



Wavelengths Leisure Centre – Options Analysis 2024 V2.0

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0.0 Purpose

The purpose of this document is to collate information relating to Wavelengths and provide a detailed options appraisal.

0.1 Summary of document

This document pulls together various source information from surveys, studies, and reports that summarise the current situation relating to investment in Wavelengths and considers options for the next steps.

0.2 Conclusion

Significant investment is being made into Wavelengths as a result of successful bids to UK Government Swimming Pool support funds and shares of Pendle Borough Council funds provided for repair and maintenance and efficiency measures. These works do not overlap with the Town Deal proposals for a modest extension and improvement to facilities.

This investment does however provide a rationale for leveraging it and using the available Town Deal funding of £1.7million to make the additional improvements.

Due to cost inflation and absence of external funds, top-up funding of c£1.1million is needed to afford the original Town Deal proposals which are estimated at c£2.8 million. The more extensive proposals costed at £10million in the Strategic Leisure Pendle Leisure Facility Option Appraisal 2023 do not appear to be affordable.

Therefore it is recommended that a more modest extension, that still achieves targeted Town Deal outputs, but can be built within the £1.7million Town Deal Funding is explored.

1.0 Background and Introduction

Wavelengths is an established leisure pool facility located in Nelson, offering a range of amenities such as a leisure pool, spa facilities, exercise studio space, and a gymnasium.

The facility is a part of the Pendle Leisure Trust (PLT) portfolio, which recently underwent a comprehensive Leisure Review. Part of the review examined various options for investing in enhanced Wavelengths facilities. Wavelengths was also included as a recipient of Town Deal Funding after being a part of Pendle's Town Deal Fund bid. The bid included recommendations for extending the Wavelengths facilities.

The facility has also undergone several reviews of its M&E infrastructure, and there have been successful funding bids to improve this. This document aims to consolidate these various proposals into a single unified report, thus initiating a decision-making process. By doing so, we hope to provide a comprehensive understanding of the various proposals and their potential benefits.

Two current capital projects are being proposed for the development of Wavelengths: This report will compare the features proposed in the original Towns Deal Bid with those proposed by the Leisure Review carried out in November 2023.

2.0 Methodology

Various sources of information including the original Town Deal proposals, the Leisure Review, various surveys, studies and reports relating to various repair and maintenance, renewal and energy efficacy measures, have been reviewed to understand the various proposals relating to Wavelengths.

This information has then been condensed, summarised and tabulated to provide for an overview of how the proposals may relate to each other in terms of complementarity, duplication or otherwise.

3.0 Capital Works

There are currently two capital projects that are being proposed for Pendle Wavelengths. The original Towns Deal Bid from 2022 and the Leisure Review, carried out in November 2023.

3.1 Existing Facilities

PBC leisure facilities have been managed by Pendle Leisure Trust (PLT) since October 2000; in total there are six facilities, however, the scope of this Report only covers Pendle Wavelengths, Nelson.

Pendle Wavelengths is seen as a ‘destination’ and many people travel long distances to use it because of its leisure water attractions including flume and a wave machine. Excluding Inside Spa, the throughput at Pendle Wavelengths is approximately 330,000 people per year, of which 245,000 are using the swimming pools.

This facility must be refurbished and improved if these numbers are to remain healthy, particularly as there are plans for a waterpark development 35 miles away near Manchester.

The Current facility mix for Wavelengths is:

- Leisure Water with flume, ‘beach’ area and wave machine
- 25m x 4 lane swimming pool (linked to pool above)
- Wet side Café
- Fitness Suite (50 stations)
- Studio
- Junior and Women only fitness suite (15 stations)
- Inside spa with café offer

While these leisure facilities, with the location of Wavelengths, is very advantageous to the local community, its size, age, and condition do not make it an efficient building to run.

3.2 Town Deal Bid

The Healthy Town project brings together an integrated package of interventions to address poor resident health outcomes and improve town centre vitality. This covers improvements to the facilities within Nelson's Parks, which is outside the scope of this report, and a capital project in Wavelengths.

In respect of Wavelengths, the Healthy Town proposals consist of:

- Investment in the leisure/fitness offer at Pendle Wavelengths through new enhanced facilities including a fitness room, fitness studio for under 16s, interactive fun activities and upgraded water features

These actions are expected to deliver the following direct project outputs:

Output Indicator	Total
Number of improved community / sports centres	1
Volunteers	20

Following the direct outputs will lead to the following outcomes:

Outcome Indicator	Total
Increased Attendance (adult)	82,200
Increased Attendance (youth)	25,200

In addition to these mandatory outputs and outcomes there are also wider benefits that cannot be monitored by the Town Deal – these being:

- **Improved health outcomes for Nelson's residents** – encouraging exercise among previously inactive residents would be expected to drive numerous health benefits, with knock-on economic and social benefits.

However, health outcomes are difficult to attribute causally and hard to monetise in the absence of data on the existing health of additional users of the improved leisure Wavelengths facility and parks.

