alfred site for *provision of a minimum 400 residential units* with *ancillary retail and café/restaurant uses* (planning policy SA1).

4.36 The financial modelling set out in the July 2024 cabinet paper featured the capital receipt based on a land valuation completed at that time. As noted above in paragraphs 4.10, the valuation has been updated with two new valuations. The new valuations are based on valuing only the part of the site that is not required for the sport and leisure centre and the enhanced public realm.

4.37 The most recent of the valuations is based on outline masterplanning work for the residential part of the site with a total of 428 residential units and activation of some parts of the ground floor with commercial uses. That valuation suggests that a capital receipt of around £26.4m could be realised for disposal of the site for a policy compliant (40% affordable) development based on that outline masterplan. That valuation also assumes grant funding to meet the demolition costs, as described in paragraphs 4.21 and 4.22.

4.38 It has been the council's intention since the inception of the project to keep the current facility open and operational whilst the new facility is constructed. Once the new facility is open, demolition of the existing facility will commence. As shown in the indicative programme in paragraph 4.41 below, that is expected to be from May 2028 onwards.

4.39 To minimise borrowing costs to the council, it is essential that the disposal of the site, and thus delivery of the capital receipt, takes place as soon as possible after the delivery of the new facility. With that in mind, it is proposed that marketing of the site begins during autumn of this year with a view to securing a buyer ahead of the completion of the new facility. That will in turn enable the contractual arrangements for the demolition and disposal of the site to be resolved in a timely way to bring forward the delivery of the capital receipts to the soonest practical point. It is therefore proposed that marketing of the site begins this Autumn alongside the development of the design work for the new facility.

Temporary car parking

4.40 Although the design proposal will re-provide the same level of parking capacity in the undercroft, there will be a period during construction where parking on the existing site is lost. The project team is presently investigating opportunities to use the adjacent Hove Park event space area for displacement parking in order to maintain parking revenue during construction and to safeguard the existing facility against the risk of lost custom if there were to be no parking available during the construction period.

Overall project schedule

4.41 Below is an indicative timeline for delivery of the project.

Table 3. Indicative project schedule	
Project stage	**Indicative date**
PCSA / RIBA Stage 3 commencement	August 2025
Seek Cabinet approval to proceed	September 2025
Planning Application submission	November 2025
RIBA Stage 4 commencement	November 2025
Planning Determination	March 2026
Enabling works commencement	March 2026
Discharge pre-commencement conditions	May 2026
Contractors Proposals	May 2026
Enabling works complete	June / July 2026
Approval to proceed to Contract	Jun 2026
Mobilisation	July 2026
Main Contract commencement	August 2026
King Alfred Leisure Centre completion	May 2028

5. Community engagement and consultation

5.1 Close and regular public engagement has been a key priority of the project since its inception in Autumn 2022. The programme of engagement can be summarised as follows:

- phase 1, from September to December 2022. This first period focused on core users of the King Alfred such as leaseholders and occupiers (e.g. the boxing club), sports clubs, and community groups that regularly book the facility to understand their needs and requirements.
- phase 2, from January 2023 and throughout the rest of that year. This stage entailed connecting with wider community groups and residents. It involved discussing how best to deliver the specification as set out in the SFIP. Notable elements of this phase included a visioning workshop with over 50 participants, an all-day drop-in event in April 2023, and the commissioning of specialist work with the Trust for Developing Communities to engage with minoritised ethnic groups and younger people
- phase 3, beginning of January 2024. This phase aligned with the work to develop the July 2024 cabinet paper, which included examining the possible sites for the new facility. This phase included all-day drop-in sessions at the King Alfred centre and other venues in the west of the city, and an on on-line questionnaire on the sites and delivery options for the new facility which generated over 3,600 responses.
- phase 4. Beginning in January 2025, this phase aligns with the work of the design team (also appointed in January 2025) to develop the design proposals to deliver the new facility and improved public realm on the existing site. The design team engaged directly with key users through the Reference Group, and where invited attended meetings of local

groups such as the West Hove Seafront Action Group and the Hangleton & Knoll Project. In addition:

- a series of focus groups sessions were held in April and May at the King Alfred to engage with sports clubs, community groups, disabled users, and local residents (The report from the focus groups is attached at appendix 2).
- during July detailed 'surgeries' were offered to sports clubs in which they were able to meet with the design team to work through their specific needs. In addition to local grass-roots sports clubs, governing bodies including Sussex FA and Sussex Cricket also participated, as well as groups who run active sessions for older people and disabled users of King Alfred. The design team has subsequently been working to incorporate, where practical, findings from these sessions into the developing design.

5.2. In addition to the engagement described above, the design team engaged closely with some of the groups representing disabled people to understand their needs. For example, the design team joined the Dolphin's Disabled Swimming Club to observe one of their sessions and conducted a 'simulation walk' around the existing facility with the Sussex Sight Loss Council to understand the challenges faced by those with visual impairment.

Key messages from the latest phase of community engagement

5.3. Key messages to emerge from the latest phase of engagement were:

- the importance of ensuring accessibility for disabled users. The groups we spoke to mentioned the need for meaningful inclusion, sensory-sensitive design, accessible changing, specialist equipment, and staff training.
- many of those we spoke to felt that in addition to providing inclusive fitness opportunities, the new facility should also be a space to promote social cohesion and wellbeing.
- inclusivity was a strong theme. Many felt it important that the new facility was designed in a way to provide privacy and cultural sensitivities where appropriate. This was often mentioned by younger women who felt the current design could discourage some from using the current swimming pool as they felt surveilled by users of the gym and some of the public parts of the facility.
- many of the sports clubs we engaged with shared their concerns about what they felt were outdated spaces and lack of specialised equipment in the current King Alfred. Many also spoke about what they felt were poor quality changing facilities and lack of storage space for club equipment. They were keen for those issues to be addressed in the new facility.
- ensuring the future viability of the facility was also a common theme. Many stressed the importance of ensuring that flexibility and adaptability was built into the design so that the internal spaces could adapt suit the needs of new sports and activities as trends and preferences change over the coming years and decades.

- a number of the clubs that regularly use the facility highlighted issues that were very specific to their sports, activities, or user groups. This included discussions with the disabled swimming club to understand how best to support their members in accessing and exiting the pool in a convenient and independent way, and discussions with sports clubs about requirements for equipment storage, lighting, and floor surface treatments.

5.4. The report from the focus groups is attached at appendix 2 and the summary of key messages from July sports clubs engagement is attached at appendix 3.

Design review panel

5.5. As part of the design development process, an all-day 'designPLACE' review session was convened on 20 June with Design South East's Brighton & Hove review panel. The panel provided feedback and challenge on the design, and offered suggestions for the design team to consider that could potentially enhance the new facility.

5.6. Following the session, the design team identified 36 substantive comments from the panel's report, grouped under 9 broad themes:

- Project brief and community engagement
- Masterplan
- Wider context and analysis
- Connectivity and movement
- Entrance and arrival experience
- Landscape
- Massing, form and articulation
- Active frontage and indoor/outdoor relationships
- Sustainable design.

5.7. Following the panel session, officers have been working with the design team to develop proportionate responses to each of the comments. Those comments will continue inform the design of the new facility and adjacent public realm into the next project stage (RIBA 3) and up to the planning application.

Engagement with leisure operators

5.8. In parallel with phase 4 of the resident engagement, the council has recently undertaken some early market engagement (EME) relating to the re-procurement of the council's long-term leisure management contract. Led by the council's appointed leisure consultants Continuum Sport & Leisure, the purpose of this engagement was to seek views from the leisure operator market as potential bidders for the new contract, to help inform the development of the procurement strategy and to refine the service requirements/scope for the new contract.

