

CABINET

Sport England/British Cycling grant offer to provide lighting to the cycle circuit at Salt Ayre Sports Centre

21 January 2014

Report of Chief Officer (Health & Housing)

PURPOSE OF REPORT				
To obtain the agreement of Cabinet for the city council to accept a grant of up to £150,000 to provide lighting around the cycle circuit at Salt Ayre Sports Centre. The grant is being offered by Sport England/British Cycling on an unsolicited basis as they have identified Salt Ayre as one of 3 priority sites nationally for lighting.				
Key Decision	X	Non-Key Decision	Referral from Cabinet Member	
Date of notice of forthcoming decision			18 December 2013	
This report is public.				

RECOMMENDATIONS OF COUNCILLOR RON SANDS

- (1) That subject to receiving an offer of grant from the Sport England/British Cycling, the Chief Officer (Resources) be given delegated authority to accept the offer and to update the General Fund Revenue and Capital Budgets in order to allow the works as described to progress, subject to there being no further impact on City Council resources other than those set out in this report.

1.0 Introduction

- 1.1 Sport England / British Cycling have offered Lancaster City Council a grant of up to £150,000 to provide lighting around the cycle circuit at Salt Ayre Sports Centre. The grant is being offered on a unsolicited basis as British Cycling and Sport England have identified Salt Ayre as one of 3 priority sites nationally for lighting due to the council's relationship with local cycling clubs and our reputation for support for cycling.

The 100% grant is time limited. The installation needs to be in place by 31 March 2014 or the funding will be lost.

- 1.2 Cabinet are aware of the ongoing review of sport and leisure functions in the context of the council's budget position. Options for the longer term future of Salt Ayre range from sale to the private sector, or closure to partnership with a private developer, charitable trust or in house trust etc.
- 1.3 It is therefore important that Cabinet consider the proposals in this report in the wider context of the review and any potential future implications. Clearly there would be some reputational risks to the council and a risk of potential claw back of the grant if an option was chosen that resulted in closure of the sports centre soon after the installation of the lighting. Officers are investigating the detail of any claw back provisions.
- 1.4 The funding body is aware that a review of the longer term future of the sports centre is underway. Officers are of the opinion that the lighting installation would not have any impact on any of the other options (resulting in the sports centre continuing to operate but possibly under a different delivery model) from being considered.

2.0 Proposal Details

- 2.1 The grant award is for capital works including the installation of all columns, signage landscaping and some fencing, and includes the purchasing of 5 spare columns and lamps which will help reduce any early replacement costs. The additional income generated in future years would be sufficient to cover any ongoing maintenance.
- 2.2 All professional fees are to be included within the grant.
- 2.3 Colleagues from Regeneration & Planning have confirmed that the proposed scheme, which would use standard highway lighting columns and lamps, could be implemented under permitted development. The scheme does not require an Environmental Impact Assessment.
- 2.4 Competitive cycling has grown consistently at Salt Ayre since the 1980's. The benefits drawn for Lancaster being a cycling demonstration town have also helped to drive the success of this sport in the area. Salt Ayre Sports Centre is an integral part of the district's cycle network infrastructure. Lancaster City Council, in partnership with British Cycling and the local cycling clubs have developed the city centre cycle race as part of the Olympic legacy. The proposed lighting project further demonstrates the city council's commitment to promoting cycling as an opportunity for increased participation in sport and leisure activities.

The cycle circuit at Salt Ayre has a Cycling Association (SACA). This includes Cogset (juniors), Lancaster Cycling Club and Lune Racing Cycling Club who all use the facilities at various times during the week including evenings in summer. Associate members from Kent Valley Road Club and Lakes Road club also use the circuit.

SACA currently uses the facilities for club sessions during the week and Saturday mornings and pays £1000 per year for club use. SACA was instrumental in helping the City Council to secure £150,000 in 2008 to develop the race circuit and as part of the agreement a number of free weekly club sessions were built into the usage plan.

2.5 Running Costs

Indicative costs for the project have been based on similar schemes going ahead across the country.

Estimated running costs for the lights are based on a tariff of 10.268p per column per hour and is in line with the LCC electricity tariff.

SACA has indicated that they will use the facility during the winter evenings for 6 hours per week for 20 weeks. This equates to £700 in energy costs. Lights will be either on a timer or may be manually switched on and off in line with demand.

2.6 Ongoing Maintenance/Income

SACA have agreed to contribute £500 per year in addition to their annual club use fee of £1000. This will contribute towards the ongoing maintenance of the track and lighting.

SACA's winter use has been estimated at 50 riders per week, each paying £1 initially to use the facility. The £1 fee has been set to encourage and promote usage of the track in winter and is estimated to cover running costs however, this fee will be subject to regular review to ensure there are no additional financial implications for the Council.

This will potentially generate an additional £1000 in income.

Algae treatment on the track should reduce as a result of increased use in the winter as the track currently closes between October and February.

Lancaster and Morecambe Athletics Club and City of Lancaster Triathlon Club have also expressed an interest in using the additional space for training purposes.

2.7 Benefits

Lighting the track will provide a safe environment for local riders to train in the off season months and attract more cyclists from areas such as South Lakes, Lancashire, Barrow, Carlisle and North Yorkshire by providing a safe training facility during the winter months.