This makes accurately monetising these second order effects, and disentangling them from the wellbeing impacts recorded in the HACT data, disproportionate for a project of this size.

- **Savings to the NHS** – following the above argument that health improvements will follow increased exercise and this is expected to generate benefits to residents, this will also reduce pressure on the NHS.

Although at this scale this may not be cash releasing i.e. leading to a reduction in overall NHS spending, the reduced pressure on services at the margin will allow constrained services to offer more effective or higher impact from the same budget increasing its cost-effectiveness.

Specifically, the investment in Wavelengths will fund an extension to the east of the reception area to house the following new proposed facilities:

- New Functional Studio and multi-use activity space (133m²)
- New specialist Junior Gym facility (50m²)
- Breakout Space (25m²)
- New Water Features to the Pool Beach area.

*Please see Appendix 1 for the proposed extension for Pendle Wavelengths through the Town Deal Programme.

Work Scope

The following is a list of the works that fall under the scope of the Nelson Town Deal Funding:

- An asbestos survey and all asbestos-containing materials to be removed from the area of work.
- Existing M & E Services are to be isolated and stripped back as necessary
- The existing Nail Bar is to be removed and relocated to enable new access to the extension
- Existing floor finishes are to be stripped out
- New concrete strip and pad footings support to the structure of the new extension
- New surface water drainage is to be provided from the roof area connecting into existing services
- Existing manholes in the new extension area are to be raised with new covers
- New reinforced concrete ground bearing slab - Extension
- Steel structural frame – Extension
- New masonry cavity walls – Extension
- New PPC aluminium insulated double-glazed curtain wall

The proposed extension and refurbishment of Wavelengths, facilitated by the above works, will allow for a range of new activities to be provided in Nelson, as indicated in the table below.

The nature of these activities, their pricing, and engagement around the changes to the facility are designed to ensure that currently inactive groups are attracted to undertake regular physical / fitness activity at Wavelengths.

Fitness Activity	Description
Biocircuit Technogym	<ul style="list-style-type: none"> Tailored workout using varying forms of resistance The technology – once the user is logged in, Bio circuit guides them through their functional circuit training workout recording their speed, stamina and strength Aims to help users lose weight, improve muscle definition, stay young and boost performance
PRAMA	<ul style="list-style-type: none"> Unique circuit training programme controlled by software combining music, videos, mood lighting, interacting flooring and high intensity group training Play-based training that can be adapted to any individual need Extensive library for users to choose from Solo, group or instructor led workouts focusing on HIIT, strength, speed, agility and power
Play Lü	<ul style="list-style-type: none"> Designed around compelling activities and tool that engage children The various application on the software help children to develop a range of key skills (e.g. mental math skills, sustained attention & focus, sequencing, team building, speed, accuracy & agility) Rigorous approach to all content development, which integrates core components of whole child development Methodology based on the highest standards from the International Baccalaureates and leading research

3.3 Leisure Review 2023

Strategic Leisure Limited (SLL) was appointed by Pendle Borough Council (PBC) (as part of the Alliance Leisure team), in September 2023, to undertake a facility options appraisal on the existing three PBC wet and dry leisure facilities

Three aspects are considered within this report in terms of potentially improving the leisure portfolio; these are:

- Additional income generation through refurbishment, including associated investment costs
- Decarbonisation works to support carbon net zero targets
- Potential future management options for PBC's leisure portfolio.

3.3.1 Additional Income Generation through Refurbishment

The recommendation from the Leisure Review is that all existing attractions and areas in Wavelengths be refurbished with new facilities added:

- An extension of the fitness suite (additional 40 stations)
- A new multipurpose studio
- A new spin studio (within current footprint)
- New flume (within current footprint)
- New splashpad (within current footprint)

3.3.2 Decarbonisation Works to Support Carbon Net Zero Targets

Alongside the new capital works, the leisure review also looks into the potential of decarbonising the existing installation.

There will be more detail on this in section 4.0, however, to give an understanding of the costs, here are the suggestions for decarbonising.

- Heating – replace the existing gas-fired boilers with air-source heat pumps
- Front house heating and cooling via VRF / DX
- Hot Water – replace existing gas-fired hot water heaters with storage calorifier fed from a lift unit served by the main air source heat pumps.
- Air Handling Units – Replace with new high-efficiency heat recovery air handling units
- Lighting – replace all existing fluorescent lighting with LEDs
- Photovoltaic (PV) cells will be provided on the roof, the extent of PV will be determined during the next stage of the work

3.3.3 Potential future management options for PBC's leisure portfolio

This section is not relevant to this report.

3.4 Capital Works Options

The table provided below presents a comparison of the features that were initially proposed for Wavelengths in the original Towns Deal Bid, with those that were later proposed by the Leisure Review conducted in November 2023.