5.9. This separate piece of work is very relevant to this project as the outcome of this procurement process will determine the leisure operator that will be

responsible for the management of this new facility, as well as the council's other sports facilities. As part of the EME process, the emerging designs for this new leisure facility were shared with operators to also gather their feedback on the facility mix/specification and plans, and in particular any aspects of the design that could impact on the viability of the business plan and/or anticipated revenue.

5.10. Operators were generally positive about the initial designs however they did identify a number of areas for further consideration - a high-level summary of this feedback can be seen below:

- the option of moveable floors in the swimming pools will increase the flexibility of the programme
- there is potential to integrate drowning detection technology into the design of the swimming pools
- the location of the sauna and steam room on poolside will help with access and management
- some operators felt the studios may be too small, which will impact on the capacity of the group exercise programme at peak times and hence membership sales
- the proposed power assisted studio is a good addition but could be incorporated into the main gym space to enable management and flexibility to make adaptations in future if needed
- demand for the sports hall should determine the size of the hall
- combined dry-side changing facilities to serve the gym and sports hall seems sensible as the majority of users do arrive already changed for their activity
- the location of the cafe and reception is critical in terms of access and management
- the separate family entertainment/activity play spaces may be too small to be viable and should be merged into one larger space and located next to the cafe – operators would welcome the opportunity to shape proposals for these spaces with commercial viability in mind
- operators signaled concerns that parking may be charged for leisure centre users (which is the current arrangement for the car park adjacent to the King Alfred facility. This would be reflected in the management fee payment for the overall leisure contract. Operators would prefer a time-limited parking offer for customers to avoid abuse of the system and would also expect some control over parking so that customers could access the facilities at busy times (otherwise this would impact on revenue/usage).

5.11. This feedback gathered from the leisure operator market will be factored into the ongoing considerations for the next phase of design work, alongside the views that have been captured from residents and sports clubs.

Next steps with the engagement work

5.12. Looking ahead, a further phase of communications and engagement is planned to begin after the cabinet meeting and ahead of the planning application of being submitted. This will provide an opportunity to share the proposed designs with users and local residents ahead of the statutory consultation for the planning application (to be submitted just before the end of the year). This next phase of engagement will include:

- the launch of a new microsite, which has been developed with Alliance Leisure, which will provide floor plans and CGI images of the interior and exterior of the new facility
- the launch of a survey using the council's 'Your Voice' portal, where residents will have the opportunity to comment on the design proposals
- an exhibition week, to be held at the existing King Alfred leisure centre, where visitors can view exhibition boards setting out the design proposals and explaining the journey that has led to the design team to arrive at proposals which reflect the city's heritage whilst delivering a contemporary facility to serve the city for many years to come. The exhibition week will include opportunities to meet the design team.

5.13. The feedback and key messages from this round of engagement will be considered by the design team. These findings will play a key role in shaping and informing the development of the design proposals ahead of the corporate director submitting a planning application later in the year.

6. Financial implications

6.1 The report includes detailed financial information in paragraphs 4.9 to 4.29 based on the updated business case that shows £65 million capital investment. The table at paragraph 4.14 shows 4 scenarios giving a net revenue impact of between £0.550 million per annum to £1.340 million per annum.

6.2 The capital cost of the scheme includes £6.9 million contingencies and £2.9 million inflation allowance (6%); as the scheme progresses, contingencies will be updated to reflect the level of cost certainty. In addition to the capital cost of the scheme there are a number of key financial assumptions that underpin the 4 scenarios that also represent financial risks: -

- *The Capital receipt from the sale of 60% of the site*. The most recent valuation (including 40% affordable housing) is £26.4 million. This is reliant on grant funding to cover demolition and remediation of the site and is subject to market conditions at the point of sale. This funding will also not be achieved until after the new leisure centre is complete and therefore a higher level of funding will be required during the build period.
- *The expected improved financial performance of the new King Alfred*. This is estimated to be between £1.06 million and £1.450 million per annum. This estimate is reliant on the final design of the leisure centre, customer mix and the financial arrangements with the operator.

