



**COUNCIL**

Thursday 6 December 2018 at 6.30 pm

Council Chamber, Ryedale House, Malton

**Late Papers**

- 9 **To consider for Approval the Recommendations in respect of the following Part 'B' Committee Items:** (Pages 3 - 8)

**Policy and Resources Committee – 29 November 2018 (minutes marked to follow)**

Minute 66 – Update on One Public Estate (OPE) Programme – Public Service Hub and Ryedale House Site (page 143)

Minute 67 – Financial Strategy 2018-23 (page 173)

Minute 68 – Temporary Appointment of a Deputy Chief Executive (page 181)

- 13 **Any other business that the Chairman decides is urgent** (Pages 9 - 80)

**Policy and Resources Committee – 29 November 2018**

Minute 65 - S106 Grant - Malton Community Sports Centre S106-009 recommended by the Grants Working Party held on 29 November 2018

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**REPORT TO:** FULL COUNCIL

**DATE:** 6 DECEMBER 2018

**SUBJECT:** PART 'B' REFERRALS FROM POLICY AND RESOURCES COMMITTEE ON 29 NOVEMBER 2018

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**66 Update on One Public Estate (OPE) Programme – Public Service Hub and Ryedale House Site**

Considered – report of the Delivery and Frontline Services Lead.

Members considered that should the content of Appendix 2 be discussed the debate would move into exempt.

**Decision**

That should the content of Appendix 2 be considered the debate would move into exempt.

**Recommendation to Council**

- a) A full financial assessment is completed for the development of a PSH for Ryedale.
- b) Alternative options are investigated for the development of a PSH for Ryedale and the Ryedale House site.
- c) No further progress on the project for the development of the RH site is made until a decision is made on the options for the PSH project.

**Voting record**

Unanimous

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**REPORT TO: FULL COUNCIL**

**DATE: 6 DECEMBER 2018**

**SUBJECT: PART 'B' REFERRALS FROM POLICY AND RESOURCES COMMITTEE ON 29 NOVEMBER 2018**

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**67 Financial Strategy 2018-23**

Considered – report of the Chief Finance Officer (s151)

**Recommendation to Council**

That Council notes the contents of the report, and in particular to note that it will continue to develop over the next few weeks as part of the timescales set out in Appendix 1. Council is also asked specifically to note or comment on:

- Proposed change to the Objectives of the Financial Strategy (6.2)
- Proposal to redefine the Council's reserves (7.5)
- Content of the Council's Budget Consultation (section 8)

**Voting record**

Unanimous

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**REPORT TO:** FULL COUNCIL

**DATE:** 6 DECEMBER 2018

**SUBJECT:** PART 'B' REFERRALS FROM POLICY AND RESOURCES COMMITTEE ON 29 NOVEMBER 2018

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**68 Temporary Appointment of a Deputy Chief Executive**

Considered – report of the Chief Executive

**Recommendation to Council**

That delegation of recruitment for the vacant Deputy Chief Executive role be given to the Chief Executive with the following caveats:

- The appointment is made for a maximum period of 12 months.
- That recruitment and the appointment proceeds quickly so an appointment is in place prior to district and parish elections.
- Any future permanent senior appointment would revert to the responsibility of Council.
- That Elected Members have the opportunity to inform the recruitment process and the Chief Executive's decision-making.
- That the workforce have the opportunity to inform the recruitment process and the Chief Executive's decision-making.

**Voting record**

7 For

1 Against

1 Abstention

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**REPORT TO:** FULL COUNCIL

**DATE:** 6 DECEMBER 2018

**SUBJECT:** PART 'B' REFERRALS FROM POLICY AND RESOURCES COMMITTEE ON 29 NOVEMBER 2018

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**65 S106 Grant - Malton Community Sports Centre S106-009 recommended by the Grants Working Party held on 29 November 2018**

Considered – the Section 106 Grants recommendation of the Grants Working Party held on 5 November for application number S106-009 Malton Community Sports Centre, Fitness Suite.

Members agreed that due to the sum of money requested, this matter should be referred to Full Council.

**Recommendation to Council**

That the grant application S106-043 be approved.

**Voting record**

8 For

1 Abstention

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# Grant Application Form (2017/2018)

Please indicate which grant you are applying for  
Community Grant-  S106 Grant-  Flood Grant-

Project Title

## 1 Organisation Details:

Organisation Name

Official or registered address

Telephone No  Postcode:

E-mail:

Name of main contact  Position

Does this person have official authority to submit this application? Yes  No

Address for contact person if different from above

Telephone No  Postcode:

E-mail:

Date organisation established or incorporated  Type of organisation

If a Registered Charity, please give number  VAT registration number (if any)

Is this application from a consortium of organisations? Yes\*  No

\*If yes, please list included organisations:

## 2 Membership and Usage

Are you a membership organisation?

Yes

No

If yes, is membership open to all?

Yes

No

What is your current membership?


What are the annual membership fees?

## 3 Bank Account Details

Account Name

Malton Community Sports Centre

Sort Code

5 - 0 5 - 7 0

Account Number

3 5 3 5 8 6 1 6

Address

Yorkshire Bank

Wheelgate, Malton

Postcode

## 4 Project Details

Where will the project take place

Malton Community Sports Centre (MCSC)

When is the project expected to:

Start

April 2019

Finish

May 2019

Please summarise your project (100 words maximum)

The objective of this project is to expand the current facilities at MCSC, the deliverables will include the development of a new community health and wellbeing centre that will support the needs of all members of the local community.

The vision is to create a state of the art facility that houses over 40 health, fitness and rehabilitation stations and a stand alone fitness class studio / community room. This will enable us to significantly increase the current level of community engagement at MCSC. The new facility will enable us to offer fitness classes, rehabilitation sessions, targeted referral work, sports injury support, a venue for community group / club meetings, coach education courses and general health and fitness offerings.

## Why is the project needed?

MCSC wants to enhance the wide range of sport and leisure activities, clubs and programmes, that it currently offers to all ages of the community of Malton and its environs, especially given the growing demand for such services, with the increase in new housing and therefore in the numbers in the general population.

The centre works closely with local primary schools (to support PE and school sport,) local sports clubs and organisations and also supports Malton hospital with a unique (in the area) extended rehabilitation service for people suffering a number of illness, who require ongoing support to aid full recovery.

MCSC focuses its business on serving the sporting and leisure needs of Malton and the surrounding communities (this includes the needs of individuals, sports clubs, community organisations and businesses.) However, MCSC is limited in the current facilities available on site and therefore in the programmes and levels of activity that can be offered and provided. One significant omission (which was identified as a future development during the original build) is the lack of a health and fitness suite.

MCSC is used for the provision of Malton School PE activities which means that the centre is limited, given its current facilities, in what it can offer during the daytime to the general public. MCSC does make the most of the gaps available within the school timetable, but the new facilities that have been proposed will ensure that the centre can offer provision to the whole community throughout the day, every day and, as it does now, during the evenings and weekends, in a number of different ways.

The fitness room element of the proposed new build would also open up existing evening and weekend slots that are currently utilised for health and fitness classes / sessions within the main sports hall, which in turn will provide new opportunities for local clubs, organisations and the general public to hire the sports hall facilities. Included within this bid (below) are details of what MCSC aims to achieve should the proposed facilities be created. This includes supporting already identified, additional rehabilitation work with senior members of the community, developing a GP referral programme, supporting the local community as a whole in addressing the obesity levels within the district (which are considered to be extremely high when looked at against the national average) and providing new, high quality provision to the wider community as a whole, to ensure the people of Malton, Norton and the surrounding areas can lead a healthier, more active lifestyle.

Please give details of any consultation undertaken in planning your project with either the wider community or target audience for the project eg parish plan or questionnaire

MCSC has undertaken consultation work with the Malton and Norton Neighbourhood Planning team, ascertaining the needs of the community and provision within the area. This work highlighted a clear need for additional health facilities within the town, particularly due to the new housing developments and the general increase in the population. This work also recognised the shift in the age demographic of the population with more young families moving into the area as well as greater longevity of life leading to an increase in the older population. The study identified that a professional support service providing for a wider variety of health needs and priorities (seniors, health and wellbeing advice and support, obesity, GP referral, etc.) was high on the agenda of services needed within the local area, which this project will heavily support.

MCSC have also undertaken consultation with Malton Hospital (physiotherapy service), local GP's and regional/national bodies such as North Yorkshire Sport and Age UK, to better understand the needs of the wider community and specifically the senior demographic of the community. Consultation with the centre's current users, particularly within the senior demographic, has been undertaken in order to determine how effective the current service is and what further assistance is required to support community health and wellbeing.

MCSC has also worked with sports clubs and local schools (development work, funding application support, research) and the Youth Sport Trust, and research has identified that Ryedale is currently classified as having the third highest levels of obesity within the country. These studies have highlighted a major social imbalance within the local communities as a whole and a potential cost on the local

health services now and in the future.

Further to this, the centre has an extensive list of community members who use MCSC for fitness classes or other sport / leisure activities and who have expressed disappointment at the lack of a stand alone, publically accessible general health and wellbeing facility in the town. In addition, MCSC has been contacted or visited more than 200 times in the past 18 months by members of the community who are looking for a suitable health fitness facility which they can feel comfortable attending and also for a quality meeting / group activity room within their local area.

Details of the proposed development of MCSC have been discussed with members of the community as well as with current users of MCSC, to gauge the general feeling about the need for the proposed new facility. To date this has been very positive, particularly from users / potential users who are looking for something more up to date with current fitness trends and practices, such as functional training as opposed to a more traditional static machinery approach. This view is also supported by members of the current rehabilitation programme, who are keen for MCSC to enhance the current level of provision,

Please indicate how you will measure the success and impact of your project

MCSC will measure success in a variety of ways:

\*A primary goal is to engage with a minimum of 300 new members of the local community within the first 24 months of the facility opening. This will be achieved through a range of specific targeted demographic sessions and one to one work, and will consist of a mix of subscribing members (paying a monthly fee,) pay as you go users, GP referrals, junior memberships (14 to 18 years of age), regular block booked session users, as well as those attending classes and club activity sessions payable only on attendance.

\*Rehabilitation and Senior Support - One of the key priorities is to further develop the current practice of targeted rehabilitation, health and fitness work that the centre undertakes with the senior community in and around Malton, Ryedale and Pickering. MCSC currently host over 50 seniors on a weekly referral basis via three unique sessions, supporting the ongoing needs of local residents after admittance to local medical facilities for health issues such as cardiac, stroke, MS and Alzheimer's disease. MCSC's goal is to extend this offer to anyone requiring support with their health and wellbeing, regardless of previous admittance to NHS practices. MCSC is fully aware that Ryedale has an aging community (over 26% of all residents over 65) and the centre aims to support as many members as possible by delivering specific classes and sessions targeted at a variety of health needs within this priority age group. The centre's aim is to engage with over 100 new seniors by addressing a variety of social imbalances including general socialisation opportunities (addressing loneliness and isolation issues) as well as more active health and well being initiatives. Individual impact reviews will be used on a quarterly basis to assess ongoing impact and success.

\*Obesity - Ryedale is currently classified as having the third highest levels of obesity in the country, so clearly this is a huge priority area that needs addressing. Higher than national levels of obesity are currently present in our local communities, from primary school foundation year right through to the over 80s, and there is a visible history of obesity levels increasing year on year within all age brackets. MCSC will work with local GPs, community groups and individuals to address this social imbalance. To understand and measure impact in this area, a strong working partnership with GPs will be essential. MCSC will also keep records of weight loss and address individual changes and successes through questionnaires and impact assessment reviews.

How does your project meet the priorities of the Council?

MCSC can help RDC achieve a number of the key priorities set out in the RDC vision and which also support the RDC "Sport and Active Lives" strategy document.

