

For information

Summary Leisure Development presentations

Alliance Leisure

Why Use a Leisure Development Partner?

They can coordinate, shape, scope and deliver capital investment projects from conception to completion on behalf of their clients. They offer a number of benefits over the traditional procurement route.

Traditional procurement route

Initial direct appointment of design team to come up with concept and then prepare full project document prior to tender and ultimately contractor appointment.

Full cost of project therefore not really established until such a tender process has been completed and is by no means guaranteed to fall within the identified affordability.

As part of this procurement route equipment provision would also require management resource to coordinate a procurement process with a range of suppliers and subsequent interface with the building contractor to accommodate installation management.

Generally if this process is taken it results in a project appearing to be deliverable within budget, the responsibility and risk for management of the design and build and equipment provision process will remain with the client throughout the project.

Development Partner Route

They can provide a unique, complete development solution from initial feasibility and business planning through design, build and funding if required.

Key benefits are summarised as:

- Sector specific expertise
- Business Planning
- Buildability
- Risk Transfer and Project Management

Sector specific expertise

Work with a range of tried and tested partners experienced in delivering in today's leisure market, regularly delivering successful and sustainable developments with the sector.

From initial feasibility, through to building and equipping new facilities, they have experienced supply chain to ensure sufficient capacity and expertise to plan, design and deliver the scheme from conception to completion.

Business Planning

On appointment a Leisure Development partner would work directly with industry experts to complete a full needs analysis of the proposed project including latent demands and competitor analysis.

Once the need is established for proposed development, a detailed design and business planning to create a scheme that:

- Matches the need identified
- Meets both revenue and capital affordability
- Future proofs the proposed facility

It will use this to recommend a scheme and provide detailed business planning and analysis. Using open book approach this proposal can then be appropriately value engineered to ensure financial viability of the project in terms of both capital and revenue affordability, thus ensuring a future proof approach to delivery.

Buildability

Leisure Development Partner will work in partnership with identified industry experienced architects and building contractors introduces 'buildability' and programming advice from the outset, whilst also encouraging the principles of open book value engineering during design development.

Preferred partners and their supply chain specialises in leisure projects and are experts with a proven track record in leisure project delivery. They bring an extended supply chain of manufacturers such as fitness equipment, soft play structures, IT provision etc. with the buying power associated with an establishment, experienced and regular leisure developer. Prospect of repeat business with ALS keeps the contractor and supplier costs competitive and quality standards higher than might be expected under a traditional procurement route. Working together with these industry experts the final scheme is worked up to a position of cost certainty, including all building works and equipment, taking into account the identified affordability parameters.

Risk Transfer and project management

One of the key benefits is the transfer of the detailed project management and project risk. Once the scheme has the required approval from the client's side (process they can be involved with), enter into a delivery contract to deliver the project at the cost certainty fixed sum. ALS then enter into the building contract directly with a suitable, experienced contractor and individual arrangements with identified specialist suppliers as required.

It then becomes ALS responsibility to project manage and deliver the scheme to this price on your behalf. Price will be fixed, with be fixed, with any cost overruns being managed and borne by ALS.

Summary

Principle advantage is the access to industry specific resources and industry related project management experience. It enables a one stop shop approach to the delivery of both capital and revenue affordable, quality new facilities on time and on budget.

Undertaking a major development usually involves funding and co-ordinating a range of companies and a commitment to significant project management resource. Using ALS there is one agreement, one

relationship. Once the development is agreed then ALS will absorb all the project headaches from conception to completion.

Having delivered over 100 projects and invested over £100m in Public Sector leisure facilities, ALS have an unrivalled track record in delivering cost effective developments on time and within budget, with many clients undertaking multiple developments.

TYPE FACILITY DEVELOPMENT

- **Design** - completed over 100 projects and invested more than £120m in UK leisure industry
- **Build** – starting a development usually involves finding and coordinating several companies, with a Leisure Development partner you have one contract and one relationship
- **Fund** – Local Authority issues with funding leisure facilities
- **Risk Mitigation** – if the costs of the project exceed budget or if the scheme overruns it is Alliance Leisure’s responsibility
- **Project Management** – Project management only facility for clients that are able to access development funds through an alternative source
- **Health and Fitness** – Gym, toning, studio, fitness equipment and changing areas
- **Pool and Spa** - have developed swimming pools, changing, spa, sauna, water play and steam rooms
- **Extreme** – skatepark, iSki and urban gyms
- **Adventure** - VerTigo, caving and aerial trekking
- **Family** – Tenpin bowling, play areas, trampoline park and soft play
- **Outdoor** – Pitches, adventure play and high ropes

