

# The City of Edinburgh Council

10.00am, Thursday 3 May 2018

## Spend to Save Funding – Craiglockhart Leisure and Tennis Centre - referral from the Finance and Resources Committee

Item number	8.5
Report number	
Wards	All
Council Commitments	

### [Executive summary](#)

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On 27 March 2018 the Finance and Resources Committee considered a report on the requirement for spend to save funding of £285,259 for Craiglockhart Tennis Centre to support the provision of six all-weather, floodlit tennis courts. The report has been referred to the City of Edinburgh Council for approval to use spend to save funding of £285,259.

# Terms of Referral

## Spend to Save Funding – Craiglockhart Leisure and Tennis Centre - referral from the Finance and Resources Committee

### Terms of referral

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- 1.1 Craiglockhart Leisure and Tennis Centre (CLTC) was managed by Edinburgh Leisure (EL) on behalf of the Council. The venue was under increased pressure to meet the needs and balance out the demand from coaching programmes, club lets and public bookings. In the winter months, the demand for indoor courts was oversubscribed. The outdoor courts were ineffective at removing surface water, and following heavy rainfall or low temperatures, there were rendered unplayable for long periods of time, and play was therefore limited. Maintenance costs currently surpassed income generated.
- 1.2 The preferred option identified by the team was to add an additional outdoor court to create six outdoor courts, as required by the Lawn Tennis Association (LTA) to host tournaments, to extend the hours of play through the introduction of floodlighting and to move to all year round play through a modern synthetic clay surface, with lateral and perimeter drainage that could cope with the climate and provide a high-quality playing experience for intensive public use whilst being the preferred surface for performance players and tournaments. The request was to use Spend to Save funding of £285,259 for these works.
- 1.3 Income expected to be generated from the new all-weather courts was estimated at £51,000 per annum, compared to £4,000 from the existing clay courts. Additionally, running costs that included those related to the provision of floodlights, were estimated to be £20,000 lower than the costs of servicing the existing clay courts.
- 1.4 The Finance and Resources Committee agreed:
  - 1.4.1 To approve the Spend to Save application in respect of Craiglockhart Leisure and Tennis Centre from Edinburgh Leisure.
  - 1.4.2 To refer the report to the Council for approval for use of the Fund.

### For Decision/Action

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- 2.1 The City of Edinburgh Council is asked to approve the use of £285,259 of Spend to Save Funding for Craiglockhart Tennis Centre to support the provision of six all-weather, floodlit tennis courts.

## Background reading / external references

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Finance and Resources Committee 27 March 2018.

### **Laurence Rockey**

Head of Strategy and Insight

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## Links

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### **Appendices**

Appendix 1 - report by the Executive Director of Resources

# Finance and Resources Committee

10.00am, Tuesday, 27 March 2018

## Spend to Save Funding – Craiglockhart Leisure and Tennis Centre

<b>Item number</b>	7.8
<b>Report number</b>	
<b>Executive/routine</b>	Executive
<b>Wards</b>	
<b>Council Commitments</b>	39 – put exercise at the heart of our health strategy by increasing access to sport and leisure facilities

### Executive Summary

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This report sets out a request for spend to save funding of £285,259 for Craiglockhart Leisure and Tennis Centre, to support the provision of six all-weather, floodlit tennis courts. The project has a 4.25-year payback period.

## Spend to Save Funding – Craiglockhart Leisure and Tennis Centre

### 1. Recommendations

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- 1.1 It is recommended that members of the Finance and Resources Committee:
- 1.1.1 Consider the Spend to Save application in respect of Craiglockhart Leisure and Tennis Centre (CLTC) from Edinburgh Leisure (EL) and, subject to approval, refer this decision to Council for ratification for use of Fund.