- *Grant from Homes England.* Advanced discussions with Homes England and the evidence of support for the 2019 scheme support this assumption. Demolition and remediation is required for the whole site, not just the housing element to unlock the development and therefore could contribute to the estimated £65 million leisure centre cost.
- *The cost of borrowing.* The current assumptions include potential borrowing of between £38.6 million and £47.7 million with ongoing financing costs based on 4.5% annuity of between £1.95 million and £2.4 million per annum. Public Works Loan Board (PWLB) interest rates are currently projected to reduce over the next 2 years and the council's treasury team will aim to minimise interest costs. However there is a risk that PWLB rates do not reduce to this level. If rates are 1% higher, this will increase the financing costs by £0.300 million to £0.400 million per annum.

6.3 During the construction the council will no longer receive car park income from the site of approximately net £0.400 million per annum. Options for mitigating this loss and supporting users of the current leisure centre during the construction period are being explored. Any short term residual loss of income will need to be factored into the Medium-Term Financial Strategy (MTFS) subject to paragraph 6.5.

6.4 The financing costs during construction and the additional short-term funding until the capital receipt is realised will need to be included in the MTFS subject to paragraph 6.5. Every month of delay in realising the capital receipt after the leisure Centre completion will incur an additional £0.100 million interest cost.

6.5 The net costs to the revenue budget, once fully operational of between £0.550 million and £1.340 million with the base assumption being £0.89 million. This ongoing revenue cost along with the short-term costs identified in paragraphs 6.3 and 6.4 will be mitigated through the planned actions included at paragraph 4.24 that will deliver between £0.800 million and £1.250 million per annum both during the construction phase and once operational.

6.6 In July 2024, Cabinet approved £2.7 million to progress the project to planning application stage. The recommendation of this report is to release a further £2.3 million to take the project to planning including some enabling works. This allocations forms part of the overall £65 million project cost estimate. As the project progresses the financial implications will be updated in future reports to Cabinet before any final decision to proceed to contract.

Name of finance officer consulted: James Hengeveld
Date consulted 08/08/25

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 the National Health Service 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.

7.2 In respect of that part of the site to be sold for residential development, the Council has the power to dispose of that part of the site pursuant to section 123 of the Local Government Act 1972 which requires the Council to obtain the best consideration reasonably obtainable. The sale of the land will require a further decision by Cabinet.

Name of lawyer consulted: Siobhan Fry Date consulted: (4/08/25)

8. Risk implications

8.1 A comprehensive approach to identifying, managing, and mitigating risks has been implemented as part of the project management process. This includes regular risk reporting to the project board from the project risk register. The current headline risks for the project are summarised below:

- **Budget:** As described in section 4, the design proposal which includes undercroft parking, an improved facility mix and more realistically priced demolition and enabling works costs requires a larger budget than initially agreed in July 2024. This paper seeks an increased budget, with the risk arising from the greater annual cost to the council mitigated through the new facility's capacity for greater revenue generation as set out in 4.13 – 4.18.

- **Capital receipt**: The financial viability of the project is in part dependent on maximising the capital receipt to be realised from the disposal of the remainder of the site (described in table 1). There is a risk that this could be impacted by changes in market conditions across the residential sector or regulatory changes. As noted in paragraphs 4.10, 4.20, and 4.21, the council commissioned an updated land valuation earlier this summer. This was done to ensure that the financial modelling for the project reflects a credible estimate the capital receipt. The capital receipt used in the paper also assumes full compliance with the council's affordable housing policy. To help ensure the potential capital receipt is maximised officers are in dialogue with Homes England about securing grant funding for the site (see below).