CLIENT SUPPORT – offering the following

- Branding & Design
- Marketing support
- Retention
- Promotions
- Websites and Social Media
- Public Relations
- Training Academy
- Alliance Impact
- Reach Email /SMS Marketing
- Alliance Digital

CASE STUDIES

- Flintshire County Council – 4year framework contract as development Partner
- Forest of Dean District Council – three developments
- Pendle Leisure – 5yr partnership providing sales, marketing and retention support following development of facilities
- Folkestone – Memberships went from 600 – 2,100 after opening
- Slough – £1.7m delivered on budget a week in advance of deadline

- Your Leisure Hartsdown – £1.6m at Leisure Centre in partnership with TLF
- **Your Leisure Ramsgate** – new 25m swimming pool, group cycling studio, toning suite, refurbished fitness suite, 8 court sports hall and luxury day spa
- Llantrisant Leisure Centre - £2.8m development
- Howe Bridge LC – new health and fitness suite
- Cwmbran Stadium – 5year business plan with trust and set out key aims
- Summit Indoor Adventure (Selby) - £5.3m investment
- Salt Ayre Leisure Centre - £5m with Lancaster City Council
- Dudley - £300k development, and 5year partnership providing sales, marketing and retention support
- Wentworth Bowl - £600k development 8 lane bowling area and creation of new bar/café
- Tone Leisure - 3 x fitness development
- Denbighshire £1.4m revamp managed by Alliance Leisure
- Roefield –4year income share partnership

Alliance Leisure deals purely with the Public Sector on projects that will be socially and commercially viable.

Sport England funding has changed from the more traditional sports to activities that will get people active, so they will potentially fund activities such as climbing walls

If you put in a unique activity such as a gravity tower – then you can increase drive time of up to one hour to the activity. Therefore, you can draw people from a wider area

Local Demographics

Commissioned a look at the demographics of the area

- Catchment area of approx. 300,000 people
- Considerable local competition – therefore need to be unique to draw people

Areas of commercial development in King George’s Playing Field

- Tag Active
- Pavillion
- Joint Rugby Club project

Outdoor concept ideas – might want a mixture of chargeable and free of charge. Affordability - what are costs to the public

- Gravity tower
- BMX pump track
- Tree Top crazy rides
- Mazes
- Outdoor fitness
- Parkour Free running
- Container caving
- Outdoor themed play

- Outdoor bounce – trampoline centre
- Splash pad play
- Wet slides and play
- Adventure hub – mixture of climbing, slides

Visitor attractions examples

- Zorbing
- Segways

Soil relocation

- Can provide cheaper way of funding improvements to topography

A Leisure Development partner will enable a local authority to have support from the concept to cost certainty. They can provide business case and/or social aspiration.

They can assess whether projects will be feasible and can also enable supply chain leverage. They are able to speed up the whole process of development and procurement. They can provide operational support and transfer of risk. They have a track record of delivery and there is no commitment until point of contract.

PULSE

Short video of the areas of work that they undertake and solutions that they provide

What does a Leisure Development partner do?

- Analysis of existing provision
- Local market potential
- Feasibility
- Consultation
- Leisure Solution proposal
- Financial support – Business Plan
- Operational support
- Shared risk and shared reward
- In house design and build

Leisure Development Partnership is a range of professional services delivered in one contract and can provide support at the pre-development stage, development stage and post development stage.

Pre-development phase include

- Pulse team
- Analysis of existing leisure provision
- Local market potential
- Consultation
- Leisure Solution proposal
- Financial feasibility
- Business Plan
- Fixed price budget

Development Phase

- Delivery of fixed price building contract
- Delivery of funding and investment management
- Internal fit out including equipment solution
- Handover ready to trade