This is particularly important for the junior riders who currently have to use the open roads in winter to train and maintain fitness levels. In addition, some cyclists who currently travel to Blackpool to use a facility with lighting may use Salt Ayre instead, which would generate further income to offset future maintenance costs.

Improving the site will further raise the profile of the cycle circuit. It will also help to generate more club members, increase usage and attract additional events. This in turn will generate more income and sustain the development of the sport and will add to Salt Ayre's already recognised reputation as a venue for competitive cycling events.

3.0 Details of Consultation

- 3.1 Discussions have taken place with local cycling clubs and stakeholders and there is strong support for the scheme.

4.0 Options and Options Analysis (including risk assessment)

	Option 1: To accept the grant offered.	Option 2: Not to accept the grant offered.
Advantages	<p>Provides the opportunity for the council to provide a facility which has the potential to be used throughout the year rather than relying so much on seasonal influences.</p> <p>No match funding requirement.</p> <p>Ongoing running and maintenance costs met by additional income generated by charging clubs.</p> <p>Provides increased opportunities for healthy lifestyle activity choice by people of all ages and abilities.</p>	Continue as status quo with summer use of track.
Disadvantages		Missed opportunity to take advantage of a 100% grant from Sport England / British Cycling to improve the cycle circuit at no cost to the council.
Risks	<p>The predicted usage by clubs fails to reach expected levels (mitigation would be reviewing the charges to clubs to ensure cost recovery).</p> <p>No formal agreement is in place with the cycling clubs and therefore there is a risk that the lighting may not be used as much as predicted if demand is lower than expected.</p> <p>There are some reputational and possibly financial risks depending on the outcome of the review of the future of the sports centre particularly if an option is chosen that does not involve the continuation of Salt Ayre as a sports centre.</p>	Funding will probably not be available again in the future.

5.0 Officer Preferred Option (and comments)

- 5.1 Option 1 is the preferred option based on the opportunity to increase use of the track by the community at no additional cost to the Council and to take advantage of the 100% grant offer from Sport England. The lighting improvement would not prevent any options (other than any that involve the sports centre from ceasing to operate) for the long term alternative delivery models for Salt Ayre from being considered.

6.0 Conclusion

The installation of lighting at the cycle circuit at Salt Ayre funded wholly from a grant offer from Sport England/ British Cycling allows the council to improve the cycle circuit to the benefit of users, demonstrate the council's commitment to cycling and generate sufficient income for ongoing running and maintenance costs.

RELATIONSHIP TO POLICY FRAMEWORK

The corporate plan includes for an increasing number of people participating in sports and leisure activities (Health and Wellbeing) and increased number of diversionary activities for young people (Clean, Green & Safe Places & Community leadership)

CONCLUSION OF IMPACT ASSESSMENT

(including Health & Safety, Equality & Diversity, Human Rights, Community Safety, HR, Sustainability and Rural Proofing)

Lighting the track provides a safe cycling facility in the winter.

LEGAL IMPLICATIONS

Legal to be consulted over any terms attached to the grant before acceptance.

FINANCIAL IMPLICATIONS

The capital installation works must be complete by 31st March 2014 and will be fully funded by the £150K Sport England grant as set out in the report. It is not expected that there will be any additional revenue financial implications arising for the Council in the short to medium term as a result of the preferred Option 1 as illustrated in the table below. It should be noted however, that this will be subject to achieving enough income from the users of the improved cycle track to cover future maintenance costs.

Revenue Costs

Current Budget Profile	Year 1	Year 2	Year 3	Year 4
	£	£	£	£
Annual SACA Fee	(1,000)	(1,000)	(1,000)	(1,000)
Maintenance	200	200	200	200
Net (Surplus)/Deficit	(800)	(800)	(800)	(800)
Proposed Budget Profile				
Annual SACA Fee	(1000)	(1000)	(1000)	(1000)
SACA Maintenance Contribution	(500)	(500)	(500)	(500)
Additional income (£50 x 20 wks)	(1000)	(1000)	(1000)	(1000)
Energy Costs	700	700	700	700
Maintenance	500	500	500	500
Insurance	300	300	300	300
Net (Surplus)/Deficit	(1000)	(1000)	(1000)	(1000)
Variance to Budget	(200)	(200)	(200)	(200)

It should be further noted that lamp replacement will not be required within the first four years (tabled above) as each lamp has a life expectancy of approximately 2000 hours (equivalent to 16 years). Lamp replacement is currently estimated at £300 each and future replacement will need to be considered as part of the overall review of SASC.

Should Members approve Option 1, then the General Fund Capital Programme and Revenue Budget will need to be updated as appropriate.

OTHER RESOURCE IMPLICATIONS

Human Resources: None.

Information Services: None.

Property:

Open Spaces: The installation enables a greater use of the cycle track throughout the year.

SECTION 151 OFFICER'S COMMENTS

Subject to the confirmation of the clawback position and possible grant extension in the event that the scheme cannot be completed (and all costs incurred) by 31 March, the s151 Officer has no further comments.

MONITORING OFFICER'S COMMENTS

The Monitoring Officer has been consulted and has no further comments.

BACKGROUND PAPERS

none

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