- **Homes England grant funding**. Realising the maximum value for the sale of part of the site for residential development will be dependent on securing grant funding for Homes England to support demolition and remediation works. Grant funding is also being sought to support enabling works for the new leisure centre part of the site. This risk is being mitigated through regular close liaison with Homes England, including site visits, with a view to securing grant funding as described in 4.21 – 4.22.

- **Programme delays / inflationary pressures**. A detailed delivery programme has been developed with the project team and main contractor, based on benchmarks of similar scale schemes and considering project specifics such as phasing, site constraints, coastal location etc. The construction phase of the programme includes suitable time allowances for high winds and downtime for cranes for example. The detailed cost plan contains allowances for inflation based on the overall delivery programme, and those allowances align with Building cost Information Service (BCIS) and other credible industry forecasts. The risk of programme delays (and inflationary pressures) can be considered in two parts; pre-contract and during the construction phase. Should there be any significant delays pre-contract, the risk of inflation increasing as the overall programme elongates remains with the council. Once in contract however, the risk of inflation is passed to the main contractor and only in the event of 'exceptionally inclement' weather would the contractor be granted an extension to the programme. An extension such as this would only allow time, and no additional costs, protecting the council as best as possible.

- **Delays at the planning application stage.** Whilst the planning application will relate only to the sport and leisure centre, not the separate residential development, the complexity of the site and the project could result in delays to the planning determination. This risk is being mitigated by the design team and planning consultants beginning early engagement with the planning authority, including a pre-app meeting on 12 June. The project team also met with the DesignPLACE review panel on 20 June, and feedback from that session has been informing the subsequent iterations of the design. Ahead of the planning application, a further round of public engagement on the proposed designs will take place as set out in 5.13 and 5.14.

- **Practical delivery issues on site.** The complexity and uncertainties associated with the site mean that delays and cost increased could result from issues associated with demolition / enabling works, rerouting of services, maintaining access to the electricity substation and related matters. These risks are being mitigated through site survey work and other relevant investigations commissioned through the design team.

- **Site management**. The constrained site, and proximity of the adjacent the A259 cycleways and groyne replacement projects pose a logistics risk. This risk is being mitigated through liaison with both projects to agree practical solutions. In particular, the project team is working with groyne replacement project team to agree use of the adjacent event space to provide temporary parking capacity.

9. Equalities implications

9.1 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.

9.2 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.

9.3 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, as described 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, and sports clubs oriented to older members.

9.4 Since the appointment of the professional design team in January 2025 further engagement has taken place with groups representing the diversity of the city. Specific activities have included:

- Focus group with representatives of disabled organisations, disabled people's sports clubs, and community groups
- Reference group meetings, with members invited to follow up by sending through details of their requirements to be considered by the design team
- A 'simulation walk' for members of the design team, arranged with the Sussex Sight Loss Council, to help the team understand the needs of visually impaired people.

9.5 From an equalities perspective, the engagement work and EIA have shown that a new facility will provide 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 can be provided with the new facility.

9.6 The findings from the engagement work have informed the development of the current design being presented today. By capturing and incorporating their view, the professional team have sought to ensure that their lived experience has informed the emerging designs, and will continue to do so throughout the design and build stage of the project.

9.7 The design team have also been asked to appoint a dedicated access specialist to review the design of the facility and the regenerated public realm outside

10. Sustainability implications

10.1 Maximising sustainability and energy efficiency are two of the project's central objectives. Sustainability considerations were key in informing the choice of the design team and have continued to be priorities as the design has developed.

10.2 The core design team (GT3 Architects, Engenuiti structural engineers, and Van Zyl & deVilliers mechanical and electrical engineers) previously designed the Eclipse Leisure Centre for Spellthorne District Council – the first Pasivhaus accredited wet and dry sport and leisure facility in the country. In developing the design for the new King Alfred facility, the team have adopted the same sustainability principles they used for the Eclipse centre and other facilities. They have also taken account of learning from those projects.