Towns Deal Business Case	Leisure Review Recommendations*
<p>Refurbishment, remodelling and a single storey extension to the east of reception area to house new facilities:</p> <p>Ground floor:</p> <ul style="list-style-type: none"> • New Functional Studio and multi-use activity space (133m²) • Breakout Space (25m²) • New specialist Junior Gym facility (50m²) <p>Refurbishment</p> <ul style="list-style-type: none"> • New Water Features to the Pool Beach area. 	<p>Refurbishment, remodelling and a two-storey extension to the east of reception area to house new facilities:</p> <p>Ground floor:</p> <ul style="list-style-type: none"> • Side Extension, remodel of reception area and offices to create a new reception with social space and entrance lobby • New fitness studio / flexi space • Remodelling of the male and female dry changing areas <p>First Floor:</p> <ul style="list-style-type: none"> • Remodel of first floor: <ul style="list-style-type: none"> • New spin studio • New junior gym • Extend and refurbish existing gym <p>Refurbishment</p> <ul style="list-style-type: none"> • Refurbish dance studio • Pool Hall to be refurbished • Main corridor to be refurbished
Estimated Costs	Estimated Costs
c£2,800,000	c£10,000,000

*A Breakdown of these interventions are outlined in the stage 1 report 2023.

Blue text shows equivalent proposals

Cost estimates from Wavelengths Town Deal Business Case and Leisure Review respectively.

Town Deal Business Case costs increased by 25% to allow for cost inflation 2021 -2024

4.0 Improvement Works

To better understand the current issues that are affecting the Wavelengths Leisure Centre, a series of surveys were commissioned, these are tabulated below:

Survey	Future Works Cost	What it will provide
RWS Roof Condition Survey	£12,500 – £17,500 Excluding VAT	<p>Existing Building</p> <ul style="list-style-type: none"> • Repair localised damage to sheets – 3nr. small splits / punctures. • Clean and clear all gutters. Continue twice yearly. • Repair gutter joints, both the main gutter and shared gutter. • Replace missing hip flashing's (2nr.). • Repair angle flashing at interface between roof sheets and glazing (repair joints). • Renew seal to penetrations (4nr.) using high-performance coating, or rubberised flashing (to flues).
	£5000 – Excluding VAT	<p>New Extension</p> <ul style="list-style-type: none"> • Clean and clear gutter. Continue twice yearly. • Clean roof sheets using low-pressure washer and/or soft brush and soapy water. • Replace fixing capping's where missing (200 nr.). • Clean off existing low-grade coating repairs, which are generally ineffective. Apply suitable coating treatment.
SWBC – Schedule of Conditions & Planned Maintenance Schedule	Immediate Works £136,370	<p>Priority items identified as 'Poor' in the report:</p> <ul style="list-style-type: none"> • Windows are deteriorating with minor damage • Doors deteriorating with rust evident • Walls are deteriorating with significant damage • Road at elevation 1 deteriorating with potholes • Yard (access to footbridge) significant damage to concrete surfaces, out of level • Garden Walls individual perished bricks, open mortar joints • Surface Water Drainage, several gullies are blocked. • Fixtures and fittings have deterioration • Floor heavy wear on the carpet tiles.

		<ul style="list-style-type: none"> • Low light levels generally • Damage to M& E AC cassettes • M & E – rusting on radiators • Ceiling has water ingress staining and several tiles missing • Sanitary (DILAP) – WC noted as out of order / 2 x WC removed • Metal Stair and deck has rusting evident
	Other Works £495,297	<p>Things to note/poor condition:</p> <ul style="list-style-type: none"> • Windows • Doors • Air conditioning • Floors have heavy wear • Lights are low levels generally • Fixtures and fittings - general age • Minor rust on radiators • Toilets
CGP / MEP – M & E Report	Recommended £395,000	<ul style="list-style-type: none"> • LV Panel - £90,000 • Distribution Boards - £25,000 • Sub Main Cabling - £15,000 • Final Circuit Wiring - £15,000 • Internal Lighting - £49,000 • Emergency Lighting - £20,000 • External Lighting - £25,000 • Small Power and Data - £45,000 • Security Systems - £36,000 • Fire Alarm - £25,000 • Lighting Protection - £15,000 • PA System - £15,000 • Assistance Alarms - £10,000 • Electric to M & E - £10,000
	Observations - £478,000	<ul style="list-style-type: none"> • Water Meter - £1,500 • Gas Pipework - £2,500 • Gas Shut Off - £7,500 • Temp Sensors - £4,500 • Cold Water Booster Set - £7,500 • Wall Water Heaters - £8,000 • Spa Water Heaters - £25,000 • Insulation - £14,000 • Circ Pump - £2,500 • Spa Boiler - £2,500 • Heating Pump - £2,500 • Heating Pump - £3,500 • Expansion Tank and Unit - £10,000 • All Heating Pipework - £95,000