### 2. Background

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- 2.1 Craiglockhart Leisure and Tennis Centre is managed by Edinburgh Leisure on behalf of the Council. While operated by EL, CLTC is owned by the Council and the proposed investment will enhance a Council-owned asset.
- 2.2 CLTC offers the following tennis facilities:
- six acrylic indoor courts, available all year round;
  - three American fast dry clay courts, historically covered by an inflatable dome, which enabled them to be used during the winter months; and
  - five outdoor American fast dry clay courts, which are open between May and September, subject to weather and light.
- 2.3 The venue is under increasing pressure to meet the needs and balance out the demand from coaching programmes, club lets and public bookings. In the winter months, the demand for indoor courts is oversubscribed. The outdoor courts are ineffective at removing surface water, and following heavy rainfall or low temperatures, they are rendered unplayable for long periods of time, and play is therefore limited. Maintenance costs currently surpass income generated.
- 2.4 A project team, including representatives from Tennis Scotland, the Lawn Tennis Association (LTA), Sportscotland, the Council and Edinburgh Leisure has considered various options that would enable CLTC to increase participation, meet the needs of users and achieve a more sustainable business model.

### **3. Main report**

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- 3.1 The project team has identified the following preferred option:
- add an additional outdoor court to create six outdoor courts, as required by the LTA to host tournaments;
  - extend hours of play through the introduction of floodlighting; and
  - move to all year-round play through a modern synthetic clay surface, with lateral and perimeter drainage that can cope with the climate, and provide a high-quality playing experience for intensive public use, while being the preferred surface for performance players and tournaments.
- 3.2 EL has advised that the project has been discussed with SportsScotland, Tennis Scotland and the Lawn Tennis Association. All organisations have given positive indications on support. The total estimated cost of the works is £535,259, with £250,000 of funding contributions anticipated towards costs. The request is for Spend to Save funding of £285,259.
- 3.3 If the project is to be ready for the 2018 outdoor tennis events season, works would have to be complete for June 2018.
- 3.4 Income expected to be generated from the new all-weather courts is estimated at £51,000 per annum, compared to £4,000 from the existing clay courts. Additionally, running costs, including those relating to the provision of floodlights, are estimated to be £20,000 lower than the costs of servicing the existing clay courts.
- 3.5 These savings would enable the Spend to Save funding to be repaid within a 4.25-year period.
- 3.6 Members of the Committee are asked to consider this application and, if approved, refer the decision to Council for ratification of use of the Fund.
- 3.7 As members will recall, the approved Council budget motion included in-principle decisions for other spend to save projects. The associated business cases are currently being developed, and it is anticipated that these will be brought to the June meeting of this Committee.

### **4. Measures of success**

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- 4.1 Tennis provision at CLTC is enhanced.
- 4.2 External funding towards costs is secured.

## **5. Financial impact**

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- 5.1 £285,259 of funding will be drawn down from the Spend to Save fund, subject to approval, with monies being repaid over 4.25 years. The change will be reflected within Edinburgh Leisure's service payment arrangements with the Council.

## **6. Risk, policy, compliance and governance impact**

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- 6.1 The Spend to Save business case has been reviewed by Council officers. Income figures in the business case have not been increased for inflation, thus providing an element of risk mitigation.
- 6.2 There is a risk that if nothing is done, the existing outdoor courts will continue to operate at a significant deficit and will ultimately become unplayable.
- 6.3 Any risk on non-achievement of income lies with EL, as it will underwrite the repayment of spend to save funding.

## **7. Equalities impact**

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- 7.1 While there is no direct additional impact of the report's contents, continuing investment in the city's sporting infrastructure contributes positively to the promotion of active and healthy lifestyles.

## **8. Sustainability impact**

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- 8.1 While there is no direct additional impact of the report's contents, the planned project includes expenditure impacting upon carbon, through the use of floodlighting. The new all-weather courts will have reduced maintenance requirements, as well as increasing utilisation of a currently underused asset.

## **9. Consultation and engagement**

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- 9.1 The project team, established in 2014, included representatives from Tennis Scotland, the Lawn Tennis Association, SportsScotland, the Council and Edinburgh Leisure.

## **10. Background reading/external references**

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- 10.1 None.

**Stephen S. Moir**

Executive Director of Resources

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## **11. Appendices**

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None.