Sustainable Growth - This new facility would enable MCSC to grow its offering, which in turn will support the community health, leisure and fitness requirements. It will also support the development of new jobs and volunteering, both within MCSC itself but also for those taking advantage of the coaching classes (supported by the National Governing Bodies of a number of sports) that could be offered, as

Please refer to the grant guidance notes prior to completing this form

Page 4 of 5

well as those delivering and benefitting from the additional sports and leisure services that the facility would enable. Over the past four years MCSC have hosted 5 very successful apprenticeship placements, helping young people classified as NEETS gain nationally recognised qualifications and coaching awards each one of whom has gone on to secure long term paid employment. By creating new opportunities for local clubs and organisations, with the new facility MCSC will be able to assist with the recruitment and training of new community volunteers within these bodies. MCSC will also offer the new facilities as a venue in conjunction with a range of local tourism projects, such as the annual food festival and other major leisure events such as the Tour de Yorkshire, and Christmas fairs. Around such events the new facility would also provide an additional venue for meetings and planning groups.

Customers and Communities - this project is very much aimed at the heart of the community. Many of MCSC's aims and goals centre around vital work which will help the Council to address the current social imbalances in terms of health and fitness and the access to suitable and affordable facilities. The centre wants to help to tackle a number of local and national health and wellbeing agendas as part of this project, from general fitness to weight management and rehabilitation to sustainable health and wellbeing.

Through this project, while MCSC can generate opportunities and ideas to target health and wellbeing requirements, the centre wants to engage with and listen to the local council(s) community members and local groups, clubs and societies to ensure that it delivers a programme which is needed and supportive of as wide a range of community representation as possible. The new facility would provide a venue for community forums and engagement at which discussions to develop the offerings of the facility could take place.

Please give details of any special fundraising activities for the project

MCSC will be seeking match funding through Sport England for this project. In order to enable an early start to the realisation of our aims and objectives, should our application be successful, some initial discussions have been held with Sport England regarding this project and they have indicated a keenness to support an application. The overall funding figure identified elsewhere in this application does not include the annual lease figure for the fitness equipment and machinery. MCSC will apply for additional grant support (initially via the central government environmental grant support scheme in relation to the eco range of machinery that will be installed in the facility once it is built.) Malton School and the Governing Body of the school are fully committed to this project and will work alongside MCSC and its partners to realise the desired outcomes outlined in this application. MCSC has already engaged with a company to help to deliver a feasibility study and business plan to support the project and have created a working partnership with a company who specialise in health and fitness suite developments to ascertain current market costings for both the build and lease of the equipment, as well as up to date financial planning for the funding of the project.

### 5 For capital projects only

Is planning permission required?

Yes  No

If yes, please indicate status of the application with dates

Applied for:   
(date)

Granted:   
(date)

Outline, Full, Listed building

Does your organisation own the property for which you are seeking a grant

Yes No

If no, do you have a lease on the property?

Yes  No

Please give the name of the person or organisation who own the building

Please refer to the grant guidance notes prior to completing this form

Page 5 of 5

North Yorkshire County Council

The length of any lease and unexpired term:

Indefinite as Malton School are a local authority school.

## 6 Project Budget

### Expenditure - List items of expenditure

Capital Costs	Amount (£)
Build & Final Finish (inc all surveys and planning fees)	£579,311.00
VAT	£115,862.00
Fitness Equipment + INSTALLATION	£91,535.00
Vat	£18,307.00
VAT	£ 134,869.00
Total Capital Cost (a)	£ 805,715.00
Revenue Costs (Community grant only)	Amount (£)
Total Revenue Cost (b)	£ 0.00
Total Cost (a+b)	£805,715.00

### Income - please specify how you will pay for the project

	Amount (£)
Ryedale District Council Grant required	£ 220,000.00
Own funds	£ 50,000.00
Local fundraising	
VAT (if able to reclaim it)	£134,869.00
In Kind (eg volunteer time)	
Other	£400,846.00
Total Income (c)	£805,715.00

**Please note, your Total Costs (a+b) must equal your Total Income (c). For Community and Flood grants, the grant requested must not be more than £5,000 or 25% of Total Costs (whichever is the lesser) unless you are requesting a grant for project costs of up to £1,000.**

### 7 Declaration: I declare that:

- The information on this application form and the supporting information enclosed with it is accurate to the best of my knowledge
- The project falls within the organisation's purposes
- My organisation has power to accept a grant subject to the grant conditions stated

The application form should be signed by the Chairman or Chief Executive of the applicant organisation\*.

Signed	<input type="text" value="Jay Rowley"/>	Date	<input type="text" value="28/09/2018"/>
Name	<input type="text" value="Jay Rowley"/>	Position	<input type="text" value="Community Sport Manager"/>

\*An electronic signature is acceptable and can be entered below:

**Checklist**

Please check that the following are included with your application

Copy of your constitution, e.g. trust deed, Memorandum and Articles of Association, set of rules

Two years audited or otherwise certified accounts including your last complete financial year (if required)

Details of any research, or consultation, which has informed the development of the project

Evidence of match funding commitments, formal grant offer letters

Two competitive estimates for all capital works

Relevant plans and drawings

Business Plans and Annual report (if required)

✓

✓
✓
✓
✓
✓
✓
✓

Please return completed forms to: [grants@ryedale.gov.uk](mailto:grants@ryedale.gov.uk)

# Ryedale Grant Schemes 2017/18

## Project Appraisal Form

1 **Type of Grant:** Section 106 Grants

**Ref No:** S106-009

2 **Applicant Organisation & Project title** Malton Community Sports Centre,  
Fitness Suite

3 Previous Applications to RDC

Ref No	Project	Successful	Amount	Date
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4 **Total Cost of Project** £805,715.00

5 **Grant Aid Requested** £220,000.00 **% Intervention** 27

6 **Date site / organisation visit completed**

7 **Type of scheme**  **Capital**  **Revenue**

### Organisation

8 **Is the organisation well managed?**

Yes

9 **Is the organisation financially sound?**

Yes

10 **Is the organisation reflective of the community it services?**

Yes

11 **Can the organisation manage and deliver the project?**

The centre is owned by Malton School and governed by the school's Finance and Premise Committee. It is then managed on a day-to-day basis by Mr Jay Rowley, the Community Sport Manager.

The committee comprises Mr Rowley, along with the Headteacher, the Ops Director and the Finance Manager, as well as interested community persons and/or parents of pupils with the desired skill-sets. The committee is very thorough, demanding quarterly financial updates from the Sports Centre.

For this project specifically, Mr Rowley and a steering group have pushed the

project, and have considered all financial implications. After significant consideration and discussion, the group has landed on a reputable consortium of contractors to undertake the works proposed, who have provided a detailed breakdown of works/costs and indicative architectural drawings.

I believe there is the required amount of leadership and support, and the required amount of dedication and foresight to see the project delivered successfully.

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12 Have the needs and aspirations of the community served been taken into account?

The form states that staff are asked on a daily basis about why the centre doesn't have a gym, and that hundreds of people have been turned away over the past 6 years.

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**Project**

13 Does the project support delivery of the Councils aims? (Please tick all that apply)

**Sustainable Growth:**

- Promoting a strong economy with thriving businesses and supporting infrastructure
- Capitalising on our culture, leisure and tourism opportunities
- Managing the environment of Ryedale with partners
- Enabling provision of housing that meets existing and anticipates future need
- Minimising homelessness, improving the standard and availability of rented accommodation and supporting people to live independently

**Customers and Communities:**

- Helping our partners to keep our communities safe and healthy
- Supporting communities to identify their needs, plan and develop local solutions and resilience

**Section 106 Grants:**

- Does this meet with the section 106 planning agreement description for the parish?

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14a Which ward or parish is affected?

Malton  
Norton

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14b Which communities of interest are affected?

Local people/clubs who participate in healthy activity  
Local people who want to participate in healthy activity  
Local people who have been referred to sport/fitness classes by their GP

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15 Does the project respond to a clearly defined need? How is this evidenced?

The main aspect of the work at the Centre will be through targeted work with those 'who need it most'. This will include weight management programs (Ryedale currently has the third highest overall level of obesity in the country,

including children above 4 years), rehabilitation programs, GP referrals and sports injury rehabilitation.

The GP program will be a community-wide project, targeting outlying settlements as well as Malton and Norton. This is what sets them apart from other organisations in the town, and proves how the Centre doesn't seek to take customers away from other facilities - but to provide a different service.

MSCS is a not-for-profit organisation that wants to be self-sustainable, whilst assisting the community and not blowing the competition out of the way. That is not their intention.

As the population of Malton grows, more fitness facilities need to be provided. This extension would provide fitness opportunities for clubs, organisations and the general public which are not presently available due to existing constraints and lack of facilities.

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16 Does the project have community support? How is this evidenced?

The form states that the centre has been contacted/visited over 200 times in the past 18 months by members of the community who are seeking a fitness facility like the one subject of this grant application.

The centre's existing facilities and rehabilitation programs are well-received by members of the public, as evidenced by the results of the questionnaire as well as representation by a senior NHS physiotherapist.

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17a Is a robust project plan in place?

The contractors, Catfoss, have provided a clear breakdown of works and costs. A business plan has also been provided.

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17b Flood grants only: Is there a community resilience plan in place?

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18 What are the objectives of the project and what impact will it deliver?

To provide additional fitness facilities to accommodate greater numbers of people who wish to partake in healthy activity, providing the opportunities for better health and well-being in the community.

The centre aims to achieve 300 members by the end of year 2.

The centre aims to engage with over 100 seniors.

The centre aims to address the issue with obesity in Ryedale.

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19 Is the project budget accurate and reasonable, with a realistic plan for securing match funding?

Although this project has been conceived as one all-encompassing development, there are two fundamental components which require separate

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sources of funding:

A, the physical construction of the fitness suite itself and  
B, the leasing of gym equipment.

'Component A' will be funded by S106. RDC's grant of £220k will coincide with a grant of £310k from Sport England and a contribution of £50k from NYCC, ultimately meeting the £580k total cost for the suite's construction.

'Component B' will be funded by a loan from the 'Charity Bank'. This loan will be re-paid over the course of 36 months at an interest rate, at worst, of up to 6%. Based on the Centre's 5-Year Indicative Summary and the Business Plan's membership projections, they will be able to repay the loan comfortably.

The above explanation represents the Centre's ideal route to securing funding. However, if Sport England cannot provide the full £310k (and instead offer only £270k, therefore matching the contribution of RDC + NYCC), there will be a shortfall on the income required to fund Component A. In that scenario, the Centre has identified two other potential funding streams: the 'Healthy Pupils Capital Fund' and the 'NYM Coast and Hill Leader Programme'.

In the event of applications to those funds being unsuccessful, the Centre will instead seek a further loan from the Charity Bank (in addition to the loan to cover the costs of Component B).

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20 Is the funding package verified?

There is no guarantee of what amount Sport England will offer, however the crucial thing is that the Centre have viable contingencies in place to ensure they secure the funding one way or another. In the unlikely scenario that Sport England cannot provide any form of grant, the project will be a non-starter.

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Long term viability and running costs

21a Is the project expected to continue beyond the term of any funding awarded by the council

YES  NO

21b For capital projects is there a clear and realistic projection of income for the future maintenance of the facility – a business plan?

A business plan has been provided.

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22 Comments on the financial situation

Points for consideration:

/ At £220,000, if approved, this grant would consume the remainder of the Malton & Norton Section 106 pot.

/ Ryedale District Council has contributed £30,000 a year to the Centre since its inception. A letter, dated 13.07.18 from the Chair of Policy and Resources

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Committee to the Centre stated that the Resources Working Party would suggest a provisional 2 year extension to that annual revenue contribution in 19/20 and 20/21, on the basis that there would need to be a clear understanding of how MCSC plans to increase capacity and profitability to enable a reduction in future subsidy. The supporting documents included within this application seek to address these points.