		<ul style="list-style-type: none"> • Café AC - £10,000 • Spa AC - £80,000 • Laundry Discharge - £1,500 • Pool AHU System - £125,000 • Safe Access AHU - £10,000 • Extract Diffusers and Grilles - £7,500 • Reseal Ducts - £2,500 • Control Panel - £15,000 • Field Sensors and Controls - £15,000 • Field Wiring - £25,000
FT Leisure – Pool Plant	£16,660	<ul style="list-style-type: none"> • Replacement Grill - £1500 • Replacement lid, nuts and bolts on strainers - £2000 • Upgrade of the pumps • Pipework - £3000 • PAC System and injector point - £1000 • Flowmeters installation - £2500 • Filter Instrumentation replaced / Recalibrated - £500 - £1000 • Plantroom Support bracketry - £2000 • Eyewash and drench shower - £2500 • Water Testing Equipment - £600 <p>In addition to this, it has been recommended to look into UV for disinfecting process – this would cost an additional £15 – 20,000. Also, RegROUT of tiles or GRP line to the tank - £40 – 60K</p>
APSE – Heat Decarbonisation Plan	£1,603,700	<ul style="list-style-type: none"> • Triple Glazing - £140,000 • ASHP (space Heating) - £1,071,500 • HT-ASHP (DHW) - £203,000 • 152.5kWp solar PV - £152,800 • LED Lighting - £36,400

5.0 Funding Summary

The section below outlines the current funding available for the projects as well as the costs for capital projects and improvement works.

The subsequent section aims to provide an overview of the funding currently available for the ongoing projects, along with the costs associated with capital projects and improvement works.

5.1 Capital Projects Funding

At present, the only confirmed funding available for the capital projects is the Town Deal Funding of c£1.7 million.

It is worth noting that the funding for the leisure review proposals is wholly dependent on borrowing. However, certain aspects of the leisure review project that are related to the decarbonisation of the facility may be eligible for funding, as outlined in section 5.2.

Generally, improvement works are required in addition to either the Towns Fund or the Leisure Review offer as these remodelling proposals do not tackle the repair, maintenance, health and safety or M & E issues (other than in respect to energy efficiency through decarbonisation as above).

5.1.1 Town Deal Proposals

This project has gained £1.7 Million from the Towns Fund to enhance Pendle Wavelengths Leisure offer. A summary of the original 2022 costs for the proposed extension is tabulated below:

Category	Cost
Construction Works	£960,000
Pelims	£240,000
Overheads, profit, Contingency	£130,000
Design Fees	£158,900
<i>Prima Studio</i>	£103,000
<i>TechnoGym Biocircuit</i>	£90,000
<i>Play Lu Interactive</i>	£16,500
<i>Additional Water Features</i>	£120,000
Equipment	£329,500
Project Delivery Fees	£129,425
Inflation	£57,600
Sub total – Wavelengths Costs	£2,006,225

**This project is 100% Capital-funded with no additional long-term revenue expenditure identified. These figures were set out in 2022 and therefore are liable to increase.*

The above cost plan excludes some additional external works to extend the parking provision. It is believed that this will be a planning requirement of the extension works and these costs are summarised in the table below.

Category	Cost
New car parking including renewal of existing areas retained	£150,000
Contractor Prelims	£37,500
Contractor Overhead and profit	£11,250
Contractor design and risk contingency	£22,500
Development / project management fees – Alliance Leisure	£13,828
Uk leisure Framework Access Fee	£1,152
Sub-total Parking	£236,230

Based on the above tables, the total cost of the Pendle Wavelengths extension, including the external works, is £2,242,455. These costs are exclusive of VAT and inclusive of inflation (but please see starred comment above). A contingency of 5.0% of construction costs has been included for the main construction works. Contractor design and risk contingency of 15% of car parking costs have been included for the external works.

However, the updated cost estimates allowing for 25% increase in costs since 2022 bring the costs up to £2,803,069. This means that top-up funding of £1,071,920 from Pendle Borough Council would be required. The original match figure shown in the Hatch Healthy Town, Town Deal Business Case for the project showed a match requirement of £511,306. The report states that the source was to be Sport England – but as Section 5.2 shows there is no Sport England or other external funding available.

The basic revenue forecasts for the new facilities resulting from the Town Deal investment show an increased income of c£85,000 per annum achieved through increased user numbers which are reflected in target outcomes from the scheme. These outcomes would have to be achieved as a result of any investment of the Town Deal funding in Wavelengths. This increase of £85,000 in revenue is against a current annual loss at Wavelengths of -£88,000 according to the Leisure Review proposals which are outlined in the next section.

5.1.2 Leisure Review Proposals

There are currently very limited capital funding sources for leisure projects. Sources include:

- Towns Deal Fund (£1.7m allocated for Pendle Wavelengths)
- Local authority Reserves / Prudential Borrowing
- S106 or CIL (where applicable)
- Sport England Place Funding 2023 (£250m across 80-100 identified places in England)
- Sport England Funding (other smaller pots)
- Capital from leisure operators as part of a procurement process (could be a specified amount or project, or secured through a DBOM approach where an operator puts together a consortium to design, fund and operate a new facility over a long-term contract) but likely to be less than £3m
- Alternative funding models based on private equity sources (yet to be successfully implemented in the UK leisure market)

The overall project fees for Pendle Wavelengths based on PPM (£1,111,662) and refurbishment and extension costs (£8,939,283) equates to £10,050,945. Based on £1.7m from Towns Deal, and the remaining £8,350,946 being prudentially borrowed, the capital cost repayments will be £552,539 per annum.