10.3 One key piece of learning has been the understanding that best value for money can be achieved by applying Passivhaus principles without necessarily satisfying all the conditions for accreditation, some of which can add considerable capital costs which will not be proportionately recovered with future revenue savings. With that in mind, the new facility has been designed to meet the BREEAM 'excellent' standard (a planning requirement) and to reflect the principles of the UK Net Zero Carbon Buildings Standard. The design team and officers feel that approach will offer the optimum balance to deliver a highly sustainable new facility whilst keeping the project affordable and budget-focussed.

10.4 Working with the design team, we have developed a sustainability brief for the construction of the facility. This brief stipulates the requirements against which the main contractor must deliver. The brief sets out the council's commitment to a design which reflects current best practice and forward-thinking approaches in sustainable architecture and engineering. The brief is also clear that the building should visibly express the council's commitment

to a low-carbon, climate-resilient future, acting as a demonstration project for innovation and environmental responsibility within the community.

10.5 Specific requirements set out in the brief include:

- the building must achieve a structural upfront carbon (A1-A5) of no more than 230 $kgCO_2e/m^2$ and a total upfront carbon (A1-A5) no more than the limit set out in the UK Net-Zero Carbon Buildings Standard.

- the operational (B6-B7) and whole life (A1-C4) carbon for the entire building must be assessed and reported. All carbon values must be provided at RIBA Stages 3 and 4, and verified post-completion, using a recognised methodology.

- proposed low-carbon strategies for the new facility must not result in carbon burden-shifting - for example, reducing structural emissions at the expense of significantly increasing emissions in other elements or life cycle stages.

- all materials used in the project must be specified and selected to minimise embodied carbon and environmental impact throughout their life cycle. This includes reducing the building weight by swapping heavy floor/wall constructions for timber, hybrid timber/steel frame to create a lighter building. This not only reduces the carbon impact of the building above ground, but the lighter building weight also enables a lower-carbon foundation to be used. In particular, timber should be considered a primary structural and finishing material where appropriate. This includes the use of cross-laminated timber (CLT), glue-laminated elements, and sustainably sourced softwood.

- the project must prioritise circular economy principles, including selecting materials and systems that allow for future reuse, disassembly, and adaptability where appropriate, utilising reused, reclaimed and repurposed materials, and deconstructing the existing building wherever possible, rather than undertaking wholesale demolition.

- the design and construction must incorporate reclaimed, recycled, and site-won materials wherever technically and economically viable.

- components and materials from the existing building (green roof area) should be deconstructed rather than demolished wherever possible. These materials must be salvaged, sorted, graded, and reused, either within the project or elsewhere.

10.6 In addition to using materials and construction techniques to minimise the embodied carbon in construction, the facility has also been designed to be sustainable in operation. Specific energy and carbon saving innovations and approaches include:

- maximising the benefits of building orientation and form. Building orientation impacts the heating & cooling loads and helps to balance where areas of glazing are useful for internal room use. Locating the pools at the south of the building maximises solar gain for the pool halls, whilst locating the studios and sports hall to the north makes cooler temperatures easier to maintain. The overall compact form of the design minimises thermal losses.
- making best use of thermal zoning. By properly distributing hot - cold zones through the building reduces the temperature differential between spaces. This helps mitigate unwanted internal heat gains and reduces overall system demand.
- investigate the use of micro-filtration system in place of a traditional media bed filtration system for the pool water. This reduced the energy demands by up to 40% in addition to requiring less space in the plant room and reducing the need for chlorine and other chemicals.
- designing-in higher U-Values (which reflects insulation performance). While increased U-values marginally increase the embodied carbon (additional insulation thickness), the payback period on reduced operational energy / carbon can offset this as quickly as 12 months.
- designing-in high levels of airtightness. Up to 40% of all energy usage in a building is through unwanted air infiltration; either through hot air leaking out of the building causing more energy use to reheat the inside space, or through hot air coming in the building causing more energy usage to cool the space. By increasing the air tightness of the building, those losses can be reduced significantly.
- maximising the use of photo voltaic (PV) roof-mounted panels for renewable electricity generation. The roof area will also be planted as a green roof where possible, whilst leaving sufficient space for roof-mounted plant such as air source heat pumps (ASHPs).
- In addition to helping deliver the project's biodiversity net gain requirements, the green roof will complement the PV panels by helping reduce the ambient temperature on the roof and hence improving the panels' efficiency.
- using air source heat pumps (ASHP) to ensure the new facility is fossil-fuel free.