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23 Are there any outstanding planning or technical issues?

Planning permission has not yet been granted for the fitness suite. However, an extension to the centre was agreed in principle when the main building was approved, and we have been presented with no reason to suggest an application wouldn't be approved.

The applicants have stated that part of the £220,000 requested from RDC will go towards the planning fees, including the application to the NYCC planning authority (circa £5000).

Should Members decide to approve this grant, I would recommend imposing a condition whereby the full extent of the initial 50% of S106 moneys is only released upon the granting of planning permission. I see no reason why any planning fees should be funded entirely by RDC's financial contribution. However, this is merely an informal officer opinion.

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24 Any other outstanding concerns or issues?

The letter from Cllr Ives, aforementioned in Item 22 of this report, also stipulated that the Centre needed to demonstrate that it had a 'USP' in the context of the locality's other gym facilities. I have provided my own officer interpretation in Item 5 of this report, but see Chapter 4 and Appendix 3 of the Centre's Business Plan for a breakdown of the comparisons with similar local organisations.

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25 How will the project be monitored and evaluated?

The project will be monitored by the amount of new memberships over five years.

Impact questionnaires and feedback forms will be completed with each member on a six monthly basis to ensure that the centre are meeting needs and providing the best service they can.

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26 Do you deem this project to be viable and deliverable?

I believe that there is the requisite staff, leadership, community/consultee support and contractors to make the project a reality, however I have been presented with no guarantees that match funding will be forthcoming from Sport England.

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27a Comments from Ward Member consultation

Cllr Lindsay Burr: "Fully support this application. The expansion of services will

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hugely benefit many people"

27b S106 Public Open Space and Flood Grants Only: Comments from Parish / Town Council consultation

Malton Town Council:

"Members do not support this application and consider that the project does not meet the criteria for funding. The organisation is a business and therefore requires a fee to be paid to use the facility. There are several other gyms in Malton that are required to be financially viable as standalone businesses. Members feel that this project would not provide an additional benefit to the community and offers limited use for residents due to Malton School usage."

RE-CONSULTATION, RESPONSE DATED 01.03.18:

"Members of Malton Town discussed the Section 106 funding application for Malton Community Sports Centre at the full council meeting held on 28th February. Members agreed to support a funding amount of **£50,000** maximum and recommended the following conditions:-

1. The confirmed funding package to be submitted to RDC by 1st December 2018, if this is not confirmed by the deadline, the funding allocated to be to be made available for other organisations to apply for in the next round of applications.
2. Any profit made to be ring fenced for the Community Sports Centre only.
3. Limited school use to be agreed and advertised to members of the public."

NORTON TOWN COUNCIL:

"Council consider that this application does not meet the criteria for funding, the organisation is primarily a business and as with all other Gym and Fitness Centres, of which there are many, fees would be required to be paid. There would be no more benefit to the community than at all other Gyms who are required to be financially viable as standalone businesses. Council does not support this application."

RE-CONSULTATION, RESPONSE DATED 01.03.18:

"Unfortunately we do not endorse the MSCS request, as stated previously, it is not about the amount involved, is it that the organisation is a business and therefore represents no benefit to the community other than where a member of the community has paid a fee for the benefit."

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**Recommendation from assessing officer**

28a Award the Grant Yes  No  Members decision

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28b	Level of award	£	%
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28c	Conditions:		
	a. Standard Grant Conditions		
	b. Timescale on project development and implementation to be agreed with RDC prior to grant payment		
	c.		

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Completed by:	Name:	Matthew Lishman	
	Role:	Community Officer	
	Date:	20.10.2018	

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## Section 106 Funding Application

Supporting information.

The Malton Community Sports Centre (MCSC) is seeking to expand the provision of sport, health and wellbeing facilities available to each and every citizen who lives in Ryedale and the surrounding areas. In order to achieve this ambitious target, the current facilities available at the centre will need to be supplemented by a state-of-the-art health, fitness and wellbeing facility, designed specifically to cater for a full range of community needs including rehabilitation programmes, older person's activities and social opportunities, sports injury clinics and making such facilities accessible to harder to reach groups. This will fill a niche within the community of Ryedale which is not currently catered for.

By supporting this application, Ryedale District Council (RDC) can demonstrate to each and every person living in the area that regardless of personal circumstances, abilities or ambitions, the continued health and wellbeing of all citizens in Ryedale is a significant issue on the Council's agenda.

### **1. Detailed description of the project.**

Since opening in February 2011 MCSC has grown year on year in terms of the range of activities offered and the number of members of the community using the facilities. The current programme caters for a wide demographic from across the local community, with provision offered to people aged from 3 to 103 years.

The centre currently offers:

- Sports coaching to juniors in a variety of disciplines;
- Instructor led health and fitness classes;
- Support to senior health and wellbeing provision
- A venue for the blood transfusion service in Malton;
- First class facilities for local clubs, groups and organisations;
- Support to local providers of sports training;
- A counting station for both local and general elections;
- Facilities for community group meetings and fundraising activities;
- The centre also utilises facilities at Malton School to promote coaching education courses to help develop new volunteer coaches from within our local community.

MCSC are now looking to expand the existing facilities, as means of furthering the offer and support provided to everyone within the local community. The aim of the

new facility is to allow greater engagement, particularly within hard to reach demographics and to help to address serious social disadvantages when it comes to access to suitable and affordable sports and health and wellbeing facilities.

MCSC also wants to ensure that the wider community of Ryedale have access to the best possible purpose built facilities and for the proposed new facility to become a health, fitness and wellbeing hub, supporting a wide variety of community needs. The facility will measure 12 metres wide by 30 metres long and will sit on the grassed area to the road side of the main sports centre building. The building will be accessible via a glass pained wall in the foyer area of the current building and will stretch the full width of the centre.

The building will be able to be split into 2 distinct rooms, with a sound proof bi-fold door providing the divider. This will mean that, as required, the facility can be opened out to provide a large scale, single room.

The larger room (20m x 12m) will contain a functional health and fitness suite, incorporating traditional fitness equipment, more modern functional training areas and equipment as well as state of the art rehabilitation machinery. This room will support GP referral sessions, rehabilitation in a number of forms, (including health recovery in partnership with Malton Hospital) and sports injury recovery facilities. The new rooms will also be used to provide targeted sessions such as weight management and senior wellbeing programmes. The space will be opened to the wider public for health and fitness training and will allow MCSC to support apprenticeship and health and fitness instructor training.

The smaller room (10m x 12m) will be utilised as a facility for health and fitness classes, community group meetings, parent and toddler sessions, 1 to 1 work, small group activities and coach education provision. This room will also feature functional training equipment that can be set back against a wall when not in use, but which will become part of the wider facility once the bi-fold doors are withdrawn.

Having this new facility will allow MCSC to relocate health and fitness classes from the main sports hall. This in turn will create increased booking opportunities within the main hall for local clubs, groups and individuals, throughout all hours of opening.

The building will be erected on a steel pin and framework structure, removing the need for intrusive and costly groundworks, and making the building removable if ever required. The building itself will be a modular structure, with panels fitted to a steel framework. A reinforced floor will be installed to accommodate the weight of the machinery and users, and a pitched, clad roofing system will be constructed. The new build can also be colour coded to match the existing scheme of the building. There will be fire doors in both rooms, with exit routes to the fire meeting point in the car park.

MCSC have confirmed with the original build company, WM Birch, that there is an overspill car park under one of the grassed areas in the main car parking area on site. This was put in during the original build of MCSC as the Fitness suite development was identified as a future development when the original building project was approved. As part of the proposed new build this area will be opened up, providing a further 35 parking spaces to support an anticipated increase in users of the new development.

## **2. What makes MCSC different?**

MCSC has always focused on providing the best possible facilities, activities and experiences for the community of Malton, Norton and surrounding areas. The centre prides itself on high quality facilities, customer service, excellent housekeeping and high quality coaching, instruction and club support.

The proposed new facility will allow MCSC to expand the current community provision of sport, leisure and recreational activities available to the wider community. The major focus of the centre will be to utilise the new facilities for specific targeted work as a means of addressing a series of social imbalances. This will include a GP referral, delivered in partnership with GP surgeries around Ryedale. This will be an extension to the successful rehabilitation referral programme currently being run in partnership with Malton hospital, the weight management scheme currently run in partnership with the Ryedale NHS weight management service and a trip and fall prevention programme currently run in partnership with NYCC and North Yorkshire Sport.

In addition, the centre will look to attract local sports therapy specialists into the facility, to support injury management and rehabilitation. The functional aspect of the facility will play a major part in this area of targeted fitness. Where static aerobic and anaerobic machinery have previously been the norm with fitness suites, the planned facility will be designed with functional training solutions as a key focus, ensuring that MCSC provides a facility that will be unique within Ryedale. The equipment will be interchangeable and available to use as individuals, in small groups or by an instructor in delivering a programmed session.

Within the UK, the fitness industry is catching up with countries such as the USA and Australia, and in developing this functional approach (Cross Fit, TRX Training) for both fitness and rehabilitation purposes. Evidence from those countries has shown that such an approach has mass appeal to a broad demographics of potential users.

The centre will work closely with partners to provide state-of-the-art rehabilitation machines that can support serious injuries and weight management issues. One such provider, SportsArts have committed to working alongside MCSC to make this development one of their show-piece centres, and would like MCSC to trial their latest therapy equipment in the UK. This would provide an amazing opportunity to attract new people into the area and more importantly, to support people with the greatest needs within the local community, helping MCSC to achieve one of its strategic goals of providing 'Activity for All'.

MCSC wants to utilise the new facility for the greater wellbeing of the local community. Targeted sessions with specific user groups will form the bulk of the work undertaken within the new facilities. We want the new facility to be as successful as it can be and as accessible to as many individuals as possible, so while the Fitness Suite will be open to all members of the public it will not be actively marketed as an alternative to other local providers.

It has been highlighted within the main business plan that supports this bid, that other gyms and facilities within town have a specific demographic who frequent that particularly facility. MCSC wants to provide a facility that compliments the range of opportunities that the local community have access to. Pricing will be set at a level

which reflects the market rates for similar types of facility elsewhere. Whilst discounts will be available for specialist target groups (e.g. for the proposed weight management and rehabilitation programmes to encourage participation,) the price to the general public will reflect the nature and position of this unique facility within the sports and leisure market. MCSC will not engage in actively recruiting from other local providers. Any cross over or transfer of users will only ever be due to individual choice, perhaps for example, to move to something more suited to their goals or needs.

### **3. An accurate assessment of the cost.**

MCSC have considered a number of build and design options in order to determine the most cost effective process to achieve this vision. Construction will include a series of ground works to create a suitable base to house the modular building that will become the MSCS Health and Wellbeing Centre.

The most realistic costings to date price the turnkey build of this facility at just under £580,000, which includes planning applications, ground works and a fully completed build, which includes air conditioning, Wi-Fi and smartphone charging facilities.

Included within the original application evidence pack is a full breakdown of costings for both the facility build and the equipment that will be used to furnish it.

### **4. A timescale for the commencement of work / invoicing.**

If a positive decision regarding the funding of this facility through Section 106 money is reached, it is hoped that work can begin in August 2019. The project should only take in the region of 6 weeks to complete.

The start date will be dependent on funding from both RDC and Sport England (see below). The aim is to have the facility open to the public from September 2019.

### **5. Project funding.**

Malton School governors have set an initial budget of £50,000 (£25,000 each being provided from the school and the sports centre budgets) towards the £580,000 required for the build of this new facility. The agreement from the governors is that this money will only be committed once the larger amount of required funding is confirmed (£530,000).