Post development

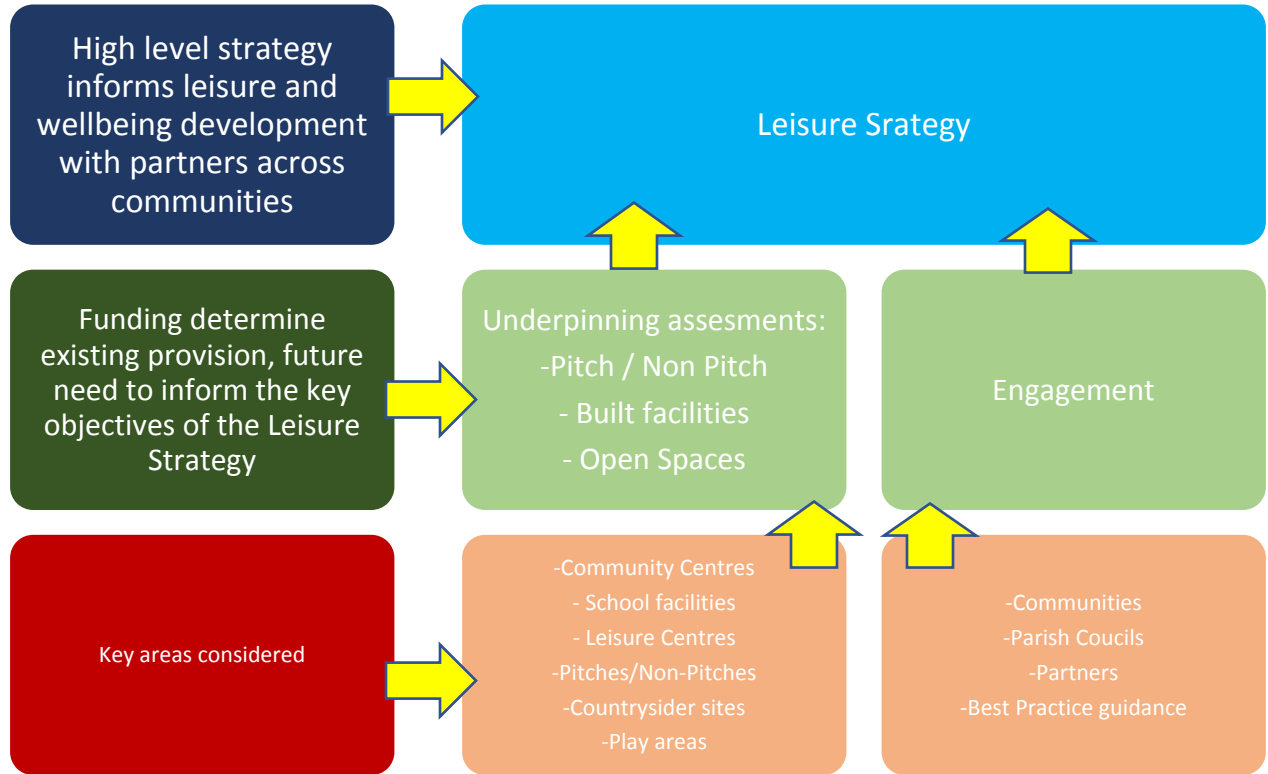
- Operational support
- Sales management
- Branding and marketing solution
- Building and equipment maintenance contract
- Staff recruitment and development
- Facility fit for purpose 20years – facility refresh programme

Strategic Leisure Development partner benefits

- Turnkey sustainable leisure solution
- Proven track record with experience and expertise
- Shared risk, shared rewards via a range of professional services

Provided examples of completed projects with costs, contract length and build times which ranged from £8m - £800k and 12 months to 10 weeks

There was a short presentation from a client’s perspective of how a Leisure Development Partner can help with the development of a Council’s Leisure Strategy



How it will fit together?



Why Does the Council Need a Leisure Strategy?

- Inform future Development and leisure and recreation for the area
- It will be a guide to inform the Council's preferred leisure operator and development partner
- Provide communities with a source of evidence based research, enabling them to unlock funding for community projects
- Assist communities developing neighbourhood / parish plans
- Provide overview of current and future leisure needs to inform planners, other services and partner organisations

Who can use the Leisure Strategy?

The leisure Strategy can be used by a number of stakeholders including:

- Internal departments – Planning, Leisure, parks and countryside
- Parish Council's (evidence base for neighbourhood plans)
- Community groups/clubs (Evidence base for funding applications)
- County groups – Active Essex, Health and Wellbeing Board

Leisure Development – Procurement outcomes usually include:

- Increased participation
- New activities
- Improved access to services
- Reduced annual management fee / return on investment
- Reduced capital liability
- Increased income and operational performance
- Implement energy efficiency

Leisure Development Procurement Process

- Comprehensive procurement and project management process
- Governance provided by Member/officer leisure Board
- Soft market engagement to influence and determine model
- Procurement route chosen
- Bidders required to submit development proposals for a case study site
- Assessment identifies the preferred bidder

What can a Leisure Development partner provide?