10.7 The decision to use an ASHP system in preference to a ground source heat pump (GSHP) or other alternatives is informed by a feasibility study commissioned with specialist consultants Genius Energy Labs (GEL). Their report concluded that an open loop ground source heat pump (GSHP) system is unlikely to be permitted by Environmental Agency due to the proximity to sea and lack of impermeable layer preventing saline intrusion. Further, it was estimated that the available land is insufficient to locate the required number of open loop boreholes. As such the option of open loop GSHP system using either borehole or seawater was considered unviable.

10.8 The report proposed that a closed loop GSHP system interacting with the ocean is possible in theory but poses many practical challenges.

Construction of sea loop points at the proposed site location would be difficult due to sandy nature of the beach and temporarily disrupt the use of the beach for leisure. GEL advised that although possible to exchange heat with the ocean, they would strongly advise against it for the reasons explained.

10.9 GEL considered the ground capacity local to the site and estimated that to serve the whole development using closed loop boreholes will require a total of 168 boreholes at 12m spacing and a depth of approximately 300m. The constrained sight does not provide adequate space to accommodate this number of boreholes.

10.10 The report concluded with a recommendation use a hybrid of GSHPs with closed loop boreholes for the base load supplemented by ASHPs, or only use ASHPs. GSHPs offer higher efficiencies than ASHPs, but come with significant added complexity and cost. With that in mind, the design team's recommendation at Stage 2 was to proceed with an ASHP based design, with the flexibility to incorporate limited GSHP at a later stage in the design if required.

11. Health and Wellbeing Implications:

11.1 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.

11.2 The Brighton and Hove 'Health Counts' survey for 2024, published earlier this year, provides compelling evidence for the need for a new sport and leisure facility in the city. The report shows that of those surveyed, just 36 per cent had undertaken 150 minutes or more of fitness activity (e.g. gym, fitness class, or dance) in the previous 7 days. Whilst this is definitionally not quite the same as the NHS guidance for '150 minutes of moderate intensity activity a week' it does signal that more can be done in the city to encourage active leisure.

11.3 The business case completed last year examined the health and wellbeing benefits that the new facility could help deliver. This included examining the direct benefits of having more residents participate in active leisure, as illustrated by table 4 below.

Table 4. Physical and mental health outcomes associated with increased physical activity

Outcome	Relationship with 150+ minutes of moderate intensity sport and physical activity
CHD and stroke	35% reduced risk
Type 2 diabetes	40% reduced risk
Breast cancer	20% reduced risk
Colon cancer	20% reduced risk
Dementia	30% reduced risk
Clinical depression	30% reduced risk
Back pain	25% reduced risk

Hip fractures	52% reduced risk
All outcomes	Linear dose-response relationship between fairly active (30 – 149 mins) and a reduced risk of the above outcomes
Good health	14.1% more likely to self-report good health
Sports injury	Increased risk of sports-related injury

Department of Health and Social Care. (2019). UK Chief Medical Officers' Physical Activity Guidelines

11.4 The business case showed that the new facility had the potential to deliver significant social benefits such as reduced instances of cardiovascular illnesses, stroke, diabetes, and as well as economic benefits associated with reduced costs to the exchequer from dealing with the consequences of those outcomes. A summary of those results is set out in the July 2024 Cabinet paper.

Other Implications

12. Procurement implications

12.1 Following Cabinet's decision in July 2024 to proceed with the project the officer team undertook programme of soft market engagement throughout July, August and September officers to investigate and evaluate the procurement approaches available for the professional team.