To achieve the total funding required, Malton School and MCSC are looking at two potential sources of external funding. The first is through Section 106 funding from RDC, at a figure of £220,000. Should this request be agreed, MCSC will then approach Sport England for funding, requesting a total of £310,000. This will enable the centre to build the new facility to a turnkey finish.

Once completed, the new facility will be furnished by a UK based company called SportsArts, who specialise in health, fitness and wellbeing equipment, as well as sports injury and rehabilitation machinery. The cost of the equipment will be met by MCSC, and will be spread over a 3 year period within the centre's annually revised three year budget forecast.

MCSC are eager to progress this project so that the residents of Ryedale can start to benefit from this new facility at the earliest opportunity. The centre know from research that the type of facility that has been proposed can deliver significant improvement in individuals from all kinds of socio-economic backgrounds, age groups and with all types of needs relating to their personal circumstances and specific requirements.

In addition, the long term sustainability of MCSC will be significantly enhanced by the approval of this project. Ryedale District Council in granting their support to the MCSC health, fitness and wellbeing centre will provide the first step towards developing a new facility in the area which will be appreciated by the town and its communities for many years to come.

Jay Rowley

Community Sport Manager

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# MCSC Funding Application

## Supplementary Information

### 1 Governance of MCSC

MCSC is owned, governed and managed by Malton School. The day to day management of the facility (including programming, budget control, purchasing, health and safety, staff management, housekeeping and maintenance) is managed by the Community Sport Manager (CSM), Jay Rowley.

Direct line management from the school is through the Operations Director, Tracey Beaver. Tracey is responsible for performance management of the CSM and to support the ongoing running and management of the facility, amongst the other responsibilities her role brings within the school.

Overall governance of the facility is through the Finance and Premise Governors Committee, which is a sub-section of the overall school governing body. The committee is made up of the Head Teacher, the Operations Director, the Finance manager, the CSM, and interested community persons and / or parents of pupils currently at Malton School, who have specific skill sets to help challenge, support and drive forward both the school and MCSC. 5 year Annual account projections are presented to the finance and premise governing body prior to the start of the new financial year and are discussed, challenged and agreed by the committee. Quarterly updates are then presented at committee meetings, before submission of the end results just prior to the turn of the financial year. Once agreed by the committee, these projections / results are directed to NYCC. The process is very thorough, with governors providing challenges where appropriate to help the business become as successful as possible.

The CSM has a maximum financial decision making power of up to £5000 for any single item / project. If the figure rises above this, a decision is made between the finance manager, operations director, head teacher and CSM, acting as the MCSC steering group, up to a maximum of £15,000. If the figure rises above this amount, the decision will be made by the finance and premise governing body.

In the case of this project, the CSM & steering group are pushing the project forward, under the agreement of the governors. Regular updates are made to governors, and suggestions and support are provided when needed. Ultimately the final decision regarding this project will be made by the finance and premise governing body. My job as CSM is to ensure I have made the project as financially viable as possible, so that the direct financial implication back to MCSC is a minimal as it can realistically be. My goal in achieving this is to raise the largest possible figure of grant funding available, via several funding streams / bodies. Any short fall in the overall total required will need to be financed by MCSC. Plans have already been drawn up for this scenario and we are currently working with two providers who are very keen to support the project.

## **2 Current Financial Agreements**

Under agreement with the school, any operating profit made by MCSC is currently used in two ways:

**1** - £20,000 per annum is paid into a ring fenced sinking fund (held by NYCC), for the purpose of replacing the surface of the 3G pitch after a 10-12 year period (2021-2013). This commitment is part of the terms and conditions of the grant funding from the Football Foundation, during the original facility build, and will run continually for the lifetime of MCSC, as the replacement of the surface is expected / recommended every 10 years.

**2** – All additional profits after the sinking fund payment are currently offset against the over spend accrued during the original build and furnishing of MCSC. In total this figure was £80,093 (after final retention payment in Jan 2013). To date, the outstanding figure is £58,965. This deficit is currently supported by NYCC as an ongoing debt, under the agreement that it will be repaid at the earliest possible time, in the current format of an annual payment based on profit made.

## **3 In House Financing For This Project**

Malton School are a state run school, under the umbrella of North Yorkshire County Council. Whilst it was financially supportive of the original MCSC build, NYCC would not be willing to add any financial support to this project, as there is no direct benefit back to the school. The facility is focused 100% on the wider community of Malton and Norton and the only usage by members of Malton School (staff or student) will be as a paying customer – the only potential exception to this may be use of the fitness class room as a meeting facility or for practical assessment days, such as GCSE and A Level PE. It is for this same reason that the school have set a minimal contribution towards the project. Whilst the school are very keen to see MCSC grow and develop and open up new avenues of community engagement, it is keenly aware that use of the new facilities by the school will be very limited.

With regard for the need of financing to complete this project, the financial breakdown document outlines that there is a shortfall within the project build phase of £39,311. In addition to this, there is also the lease of the fitness suite equipment to be considered. The figure for this lease is £85,636.50. Together this leaves an outstanding amount of £124,947.50. Our aim is to work with funding providers such as the Charity Bank, and finance this figure over a 3 year period based on 6% financing. The monthly cost equates to 137 monthly members. This equates to 39% of our minimum membership number, which ensure that the centre can retain a positive financial benefit from the project, even based on our minimum target numbers.

With regard to the use of potential profits made from the new project, there are four areas currently highlighted:

**1** – Additional finance into the 3G pitch sinking fund. Raising the annual payment to £30,000. The reason for this is that the price of a replacement surface and the cost of these works has risen since the original funding agreement was set by the Football

Foundation in 2010. This additional sinking fund contribution will ensure we have enough finance available to undertake the surface replacement and will allow us to also replace the goals and remedy any issues with fencing and ball stop netting.

**2 – Training and jobs.** MCSC would very much like to increase our budget for training and have a reserve amount of finance that could be utilised to increase the staffing team. Our current position will allow us to manage the new fitness suite to a healthy level, with 3 members of the current team qualified and experienced to do so. However, if the facility demand grows to the levels we anticipate, it is likely that we will need to recruit additional staff to support the day to day operation and customer service provision.

**3 – Maintenance and equipment budget.** MCSC currently maintains all aspects of the premises and purchases replacement equipment from the centre's annual budget. By building up a sinking fund, we will be in a much healthier position to undertake this work, particularly as the building ages, and will be in a position to keep on top of all equipment replacement and purchasing of new items for new initiatives. This will also include building up a reserve of finance that can be utilised towards the purchase or lease of new equipment for the fitness suite in year 4 of the new project.

**4 – Ongoing payment of the build deficit.** Our goal is to clear this deficit over an agreed period to ensure we are on an even playing field, as a means of ensuring long term sustainability. Once this deficit has been settled, all future profits can be allocated to the three areas highlighted above.

#### **4 Match Funding**

To achieve the aim of making this project a reality, it is essential that MCSC raises as much grant funding as possible. If the application to RDC is successful, the next process will be a funding bid to Sport England, with the goal of (at least) match funding the RDC grant. Sport England has been selected as it is a large provider of sports based community grants and has a pot of funding available specifically for school applications, meaning there are a number of grants that we could look to apply for.

There are also a number of other grant funding providers that are under consideration, should the Sport England bid not be successful. This includes the Big Lottery, who have a proven track record of community sport investment. The main stumbling block with these providers is that confirmed 50:50 match funding is required upon application, which is why this project is reliant on funding from the RDC Community Grant Scheme.

In addition to the planned match funding, there are also additional grants that will be applied for. One of these is held central by the government and focuses around environmental impact. One of the main reason for the selection of SportsArt as a partner in this project is due to their green energy fitness equipment. These pieces of kit are connected into the grid and actually generate power as they are being used, rather than burning electricity. This will allow us to collect a bank of energy that can be utilised either by the centre as a whole, offsetting current power costs, or by the National Grid to supply local houses and business. SportsArt have spent a number of years developing these machines and are the leaders in the field in the UK. With their support, knowledge and contacts, this project can have not just a benefit to health and wellbeing within our

community, but can also have a positive contribution to the environment. SportsArt have already accessed funding from this government pot for a number of projects like this one and are confident that MCSC can do the same.

Other smaller pots of funding (up to £10,000) that are being considered include Awards for All, who have supported the school previously and the NHS trust, through our partnership work with Malton Hospital.

## **5 Our Focus and Impact on Other Local Businesses**

**Our Focus** – The vision for this facility is very much to support the health and wellbeing needs of the local community. Whilst we obviously need to ensure the facility is financially sustainable through memberships and casual usage, the main aspect of our work will be through targeted work with those who need it most. This will include weight management programmes, rehabilitation programmes, GP Referrals and sports injury rehabilitation.

Ryedale currently has the third highest overall level of obesity in the country, with levels rising year on year from ages 4 upwards (when first assessed). This is a trend that continues throughout every age bracket. Clearly there is a need for change. SportsArt have already committed to supporting this work aspect of work, and are willing to provide specialist weight management exercise machinery which is not available anywhere else in the county, free of charge, as a means of using MCSC as a show site for the equipment.

Our current work with Malton Hospital helps support patients through a rehabilitation programme after serious illness and intervention. Illnesses include MS, Alzheimer's, cardiac conditions and strokes. We work with patients following their release from Malton Hospital after their NHS based rehabilitation process is complete. To date, we have seen a reduction of over 89% in re-referrals back to the hospital for the same issues. At present, this programme is our most important and effective. We also support social interaction through this and our Get Fit Gently programme, which brings older generations of the community together and helps address imbalances in loneliness and mental wellbeing. This will be another major focus of the new facility.

The GP referral scheme will allow us the opportunity to work with patients suffering from ill health prior to them needing direct hospital care. Our goal is to reduce the likelihood of hospital related treatment by helping set goals and targets that can directly improve health, as we do with the rehabilitation group, above. This work will be undertaken in partnership with local GP surgeries and will be a community wide project, support both Malton and Norton, as well as outlying villages and towns in Ryedale.

As the manager of the facility, this is the type of community based work that I am dedicated to addressing and delivering in a greater capacity. My team and I are keen to promote better health and wellbeing in our community, and that is not just to those who are already suffering ill health, but to all demographics. We will work with young and old alike, those who are already healthy to ensure they maintain a positive outlook on

health, as well as those who need to make positive health changes to their lives, to ensure their wellbeing for the long term future.

**Our Impact on Others** – As mentioned above, MCSC will need to achieve and maintain a number of monthly members and casual users to ensure financial sustainability. With that being said, the grant funding we are seeking will limit the financial burden on the centre. This will result in the centre being able to focus on our key priorities (highlighted above) rather than the need to focus our energies solely into building up our membership numbers. Yes, we will need a healthy membership number, but this will not need to be the primary focus, or be as higher level of numbers, as it would if we were self-funding.

Over the past 6 years we have directed hundreds of enquiries to other local facilities, especially Body & Soul. We have also worked together with Body & Soul to utilise their facilities whilst our staff undertook personal fitness instructor training. Our goal is not to take customers away from other similar local facilities, but rather to target specific audiences that are not currently catered for within the town and to offer a different option for the general public – we will offer a standard fitness suite set up (double the size of any similar local facility, but with a wide range of different equipment), and this will be complimented with an in depth fitness class programme and a range of functional training options and equipment; neither of which are currently offered elsewhere in the town. It is these latter two aspects in particular which we believe will set us apart from other providers, but more importantly, will allow us to provide opportunities for a different type of user that are not currently available within the town, ensuring we are not focusing on users currently committed to other local business in our field.