Consideration	Cost
Capital Cost	£10,050,954
Grant	£1,700,000
Figure to be prudentially borrowed	£8,350,954
Annual Pru borrowing repayment for PBC (MRP)	£552,539

In the leisure review, we see a breakdown of the revenue position for Pendle Wavelengths that is not available in the Town Deal proposal. Currently, the facility operates at an annual deficit of -£88,944.

Through the development of the new facilities, there could be additional income of £327,260 and additional expenditure (predominantly staffing and premises costs) of £189,520, resulting in an operational surplus of £137,739 (for the new facility developments).

Pendle Wavelengths - current position

Pendle Wavelengths	Revenue Position
Income (current)	£1,362,383
Expenditure (current)	£1,451,327
Total profit / (Loss)	(£88,944)

Based on the current loss of -£88,944, the new facilities would improve the overall financial position of Pendle Wavelengths resulting in an overall operational surplus of £48,795; there would also be a reduction in utilities costs of £27,025 based on the MEP works. However, these improvements do not cover the cost of finance and result in the annual deficit worsening to an annual loss of -£477,719 after the cost of borrowing has been taken into account.

Pendle Wavelengths – Impact after refurbishment

Refurbished Pendle Wavelengths	Revenue Position
Income (refurbishment)	£327,260*
Expenditure (refurbishment)	(£189,520)*
Total Profit / (Loss)	£137,739*
Improved revenue position (facilities)	£48,795
Utilities reduction due to refurbishment (15%)	£27,025
Overall Revenue Position	£75,820
Cost of Finance	(£553,539)
Net Position per Annum	(£477,719)

* Based on new facilities only

5.2 Improvement Works Funding

This is the current funding situation for the improvement works required as identified in surveys outlined in section 4.0

During the Leisure Review, PBC secured additional funding for Pendle Wavelengths. Please refer to the table below.

Fund	Allocated Amount	Notes	Survey
Sport England – SPSF Capital	£342,126	This Grant will cover <ul style="list-style-type: none"> PV Panels Upgrade pool hall windows to triple glazing LED lights 	APSE Heat Decarbonisation Plan (partial implementation)
Sport England – SPSF Revenue	£233, 973	This funding is revenue only.	N/A
PBC Capital Programme	£94,400 (Wavelengths allocation from £1,000,000)	<ul style="list-style-type: none"> LED Lighting £36,400 Variable Speed Fans £50,000 Upgrade to VSDS £8,000 	<ul style="list-style-type: none"> Allocated for energy conservation. This also may be used as match funding for the bid to the PSDS fund (see 5.3.1)
PBC	£160,000 (Wavelengths allocation from £772,000)	<ul style="list-style-type: none"> Minor works to car park surface and forecourt Pavers - £5,000 Re-surface entrance area of the service car park - £11,000 Wave Machine / Pool tank wall repairs - £12,000 Wave Machine - £97,000 Poolside Balustrade / Safety Rail Replacement - £3,500 	<ul style="list-style-type: none"> Allocated for critical health and safety measures for the centre.

This funding has been allocated to Wavelengths to investigate the health and safety concerns for the building and what is possible to make it more carbon-friendly and reduce costs.

5.3 Potential Funding

As part of the Leisure Review process, a funding assessment was requested by Members to identify any external funding streams that could potentially help contribute to the identified capital and revenue needs of the three centres. Gill Dickson (Programme Manager of the Policy Team at PBC) has put together a table identifying them below.

5.3.1 Public Sector Decarbonisation Programme (PSDS) - Decarbonisation Funding

The programmes provide funding to enable the delivery of capital energy efficiency and heat decarbonisation projects within public sector non-domestic buildings, including central government departments and non-departmental public bodies in England. For Wavelengths it gives an opportunity to fund some of the decarbonisation measures identified in the Leisure Review proposals.

PBC are currently preparing for the next round of PSDS and have had Heat Decarbonisation Plans completed for the three primary sites. These plans have identified approximately £6.5 million worth of improvements.

There would be a minimum of 12% match required plus an equation based on the total carbon saved. We would also need to have Distribution Network Operator (DNO) surveys done and if improvements were required to the energy infrastructure to supply the new kit this is likely to be anything between £20K and £250K.

Based on current rates this would provide an estimated saving of £57K a year on energy.

Further funding has now been agreed to progress this work: to prepare an application to the DNO so we can determine how much improvements to the infrastructure is needed and to part fill out a PSDS application to determine exactly what match would be required.

The next PSDS funding round likely to be announced in Autumn 2024, with applications opening in Nov 2024. Successful applicants likely to be notified in Jan 2025 for project delivery in 2025/26

Fund	Allocated Amount	Notes	Source
PSDS	Unknown	<ul style="list-style-type: none"> Heating – replace the existing gas-fired boilers with air-source heat pumps Front house heating and cooling via VRF / DX Hot Water – replace existing gas-fired hot water heaters with storage calorifier fed from a lift unit served by the main air source heat pumps. Air Handling Units – Replace with new high-efficiency heat recovery air handling units Lighting – replace all existing fluorescent lighting with LEDs Photovoltaic (PV) cells will be provided on the roof, the extent of PV will be determined during the next stage of the work 	The Leisure Review

5.3.2 Other

Please find below a table that outlines additional funding opportunities. This information has been provided by Gill Dickson.