12.2 That process entailed examining the available procurement frameworks (e.g. Pagabo, Scape, Crown Commercial Service, and others), considering a restricted tender process, engaging with clients who had recently procured architects and professional teams for similar projects, and visiting a number of sports and leisure centres either recently completed or currently in construction including: Spelthorne Leisure Centre (Passivhaus accredited), Cranleigh Leisure Centre, Winchester Sport and Leisure Park, Ravelin Sports Centre and Kingston Leisure Centre and discussing the key learnings with the clients, architects, and contractors.

12.3 The outcome of the engagement was that officers recommended that the architect and professional team for the King Alfred Regeneration Project be procured through the UK Leisure Framework which is accessed through development partner Alliance Leisure. A decision was taken under delegated authority by the Corporate Director City Services to use the framework on 29 October 2024 in accordance with the delegated authority agreed at the July Cabinet meeting.

12.4 Once the procurement route was chosen, officers worked with Alliance Leisure to identify the architect and lead consultants best suited to taking forward the next stages of the design of the new King Alfred facility. From that discussion, a lead professional team was identified which was then considered and agreed by the council's procurement team and the Director acting under delegated authority.

13. Crime & disorder implications:

13.1 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.

14. Conclusion

14.1 Following their appointment at the start of the year, the design team have developed a design for the new King Alfred leisure centre up to concept design (RIBA stage 2). The proposed design reflects the original vision for the facility as set out on the SFIP but adapts that vision to make best use of the site take account of engagement with operators, sports' governing bodies, and the grassroots sports clubs that use the current King Alfred.

14.2 The estimated total project cost for the new facility represents an increase from the proposals set out in the paper presented to cabinet last year. As noted in 4.13, that increase reflects a significantly enhanced specification, a more detailed understanding of the site conditions, a more realistic view of the costs of an undercroft car park, and cost inflation in the construction sector.

14.3 However, whilst representing a great capital cost, the new facility also offers the potential for much greater revenue generation. As explained in 4.10 – 4.11, the work done with our specialist sport and leisure consultants suggests that the new facility stands to generate an annual revenue surplus of £1m. This in turn is projected to make the net annual borrowing costs for the council substantively the same as they would be if a less expensive and commensurately lower specification facility were delivered.

14.4 Cabinet is asked to consider the information set out in this paper and supporting documents and agree that the project proceeds, along with the other recommendations as set out in section 2. With that agreement, the design team will work over the remainder of this year in developing the current design to stage 3 and 4a with a view to the planning application being submitted at the end of the calendar year.

14.5 The regeneration of King Alfred Leisure Centre is a key strategic investment supporting the council's health and wellbeing goals and delivering a high-quality, inclusive leisure facility through a placemaking approach. The project enhances connections between the new centre, surrounding open spaces, and residential areas, while enabling the release of land for much-needed housing. Collaboration with the newly established Seafront Investment Board ensures alignment with broader waterfront regeneration initiatives, securing lasting social, economic and environmental benefits for the city.

14.6 Further updates will be provided to cabinet in line with the project schedule as set out at 4.41.

Supporting Documentation

1. Appendices

1. Appendix 1. General arrangement (GA) floor plans and images of the new facility
2. Appendix 2. Report from the April and May focus group sessions
3. Appendix 3. Summary of key messages from July sports clubs' engagement
4. Appendix 4. Sustainability brief
5. Appendix 5. Red line drawing of area of be demolished as part of the enabling works.

2. Background documents

1. Brighton and Hove City Council Sports Facilities Investment Plan 2021 to 2031.
2. Equalities Impact Assessment (EIA)
3. Avison Young land valuations report June 2025
4. Stiles Harold Williams land valuations report August 2025
5. Continuum Sport and Leisure revenue projections July 2025
6. The Sport Consultancy revenue projections August 2025.