## **6 Programme of Activities**

The attached programme of activities for both the Fitness Suite and the Fitness Class Room outline the key priorities and goals of the new facility. The class timetable outlines the varied range and quantity of classes that will run, offering opportunities for all types of users. This includes gentle back to exercise classes for people recovering from illness, with weight management problems or for those in their senior years, who are looking for activities that are of a lower intensity. There are classes that support posture and core strength, which will support sports injuries, back problems and relaxation. The programme covers fat burning and toning through a number of different classes to cater for a variety of needs and preferences and there is also more specific fitness and muscle training classes. The variety of classes is spread throughout the week, ensuring that MCSC can offer something for everyone at a variety of times during the day and evening, to meet individual needs and commitments. Also included is a provision for local clubs, groups or organisations to utilise the space as a meeting room. MCSC will also utilise this space to support coach education training, such as FA Level 1, First Aid and Safeguarding training, which will provide opportunities for new and existing volunteer coaches within our community.

The programme within the fitness suite is again designed to cover a variety of potential users. The suite will be open throughout every day of the week for members and casual

users who are happy to follow their individual pre-written fitness plans. Running alongside this, there are specific targeted sessions to support weight management, rehabilitation programmes, GP Referrals, junior training, 1:1 personal training and a wide range of opportunities for inductions and individual programme planning. Our goal is to meet the needs of the widest possible cross section of community members as possible, at a variety of times throughout the day / week to suit all needs, lifestyles and commitments.

## **7. Planning**

During the original build of the MCSC premises, the phase 2 development of the facility (fitness suite extension) was discussed and even included on the project site plans – highlighted as phase 2 project – these plans have been included in the package.

The builders also ensured that utilities were extended to run underneath the proposed site of the fitness suite, along with works to provide an extension to the car park for a further 24 cars. Both aspects will prove financial beneficial to this project and will reduce time scales for build completion.

A provision planning application was submitted to NYCC on Fri 27 October and full planning will be submitted upon a successful outcome from the RDC grant funding panel.

## Finance Details (option 1)

Expenditure	Amount (£)
Full Build Costs to completion (inc survey and planning costs)	579,311.00
VAT (on build)	115,862.00
<b>Total =</b>	<b>695,173.00</b>
Income Details	Amount (£)
RDC Grant Funding Requested	220,000.00
Own Funds - £25,000 Malton School + £25,000 MCSC	50,000.00
Other - Sport England Match Funding	310,000.00
<b>Total =</b>	<b>580,000.00</b>
Vat reclaim on build	115,862.00

Additional Expenditure	Amount (£)
Lease of Fitness Suite Equipment	
Fitness Suite Equipment	85,637.00
Delivery and Installation	5,898.00
<b>Total =</b>	<b>91,535.00</b>
36 Monthly payments =	£2,785.46
<p>Financing:</p> <p>The sports centre (School) would look to secure external funding for the shortfall on the build costs and the lease of the fitness suite equipment. Our main contact for this at the moment is via Charity Bank, at an annual loan percentage of 4-6% (tbc).</p> <p>Working on 6%, the repayments would be as follows:</p> <p>£2785.46 divided by £30 monthly membership charge = 93 monthly members</p> <p>This is the preferred method, with all cost of the build (£579,311) covered through external funding.</p> <p>If this can be achieved, the lease financing undertaken by MCSC will be solely for the fitness suite / classroom equipment / machinery.</p>	

## Finance Details (option 2)

Expenditure	Amount (£)
Full Build Costs to completion (inc survey and planning costs)	579,311.00
VAT (on build)	115,862.00
<b>Total =</b>	<b>695,173.00</b>
Income Details	Amount (£)
RDC Grant Funding Requested	220,000.00
Own Funds - £25,000 Malton School + £25,000 MCSC (Confirmed)	50,000.00
Other - Sport England Match Funding	270,000.00
VAT (reclaim)	115,862.00
<b>Total =</b>	<b>655,862.00</b>
<b>Shortfall =</b>	<b>39,311.00</b>
Additional Expenditure	Amount (£)
Fitness Suite Equipment	85,636.50
VAT (On equipment)	17,127.30
<b>Total =</b>	<b>102,763.80</b>
<b>+ Shortfall</b>	<b>39,311.00</b>
<b>- Recoverable VAT (on fitness suite equipment)</b>	<b>17,127.30</b>
<b>Total for financing =</b>	<b>124,947.50</b>
Financing:	
The sports centre (School) would look to secure external funding for the shortfall on the build costs and the lease of the fitness suite equipment. Our main contact for this at the moment is via Charity Bank, at an annual loan percentage of 4-6% (tbc).	
Working on 6%, the repayments would be as follows:	
Loan amount	£124,947.50
Interest over 3 years	£22,490.55
<b>Total =</b>	<b>£147,438.05</b>
Monthly payment (including interest)	£4,095.50
£4095.50 divided by £30 monthly membership charge = 137 monthly members	
As discussed in the 'Supplimentary Information' document, MCSC will also be seeking additional funidng to support the project and help reduce the above loan amount, which in turn will reduce the monthly financial burden to MCSC.	



Finance and Premises Governors  
Malton Community Sports Centre  
Broughton Road  
Malton  
YO17 7BP

Councillor Luke Ives  
Chair of Policy and Resources Committee

[cllr.luke.ives@ryedale.gov.uk](mailto:cllr.luke.ives@ryedale.gov.uk)

13 July 2018

Dear Finance and Premises Governors

I write to thank you for attending Resources Working Party (RWP) last night and providing Members with a really informative and impressive presentation into the performance of Malton Community Sports Centre (MCSC).

The following points were agreed:

1. Council be asked to update the Outside Bodies list for a representative to attend the MCSC Finance and Premises Governors meetings
2. Requesting further detailed information on the plans to develop a fitness suite which identifies how the facility would bring something unique, new and add value to Malton, Norton and the district of Ryedale, evidence to support there would be no detrimental impact on other fitness facilities in Malton and Norton to enable the pending S106 application to be re-considered by the Grants Committee
3. Subject to the usual budget setting decision making processes confirm that RWP would suggest a provisional 2 year extension to the annual £30,000 revenue contribution in 2019/20 and 2020/21 on the basis that there would need to be a clear understanding of how MCSC plans to increase capacity and profitability to enable a reduction in future subsidy.
4. Future performance reports to be considered by the Council on an annual basis.

I must stress that Members remain of the view that the Council should not be investing public money into something which directly competes with existing local businesses however Members are interested in fresh ideas that benefit our communities and would welcome further costings and details for the classroom and physio equipment.

Please do not hesitate to contact me if you have any other queries or issues I can help you with.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Luke Ives', written over a white background.

Councillor Luke Ives  
Chair of Policy and Resources Committee

cc Rob Williams Head Teacher, Malton School  
Paul Kear, Operations Director, Malton School  
Jay Rowley, Community Sport Manager, MCSC

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# **Business Plan Update October 2017**

## Index

1. Introduction
2. Current Position
3. Development Proposal – Fitness
4. Competitor Analysis & Market Opportunity
5. Differentiation and Points of Advantage
6. Strategic Context
7. Capital Programme & Funding Profile
8. Operational Requirements
9. Income & Expenditure profile

## 1. Introduction

This business plan for the Malton CSC (The Centre) provides an update to the business plan document produced in 2013 which detailed the case specifically for a new fitness facility as an extension to the range of activity options provided at The Centre.

This document considers the opportunity for the development of a fitness facility in the context of the implications for the wider business model and viability of the centre, its relationship with the Malton School and recent and proposed population growth in the catchment as detailed in the Local Plan.

The value of a fitness facility should also be assessed in terms of the opportunities it offers for engagement with the wider community and other potential partners from the public and voluntary sectors.

## 2. Current Position

Opened in 2011, the Centre provides a multi-sport, multi facility service for the community of Malton and its wider rural catchment. [Grass pitches, 3G FTP, Sports Hall and Climbing Wall].

The Centre is wholly owned and operated by the Malton School with financial responsibility and corporate overview provided through the School Governors.

The Centre operates on a dual-use basis with the school utilising the facilities for the delivery of the core curriculum for PE and enrichment activities. Where there is the occasion for integration of school and community use, The Centre staff contribute to the safeguarding of young people by supporting the duty of care provided by the PE staff from the school.

In the period since 2011 the Centre has developed and retained high levels of utilisation across both the indoor and outdoor facilities (approximately 85% in the Sports Hall and on the 3G pitch at peak times). As such, given the relative lack of comparable facilities in the locality it is reasonable to state that the Centre is strategically significant in the context of meeting the sporting and recreational needs of the community from a broad urban and rural catchment.

As demonstrated by the business proposal developed in 2013 for the provision of a fitness suite; the management of the centre recognised relatively quickly after opening that the centre was failing to meet customer demand in terms of fitness provision. The lack of a comparable facility within the locality also highlighted the opportunity within the local marketplace which the centre could capitalise upon.

With the release in 2016 of the Sport England strategy '*Towards an Active Nation*' which is the Sporting response to the Government White Paper '*Active Nation*'; the strategic emphasis for Sport England and by association the numerous National Governing Bodies of Sport (NGB's) facilitated a move to targeting increased levels of physical activity and participation as opposed to solely delivering sports specific strategic outcomes. Consequently, the role of the Centre can be considered from a much more holistic perspective in terms of its relevance to wider community health, well-being, and health intervention strategic objectives. As such it is again reasonable to state that the provision of further facilities which can accommodate and promote increased levels of physical activity and directly address health inequalities will have strategic relevance beyond the sport and leisure sector [Section 6 – Strategic Context].

A fitness suite is widely recognised as an integral element of any multi-activity sport and leisure facility, providing services for those who do not necessarily engage with formal team sports. To some extent The Centre is providing an element of this service offer through the various group-based instructor led exercise classes it delivers. The provision of a fitness facility would effectively complete the service offer within the centre and provide the community of Malton with access to a complete range of facilities and services.

### 3. Development Proposal – Fitness

The provision of a fitness facility which is appropriate for multi-generational use and can support the specific needs of people with a disability or those with pre-existing medical conditions or contra-indications to exercise is not readily available within the locality [Section 5 – Competitor Analysis].

In common with any customer service business, the Centre is at a point after six years of trading where it would benefit from refreshing and updating its service offer, both to retain current clientele and to diversify or extend its business model to ensure ongoing viability.

The provision of a fixed fitness facility is a natural progression from the group exercise classes accommodated within the main sports hall. Group exercise provides a significant percentage of the income into the centre and offers an existing customer base for the proposed facility.

Given this rationale, The Centre is proposing to build a modular extension on the northern elevation of the building with a short link corridor directly from the main reception area of the Centre. (Appendix 1 shows an aerial view of the proposed location).

The Centre would not require any other capital improvements as the changing accommodation would be appropriate for, and have the capacity to accommodate an increased number of users for a fitness suite and enhanced class programme.

Similarly, the car park can accommodate 80 vehicles with the stone base already in place for a further 20 if necessary; the site also has secure storage for 20 cycles with CCT coverage.

The front-of-house customer relationship management system (CRM) is however not appropriate for a fitness facility with the need to accommodate several hundred client records. The current system for bookings is a manual spreadsheet based process which is only a tool for the centre staff to co-ordinate bookings.

Ideally the CRM system will have the capacity to manage multiple aspects of the Centre's relationship with an individual user. This would include;

- Retention of complete client contact details.
- Medical data and emergency contact details.
- On-line registration
- Direct Debit / Standing Order capability.
- On-line booking for instructor led sessions.
- Capacity for individual and group emails.
- Monitor individual attendance.
- Capacity to generate management reports and business performance statistics.

The proposed location offers appropriate space for a facility of 13.5m x 34.85m (total area of 470.48 sqm) which would accommodate 54 separate exercise stations. Based upon accepted industry standards of 25 active members per exercise station this would provide a facility which can accommodate a theoretical operating maximum of 1350 active members. An active member is a client who makes ongoing use of a facility on a weekly basis as opposed to an occasional user.