Funding source	Funding details	Is this funding secured?	Notes
Sport England Swimming Pool Fund (Phase 1)	To support facilities with swimming pools with increased cost pressures, leaving them most vulnerable to closure or significant service reduction.	Yes - Wavelengths £233,973	Delivery Oct 23- Oct 26.
Sport England Swimming Pool Fund (Phase 2)	To contribute to capital investment to improve the energy efficiency of public facilities with pools in the medium to long term.	Yes: £342,126 secured for Wavelengths	3 applications were submitted* totalling £2.4 million: <ul style="list-style-type: none"> • PLC- £920k • Wavelengths- £800k • West Craven- £700k
Nelson Town Deal Funding	Town Deal funding 2022- 2026 Initially secured for the extension of Wavelengths	£1,731,149 committed	Not for operational costs. The capital funding has been earmarked for Wavelengths.
S106/ The Community Infrastructure Levy (CIL) (capital)	<p>S106 contributions are negotiated between the local authority and the developer and can pay for anything from new schools or clinics to roads and affordable housing.</p> <p>CIL is different to S106 payments in that it is levied on a much wider range of developments and according to a published tariff schedule. This spreads the cost of funding infrastructure over more developers and provides certainty as to how much developers will have to pay. It is simpler and more transparent and is now the preferred method for collecting pooled contributions to fund infrastructure.</p>	No	<p>Very limited scope to access S106 capital for leisure infrastructure as very little development on the horizon.</p> <p>We do not have a CIL levy but Government has signalled its intention to make it mandatory. That will take several years though so we won't be in a position to access CIL any time soon.</p>

Long Term Plan for Towns	<p>£20 million of endowment style support over 10 years. The 3 priority themes are:</p> <ul style="list-style-type: none"> - Transport & connectivity - High Streets, Heritage and Regeneration - Safety and Security 	No	<p>A prioritised investment plan needs to be submitted to government by 01/08/24. This will be prepared over the Spring/Summer period. No decision has yet been made about the priorities in this plan. Any leisure proposal would need to be aligned to priority theme(s). The funding would have to be directed at a Nelson leisure centre.</p>
Community Ownership Fund	<p>The Community Ownership Fund is a £150 million fund over 4 years to support community groups to take ownership of assets which are at risk of being lost to the community.</p> <p>Grants of up to £2 million available (although £250k tends to be typical grant value)</p>	No	<p>Only applicable should leisure undergo an asset transfer model</p> <p>Closing date: 31 March 2025</p>
UK Fund	<p>This fund is to help communities come together and help make us a better-connected society. Projects will need to :</p> <ul style="list-style-type: none"> strengthen relationships between people whose experiences of life have not been the same. create connections between online and offline worlds help make sure people from all backgrounds can shape the future of their communities. <p>It aims to fund ambitious projects that aim to create longer-term, transformational change. It takes an equity-based approach to tackle</p>	No	<p>Although the fund can cover operational costs, only a small element can be directed to capital.</p> <p>This appears to be one of the largest funding sources available. It will not fund statutory activities and activities that replace government funding though. Additionally, it's unlikely that the fund can be used to sustain traditional leisure centres. We would need to be creative in our approach should we</p>

	<p>inequality, investing in areas of greatest need. Funding size: £500,000 to £5m Length of grants: 2 to 5 years although may consider funding for up to 10 years.</p>		want to pursue this funding source.
Sport England investment	<p>Sport England was contacted about their funding position. The Strategic Lead – Major Capital Investment Projects at Sport England and Place Relationship Manager provided a statement:</p> <p><i>Should any future funding be available we will prioritise places that have utilised our strategic approach to capital investment i.e. that have provided a robust evidence base that support recommendations. This is an essential part of developing an understanding of the needs of communities, inequalities and the barriers which need to be overcome to deliver co-created solutions which help to create more active, healthier, and happier communities. Furthermore, our Future of Public Sector Leisure work is re-focusing the purpose of public leisure investment and a rethinking of the approach to infrastructure and services provided in the areas in which we invest and work. This will help to stimulate and underpin investment in Places to provide facilities and services which are tailored to the needs of communities Future of public leisure Sport England</i></p>	No	<p>Any future requests for Sport England finance would need to demonstrate alignment with Sport England's strategic approach to leisure and follow the recommendations from the three recent leisure reviews including the initial review which followed Sport England's Strategic Outcomes Planning Model framework.</p> <p>Any Sport England investment would be considered on a case-by-case basis. Capital funding of up to £2m could potentially be accessed for programmes aligned to their strategic approach.</p>

*Some of the work outlined in the PSDS section is included in the SPSF applications.