- Align services to strategy or provide support/strategy completion and implementation
- Review current performance against best practice
- Create tailor made solution
- Design and build
- Provide ongoing strategic support and advice from post-handover up to 30 years
- Provision of equipment
- Maintenance of equipment
- Ongoing refurbishment

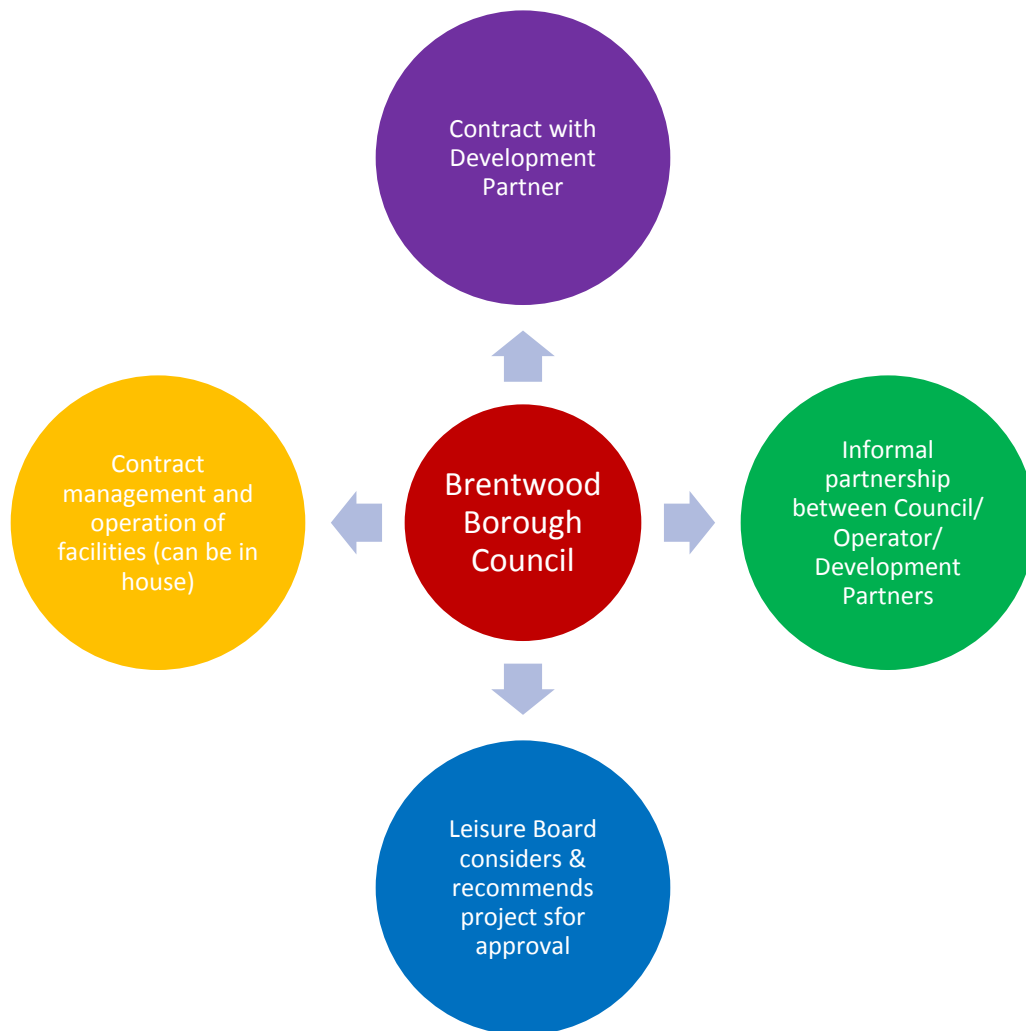
- Project management support
- Finance
- Marketing and sales

Which will lead to:

- Agreed programme of refurbishment and/or replacement of facilities
- A business plan to invest to save
- Reduction of capital liability
- A reduction in net subsidy to services
- Greater resilience of the service
- Can lead to payment to the Council from the operator

How does it work? - Leisure Development partner in liaison with Leisure Project Board consults with all stakeholders on future facility design requirements in line with strategic needs, reviews current service performance and prepare business plan for approval on invest to save principles.

How does it all fit together?



New concepts include Soccer Hubs that are operated by Pulse which combine soccer facilities with a gym, kids zone and café.

Options and examples for facilities included phased refurbishment

Parallel procurement process can save time if run in tandem with the development of the Council's Leisure Strategy.

Example of Waveney District Council the development of the Leisure Strategy was split into two project teams one looking at the strategy development and one looking at the procurement process.

Their toolkit does not rule out other bidders.