A proposed layout has been prepared by Sports Art Fitness Ltd (details available at Appendix 2) based on the principle of training zones; specifically;

- Aerobic Zone
- Cycle Zone
- Resistance Zone
- Functional Fitness Zone (separate room)

The design would provide a facility which can accommodate the training needs of people of all ages and abilities with the flexibility for both group and individual training. Where appropriate the equipment is also compliant with the requirements of the Inclusive Fitness Initiative for people with a disability.

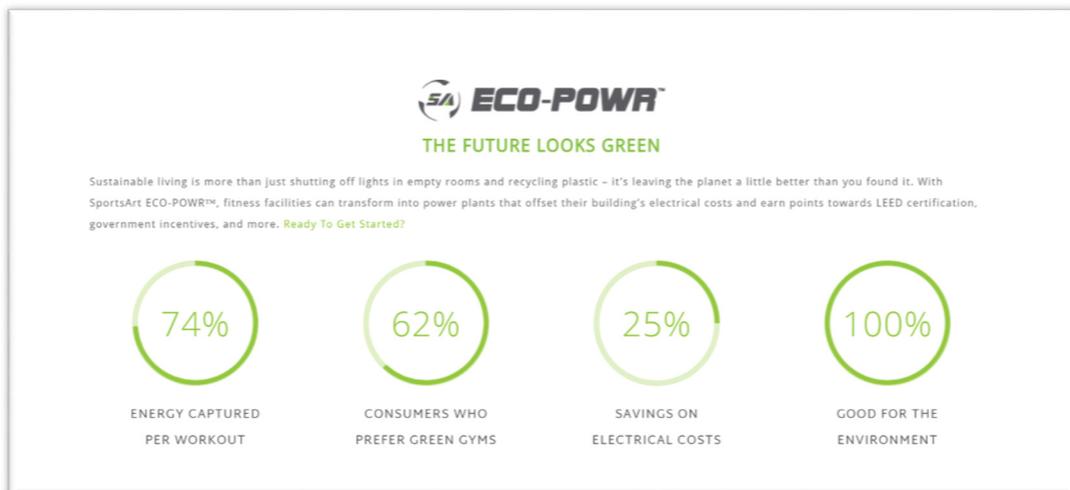
Given this approach to overall fitness as opposed to a specific focus on say strength training or a heavy reliance upon group exercise; the business model for fitness would provide a very rounded service offer with a broad appeal within the local community.

This offer can be considered to be 'rounded' in so much as it offers;

- Long opening hours providing maximum opportunity for people to attend.
- A large number of exercise stations which are appropriate for people of all ages.
- A complementary group exercise programme providing clients with numerous options for individual and instructor-led training.
- Personal training services (in-house staff).

The Centre is also proposing to adopt an environmentally friendly approach by installing eco-friendly fitness equipment. Rather than purchasing cardio vascular machines which require electricity the Centre is aiming to install self-powered treadmills, and in the case of the Sports Art Fitness Eco-Powr range, machines which actually feed power back into the centre through the watts generated by users of the equipment (<https://us.gosportsart.com/eco-powr/>).

Headline figures from Sports Art Fitness demonstrate:



The proposal to use the Eco-Powr range would also provide economies in terms of the ongoing cost of operating the centre in comparison to more conventional machines which require mains electricity.

#### 4. Competitor Analysis & Market Opportunity

Proposals for a new multi-generational fitness facility have been prepared based on a thorough and detailed understanding of the catchment, the competition, and the potential future demand in terms of housing and population growth.

**Competitor Analysis** – an evaluation of other service providers within the catchment of the facility identifies only a limited number of facilities and these vary considerably in terms of size, quality, and target audience.

An overview of the opening hours, pricing policy and distance from the Centre is provided at appendix 3. To briefly summarise:

- Body & Soul (approximately 1km from the Centre): located close the centre of the town, this facility can be described as a small independent commercial gym. The nature of the product offered is very similar to that proposed for The Centre and as such can be considered as the closest competitor. However, Body & Soul offers only a very limited instructor-led group exercise programme and the gym area is significantly smaller than that proposed for The Centre. Although this facility is easily accessible from the town centre it has very limited parking provision.
- The Workhouse (approximately 1km from the Centre): this can also be described as a small independent commercial gym. This facility however is geared very much towards clients aiming to train specifically for strength and conditioning. As such it is not considered to be a direct competitor as The Centre will be aiming at a broader multi-generational audience with very broad training needs and objectives.
- Derwent Swim & Fitness Centre (approximately 1.6km from The Centre): This facility provides a 20m pool and a fitness suite providing 20 exercise stations. This is a Ryedale Council facility which is operated under contract by Everyone Active, a national company who operate numerous facilities nationwide for various local authorities. Although the fitness facility was renovated in 2014 it is less than half the size of the facility proposed at The Centre and does not offer the variety of training options. The Derwent Centre only offers very limited pricing options on a session by session basis.
- Norton College (approximately 2.3km from The Centre): based within the Norton College Campus, this site offers a 32-station fitness suite. However, the facility is only available outside college hours from 5pm each weekday and has limited opening hours at the weekend. As such the facility is not considered to be a direct competitor given the restrictive opening hours.

[Note - the measurement in distance from The Centre for each of the above is a straight-line measure, not a drive time calculation].

The only other facility in the catchment which provides a publicly accessible fitness facility is the Jack Berry House.

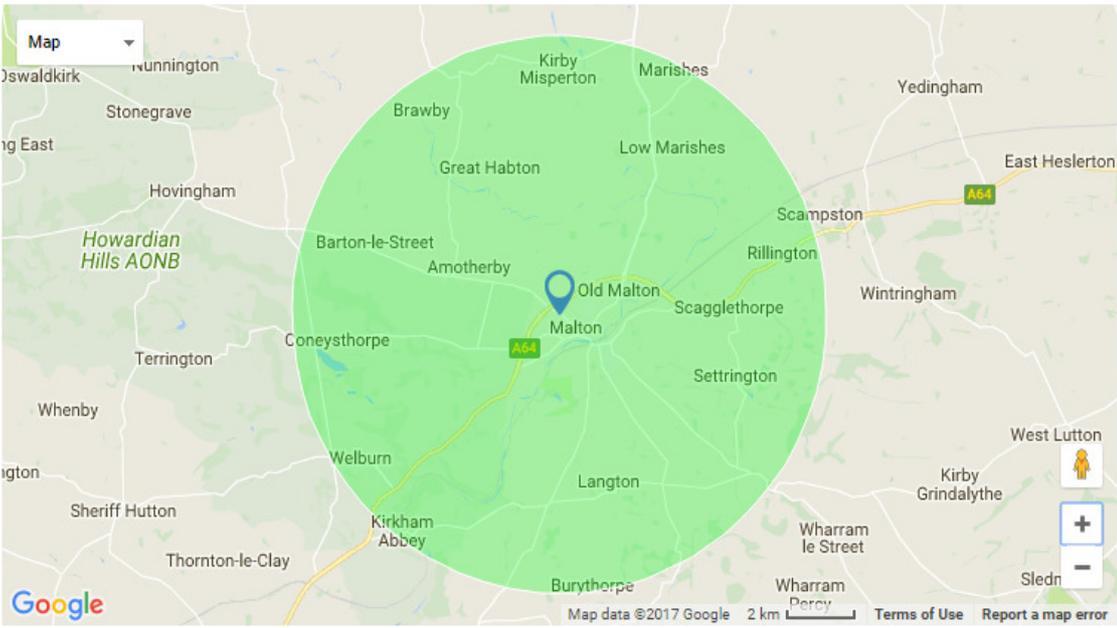
Located in Old Malton approximately 1.5km from The Centre, Jack Berry House is a specialist rehabilitation centre for injured jockeys. As this facility offers limited hours access and does not widely publicise its facilities and services it is not considered to be a direct competitor to the proposed fitness facility at The Centre.

Based on this evaluation of current providers within the locality, the facility proposed at The Centre would be the largest in Malton, offering the widest choice of equipment, functional training, and the most comprehensive programme of instructor-led group exercise classes.

**Market Opportunity** - based on the above assessment of current providers there is only a limited level of supply within the locality, particularly within the general market for health-related fitness as opposed to specific strength and conditioning.

It is generally accepted within the sport, health & fitness industry that the majority of clients will be drawn from within a 15-minute drive time / 5-mile radius of a facility. The significant exception to this being facilities which are located within easy access to major arterial roads and high-volume commuter routes. The current client base for The Centre demonstrates that it draws users from a much greater radius; anecdotally this is due to the lack of comparable facilities in the wider area, and demonstrates a willingness for people to travel to participate in sport and active recreation.

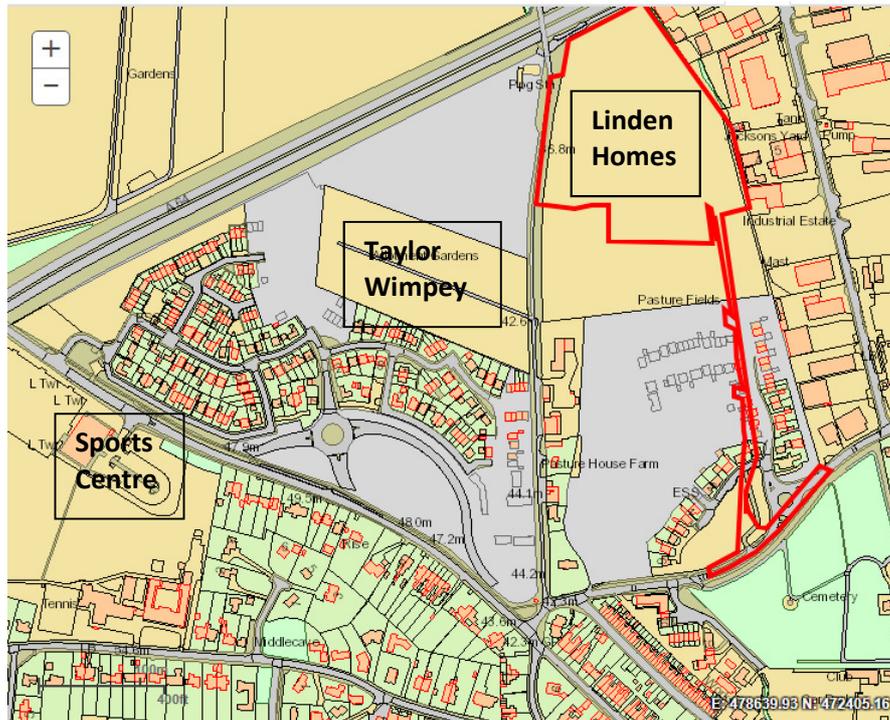
As demonstrated below, a 5-mile radius of The Centre encompasses the Town of Malton and 14 separate village communities with several more just beyond this 5-mile point. As the largest town and centre of employment and commerce within this catchment it is reasonable to assume that many people from these outlying villages travel in to Malton on a daily or weekly basis.



Population & Projections - the population for the 3 wards closest to The Centre and wholly within the 5-mile catchment area at the Census of 2011 was 12,275 with the number of households being 5,429. According to Ryedale District Council statistics the population is set to

increase by 1.5% from 2014 to 2019 from 52700 residents to 53,500<sup>1</sup>. Conservatively, bearing in mind the population in North Yorkshire increased from 2011 to 2015 by over 5%, this could mean an increase in the 3 wards from the time of the 2011 Census of 184 residents by 2019.

A new housing development by Taylor Wimpey Homes of approximately 500 properties is approaching completion of its final phase in close proximity to The Centre; a further 87 homes, again in very close proximity are also close to completion by Linden Homes as demonstrated below.