6.0 Summary of Findings

- The proposals for investing the £1.7 Town Deal funding into Wavelengths do share some common facets with the more ambitious Leisure Review proposals. The Town Deal proposals will require top-up funding of just over £1million.
- There is little prospect of significant external funding for a capital works project and therefore the more ambitious proposals for Wavelengths arising from the Leisure Review would require borrowing of circa £10million and the improved revenue position arising from the investment would not cover the cost of borrowing, resulting in an annual deficit.
- Some of the decarbonisation measures proposed in the Leisure Review may be able to be funded by the Public Sector Decarbonisation Programme (PSDS)
- The current proposed works funded by the SPSF funding and its allocated share of the £1million PBC funding will provide for energy savings in running Wavelengths.
- The current proposed works funded by Wavelengths' share of the PBC's 'emergency funding' of £772,000 for its Leisure Centres will fix some urgent issues including the provision of a new wave machine.
- When considering the scope of works achieved from the combined proposals of the SPSF fund, the share of the £772,000 emergency funding and £1,000,000 efficiency fund - and the potential decarbonisation funding - there appears to be little overlap with the Town Deal proposals. In other words, these works do not offset, in any significant way, any of the costs associated with the Town Deal proposals.

- The value of the combined investment into Wavelengths achieved by the various proposals could be significant:

Town Deal	£1,731,149	Extended, new and improved facilities
SPSF	£ 342,000	PV Panels, Triple Glazing to Pool Hall
Share of £772,000 (PBC)	£ 160,000	Wave Machine / Pool Tank Repairs
PSDS (estimate)	£ 250,000	Extensive energy efficiency measures
<u>Share of £1,000,000 (PBC)</u>	<u>£ 94,400</u>	<u>LED Lighting, Variable Speed Fans</u>
Total	£2,577,549	

- This total investment could leave Wavelengths more energy efficient, with items identified as urgent and 'poor' in its most recent condition survey fixed, a new wave machine and new extended facilities. It will increase revenue without significantly adding to PBC borrowing.
- However, the original Town Deal proposals require around a further £1.1million top-up from PBC, which may be considered unaffordable. It is proposed therefore that the Town Deal proposals be revisited to see if a more modest extension, that still provides the facilities to meet the Town Deal outputs in terms of user numbers, can be delivered within the available budget of £1.7million.

7.0 Recommendations

Explore options for budget compliant extension that will provide sufficient facilities to meet Town Deal target outputs.

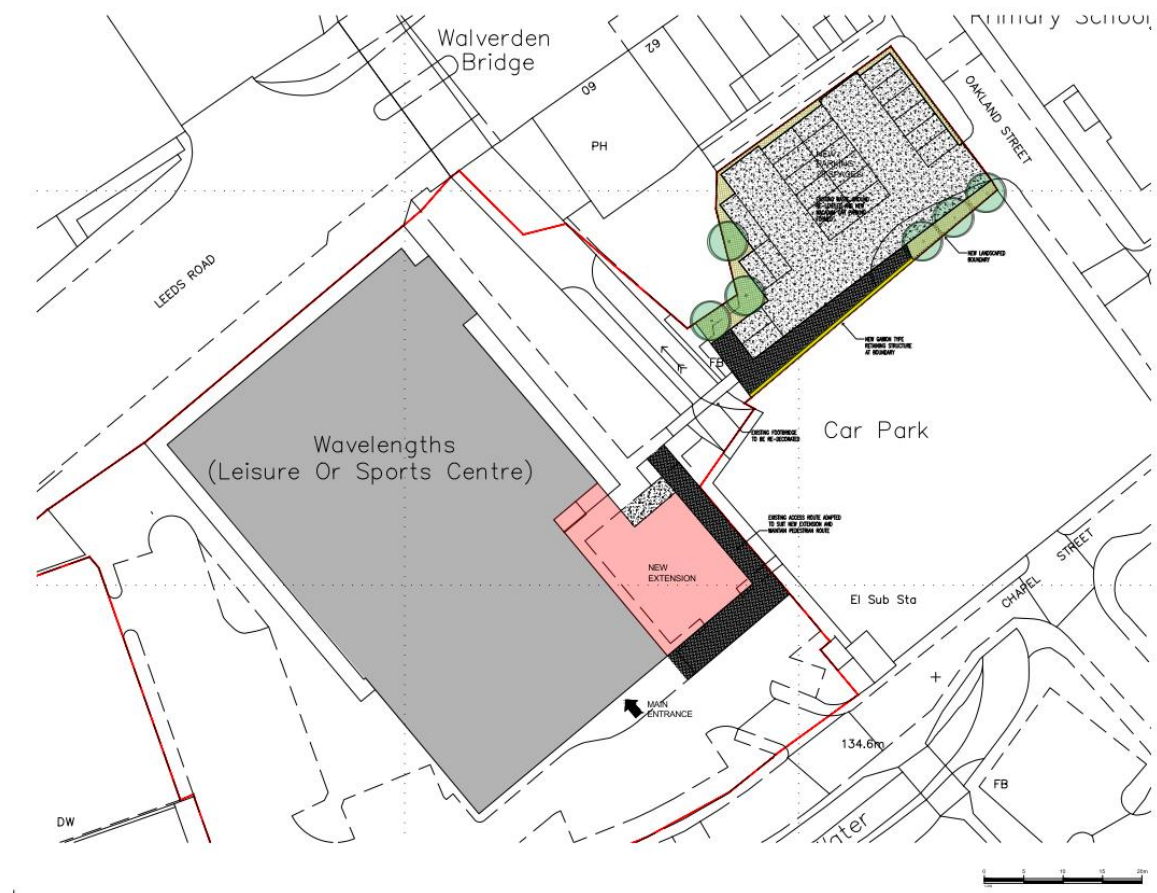
Confirm revenue projections based on revised proposals and increased usage in line with Town Deal targets.

Establish projected running costs savings following SPSF, PBC and PSDS* (**if approved*) funded works packages.

Confirm improved revenue position for Wavelengths resulting from above.

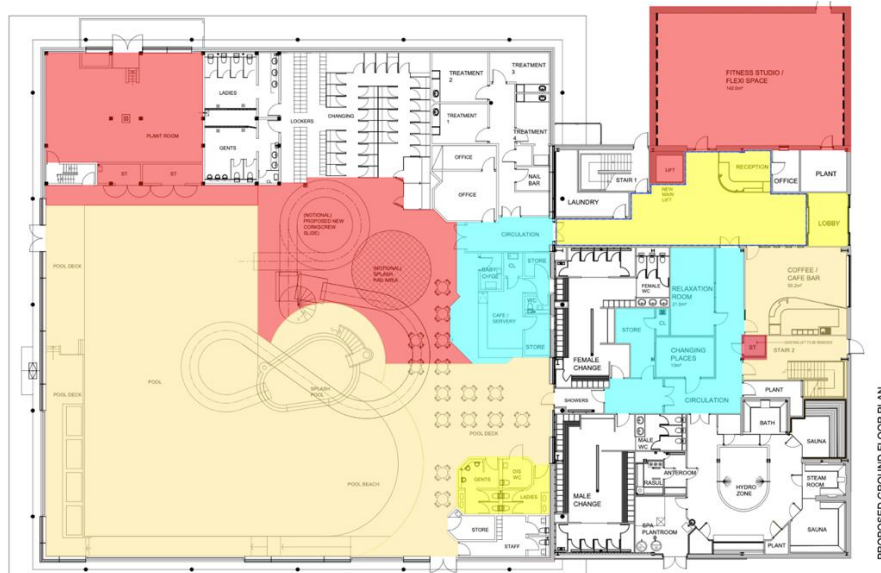
Appendices

Appendix 1 – Nelson Town Deal Proposed Extension at Pendle Wavelengths

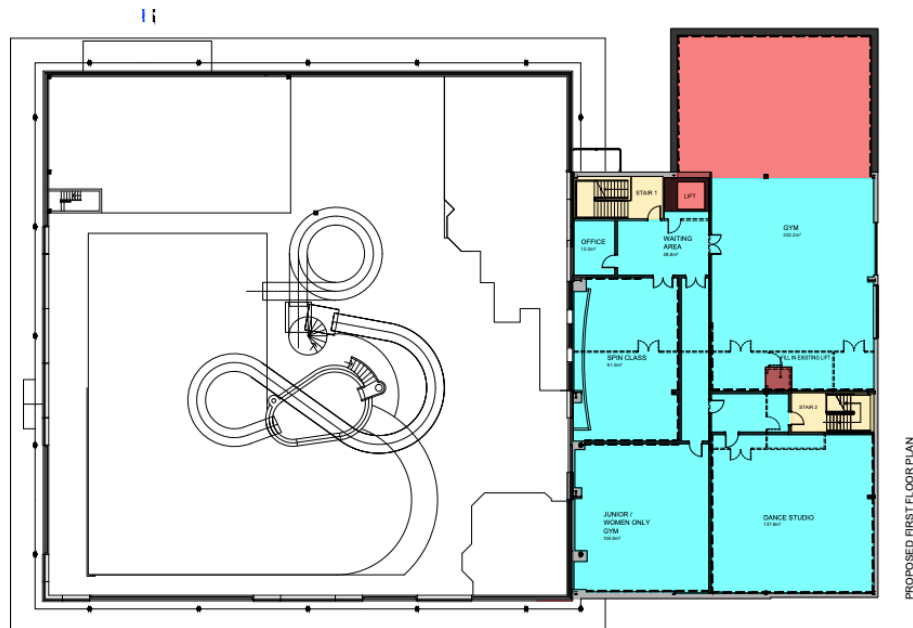


Appendix 2

Pendle Wavelengths refurbishment (Ground floor)



Pendle Wavelengths Refurbishment (First Floor)



*Colour Key: Beige – light touch redecoration. Yellow - light touch alteration. Blue – significant alterations. Red – major alteration.