According to the **Ryedale District Council Local Strategic Plan** published in 2013; there will be a planned 15-year supply of deliverable and developable land distributed in accordance with their strategy and settlement hierarchy, reflecting the role of different settlements and their capacity to accommodate additional housing growth, particularly in terms of the capacity of infrastructure and the ability to deliver infrastructure improvements. The intention is to build around 3000 new homes across the Ryedale area of which approximately 50% of the planned supply over the 15 years will be directed at Malton and Norton, up to 1500 new homes by 2028.

A projected increase in population through increased housing development does not guarantee that any leisure facility will automatically experience a commensurate increase in utilisation. However, trends within the fitness sector and recorded participation levels within the locality coupled with the projected housing growth noted above provide considerable evidence to support the viability of the proposed facility.

The annual '*State of the UK Fitness Industry Report*' produced by the Leisure Database Company provides a comprehensive review of the industry and projections year on year.

The 2017 *State of the UK Fitness Industry Report* shows that;

- Gym memberships nationally rose by 5.1 per cent to 9.7m.

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<sup>1</sup>Copyright Population Projections Unit produced by ONS

- The penetration rate rose to an all-time high of 14.9%, up from 14.3% in 2016.
- The figures reveal that one in every seven people in the country is a member of a gym.

David Minton, Director of The Leisure Database Company, which published the report, noted;

*'The industry is likely to hit several milestones in the next 12 months. The number of gyms is on course to go over 7,000 for the first time, total membership to exceed 10m, market value to reach £5bn (\$6.5bn, €5.9bn) and the penetration rate should surpass 15 per cent.*

*'New technology is widening people's interest in fitness and consumers are able choose much more because the industry is becoming more transparent. If consumers want something for free they can choose that. The industry has opened-up much more. Consumers are driving growth through different business models'.*

Extrapolating this penetration rate within the population of just the three local authority wards within the 5-mile radius of The Centre; a population of 12,275 at a penetration rate of 14.9% represents a potential catchment of 1829. This figure does not include potential new participants who at present can be considered to be 'deconditioned', people outside these wards or the 5-mile radius or any users which may be generated through partnership working with other agencies.

The Sport England Active People Survey notes adult 16+ participation levels consistently higher than the Yorkshire and national average;

	2012	2013	2014
England	54.9%	56.0%	57.0%
Yorkshire	53.4%	55.3%	56.1%
Ryedale	60.6%	57.2%	65.7%

This comparatively high participation rate is potentially a reflection of the relatively low levels of unemployment in the locality. The current unemployment rate, according to NOMIS statistics published for the year to March 2017 is 3.5% compared to 4.7% nationally and 4.9% regionally.

It is acknowledged that there are areas of rural deprivation and that unemployment levels are not the sole indicator of relative affluence.

Maximising off-peak utilisation, generally securing utilisation during weekday daytime hours up to 5pm is a key challenge for facility managers, the primary markets for which are parents following the traditional 'school run' and those aged 60+.

In terms of parents and the market built around schools; The Centre has a total of 13 schools within the 5-mile radius and is itself co-located on the site of the Malton Senior school which has 765 students, 130 of which are potential clients as members of the Sixth Form, a further 42 Scarborough Football Academy students who use the centre on a weekly basis. As such The Centre has very good access to parents and carers through its relationship with these schools as feeders to the Malton School itself. The image at appendix 4 highlights the schools within the catchment area.

The 60+ age group presents a real opportunity for The Centre to maximise off-peak utilisation. A number of sessions and activities are already delivered specifically for the older age groups,

some of which delivered in partnership with other agencies, including the Malton Hospital and Care Home providers.

Details from the Office of National Statistics through NOMIS for 2015 are available only for the entire Ryedale area and demonstrate that 41% of the population are aged 55+. The last available data for the locality is from the 2011 Census; for the three local authority wards within the catchment the population at age 60+ was 3,424 representing 28% of the community.

Given the documented increase in population identified within this plan, the current and proposed housing developments and the widely recognised 'aging population' it is reasonable to assume that the 60+ age group will soon make up one-third of the potential market for the proposed fitness facility.

The various factors highlighted within this section identify a community which has a comparatively low level of facility provision; the existing facilities are small scale, cater for a niche training demand or have limited availability for general-public use.

Conversely there is a large, relatively affluent community within the catchment of the Centre; trends within the fitness industry clearly indicate an increasing level of demand for gym memberships with intervention rates expected to exceed 15% of the population. The Centre has the capacity to develop a fitness facility which could cater for the training needs for people of all ages and abilities and accommodate high levels of utilisation.

#### 5. Differentiation and Points of Advantage

It is reasonable to state that the fitness sector in Malton and its wider catchment is not a mature market. As noted the area is serviced by a small number of independent gyms and a local authority centre operated under an arms-length management contract.

The local community does not have access to the multi-service health clubs provided by the large national chains (i.e. Virgin Active, David Lloyd etc.) or facilities provided within hotels. Consequently, there are fewer risks or barriers to entering the market, conversely in comparison to the current providers The Centre has a number of points of advantage to support or strengthen its case for entry into the market;

- The Malton Community Sports Centre is a well-established venue with a record of delivery, reputation, and local profile for providing community sport and fitness facilities and services. It does not face the same challenges as an entirely new venture entering in to a new location or new market sector.
- The provision of a fitness suite is a natural extension to current provision as opposed to a diversification to the current business model. The Centre already has the necessary staff, skills, and expertise to operate the proposed fitness facility, providing continuity for clients and significantly reducing the impact of expansion on the current business operation.
- Existing customer base – The Centre already experiences 1000 customer visits per week, presenting a ready-made market for the new Fitness Suite.

- The Centre will be aiming to provide a comprehensive service offer focusing on health-related activity for all ages and abilities as opposed to just 'fitness', using its not-for-profit status as a vehicle to partner with other providers / agencies.
- The size of the fitness facility will be significantly larger than the competition with the potential to offer an extensive instructor-led group exercise programme, personal training, and other multi-sport opportunities, providing a better value offer in comparison to other providers.
- Access and Parking – as noted previously The Centre has 80 car parking spaces with the scope to easily extend to 100 spaces. Secure parking is available for 20 cycles and the site is on public transport route with a frequent bus service from Railway Street or Wells Lane calling at various points en-route.
- As a school facility The Centre has direct access to schools' networks, parents / carers, extended families and school staff which are not necessarily available to other providers.
- As a not-for-profit organisation The Centre is in a position to partner with various statutory and public-sector agencies who, in general would not, or could not partner with a commercial operator.
- As a not-for-profit organisation The Centre has the capacity to apply for revenue grant funding to deliver specific activities and services for target populations, grants which are not available to commercial providers.
- The use of data-capture has become a powerful tool within the health and fitness industry as a means of monitoring, motivating and challenging the individual to achieve their targets; and, in the case of health-related activities to support the participant to make sustainable changes to lifestyle. Use of the Eco-Powr system provides considerable data to support the participant and provides a vehicle for The Centre to promote it's 'green' gym.

## 6. Strategic Context

The development of new or improved sport and leisure facilities within the public sector would be expected to contribute to the delivery of any relevant local and national strategic objectives.

At the local level this would be in relation to the **Ryedale District Council Sport and Active Lives Strategy 2013 -2023**. The primary aim of this strategy is that by 2023 more people in Ryedale will be enjoying the benefits associated with a more active lifestyle.

The role of The Centre can be identified in terms of contributing to the following objectives within this strategy;

- More people aspiring to take part in sport and active recreation.  
[The Centre actively promotes and encourages participation; the new fitness facility added to the existing services will provide access for more people to meet their aspirations].

- More people actually taking part in sport and active recreation.  
[The Centre fully expects and increase in participation levels through use of the fitness suite, particularly in targeted populations such as the 60+].
- Increased participation amongst people already taking part in sport and active recreation.  
[The fitness facility would provide ideal complementary fitness and conditioning training for those already involved in team and individual sports both at the centre and within local clubs].
- Increased satisfaction with facilities and opportunities for sport and active recreation in the Ryedale area.  
[As noted previously; the provision of a fitness suite would complete the service offer at the Centre and provide the local community with access to improved facilities and services].
- Increased usage across all Ryedale owned leisure facilities.  
[The Centre is a Ryedale Council facility managed by the school and would see increased usage through the development of a fitness suite].
- An increase year on year of participation in sport and active recreation in Ryedale (based on a baseline of the 2009/11 Active People Survey results),  
[The membership projections for the fitness suite show an increase year-on-year; a position reflected in the State of the Fitness Industry report 2017].
- Increased capacity within the local community to enable the above through support of existing and creation of; new sports clubs, coaches and officials and improved facilities  
[Provision of an entirely new facility on a scale not presently available within Malton and its wider catchment].
- Engagement of young people, adult males and hard to reach groups such as people with a disability, and older people to encourage and facilitate opportunities for them to remain healthy by being active.  
[As stated within this document; The Centre is very much geared to servicing the entire community and will be working with various partners to target particular populations].
- To promote, maintain and develop quality indoor and outdoor leisure facilities and support the utilisation of village halls etc as small community sports facilities in the villages and small towns.
- To support the development of better levels of public transport, safer roads and walking and cycling infrastructure, encouraging sustainable travel and improved transport to facilities in the principal settlements

Nationally, the **Sport England strategy 'Towards an Active Nation'** provides the framework for the development of sport and physical activity. The principles of this strategy are embodied within the investment programmes for the period from 2016 – 2021 and in the Vision Statement for the Strategy;

Vision:

*'We want everyone in England regardless of age, background or level of ability to feel able to engage in sport and physical activity. Some will be young, fit and talented, but most will not. We need a sport sector that welcomes everyone – Meets their needs, treats them as individual and values them as customers'.*

To deliver this mission Sport England have developed seven investment principles which underpin their grant funding and development priorities for the term of this strategy. Further details of these are provided at appendix 5; however, of these seven, the proposal for a fitness facility and the wider services delivered by The Centre contributes to delivering all seven principles:

- Tackling inactivity.
- Children and young people.
- Volunteering.
- Tackling sport & inactivity in the mass market.
- Supporting sport's core market.
- Local delivery.
- Facilities.

Looking beyond the sporting environment, primary health care providers have an active role to play in the promotion of health and wellbeing, and addressing health inequalities.

The **Scarborough and Ryedale Clinical Commissioning Group** promotes and implements Public Health England campaigns and initiatives aimed at improving the health and wellbeing of the local population. The aim being to encourage the public to be healthier and reducing differences between the health of different groups by promoting healthier lifestyles, advising government, and supporting action by local government, the NHS and the public.

The role of the CCG embraces all aspects of health care through three key principles within a programme entitled '*Ambition for Health*', one of these principles being '*Inspiring people to lead a healthy lifestyle*'. The Centre has a record of working with primary care providers, the addition of fitness facility will extend the scope for work both in health improvement and rehabilitation and recovery, particularly addressing conditions such as diabetes and obesity.

As demonstrated, the provision of a new fitness suite with the capacity to accommodate projected increasing demand based on industry projections and proposed housing developments will contribute to the delivery of various strategic objectives within the locality.

## 7. Capital Programme & Funding Profile

The project to develop the proposed fitness suite falls into two areas, the capital programme and the purchase of the fitness equipment.

In building terms, the capital programme is a comparatively straightforward modular construction requiring a short link corridor to connect it to the reception area of The Centre.

The modular units will be constructed off-site and installed onto a prepared concrete pad including all necessary connections for drainage and mains services.

The outline planning application for the proposed extension was presented to the North Yorkshire County Council on October 27<sup>th</sup>, 2017; the full planning application will be submitted upon confirmation of the capital funding package.

The expected timescale for completion of the capital works is a period of 6 weeks. Design details are provided at Appendix 6 and a detailed cost breakdown is available in a separate document.

The estimated project cost for the works to construct the building extension are £579,311 not including VAT. [Final costs will be subject to the formal tender process to select the preferred contractor].

The supply and installation of the fitness equipment requires a period of 2 weeks once access is available to the building to allow for the assembly and commissioning of the various pieces of equipment.

The total cost for the supply of the fitness equipment including the ongoing service contract is £85636.50 not including VAT.

Funding mix:

The Centre is looking to draw funding from a number of sources to meet the cost of this project, including;

- An application has been submitted to the Ryedale District Council for a contribution of £220,000.
- A confirmed contribution from the School of £25,000.
- A confirmed contribution from The Centre of £25,000.

The Centre is looking to match this funding to a grant application to the Sport England Community Asset Fund and other sources of grant funding including the Healthy Pupils Capital Fund and the North York Moors Coast & Hill Leader Programme.

Working on the principle of achieving a pound-for-pound match funding position this would leave a potential shortfall of...

## 8. Operational Requirements

As noted previously, there are no changes required to the current building in order to accommodate users of the fitness suite. The only material change being the provision of an appropriate front-of-house CRM system which will only improve the customer experience and provide detailed management information to inform future decisions about centre operations. The situation is similar in terms of staffing and staff roles; the existing staffing infrastructure and staff roles are appropriate to opening the fitness facility and delivering an expected level of service to clients.

Given that The Centre presently delivers an extensive instructor-led group exercise programme, members of staff are competent, well qualified and experienced instructors and personal trainers; skills which are immediately transferable into the fitness suite.

The only additional staff training requirements would be for the safe use and low-level maintenance of the new fitness equipment and the operation of the CRM system.

The only variable within this which needs to be considered is the level of demand for personal training. Prior to opening the facility, it is not possible to predict what the level of demand will be; however, the potential risk has been recognised and can be mitigated by changing the duties and responsibilities of existing employees who hold the appropriate qualifications to dedicate their time entirely within the fitness suite.

The general duties of these employees would then be back-filled through the appointment of additional general leisure assistants or apprentice placements.

Similarly, the Normal Operating Procedures (NOP) and Emergency Action Plans (EAP) would be updated to reflect the operation and integration of a fitness suite into The Centre.

**Marketing programme** – the opening and ongoing operation of the Fitness Suite would be supported by a focused and comprehensive operational marketing programme. This would be two-fold; a generic programme simply to raise awareness of the facility and a targeted programme promoting specific sessions to appropriate sectors of the community. The marketing programme would use all available media in both hard copy and digital formats, including social media.

The value of on-line media is demonstrated by the website for The Centre which is an effective promotional outlet experiencing an average of 5000 hits per month.

A strategic approach to marketing will also be adopted to identify opportunities to work in partnership with other agencies from the statutory and public sectors with the aim of developing joint initiatives to work with specific populations and drive the off-peak use of the fitness suite. For example, GP referral schemes which would provide a complementary programme to 'Get Fit Gently' and a managed introduction to the use of the fitness suite.

[The marketing plan is detailed in separate document]

9. Income & Expenditure profile

Current year end outturn

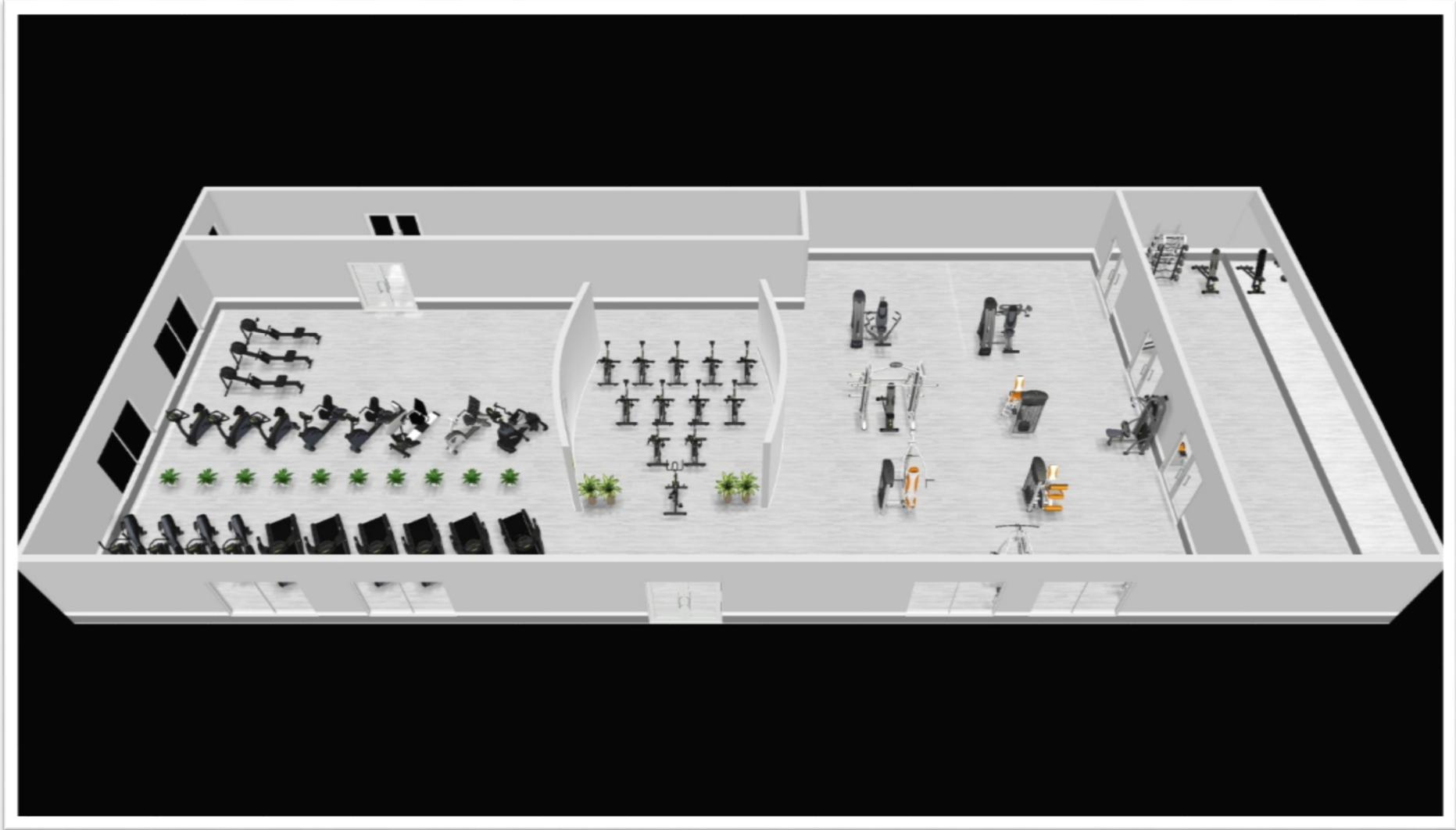
## Appendices

1. Aerial View
2. Fitness Suite Layout
3. Competitor Analysis
4. Schools in Catchment
5. Sport England Investment Principles
6. Building Designs

Appendix 1 – Aerial View



Appendix 2 – Fitness Layout



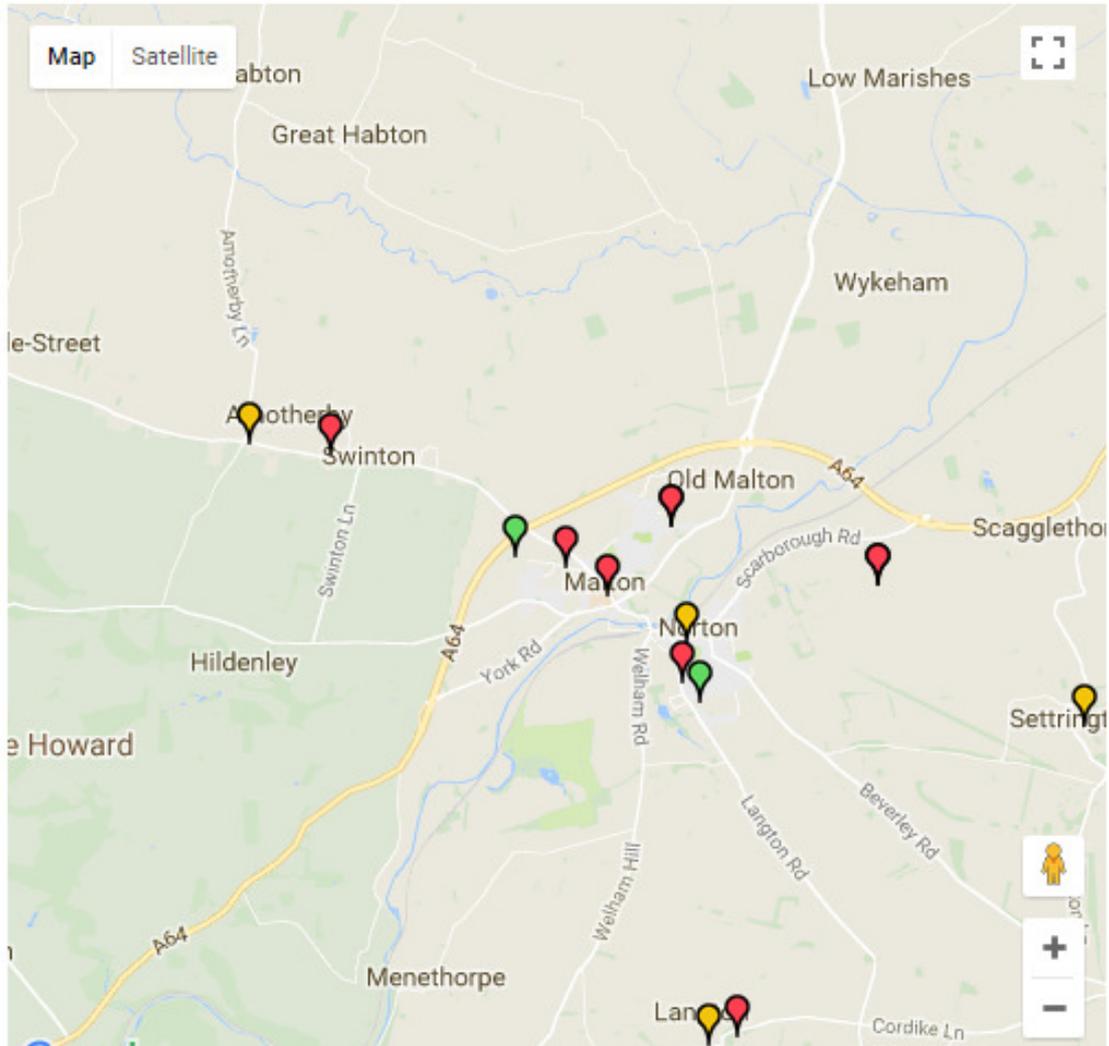
Appendix 3 – Competitor Analysis

Site Name	Thoroughfare	Post Town	Hours	Induction	Monthly	Concession	Session	Weekly	Class	Joint	Description
BODY AND SOUL	Greengate	Malton	7am - 9pm Sat 8am - 4pm Sun 8am - 1pm	free	£25.00	£17.50	£5.00	£8.00	£3.00	n/a	Small commercial gym approx 1km. Small class programme.
DERWENT SWIM & FITNESS CENTRE	Church Street	Malton	7.30am - 9pm Fri 7.30am - 8pm Sat 8.30am - 5.30 Sun 8.30 - 3pm	£12.00	n/a	£3.00	£5.00	n/a	n/a	n/a	Managed under contract by Everyone Active. 20 station fitness suite. Approx 1.6km. Limited fee options
NORTON COLLEGE	Langton Road	Malton	5pm - 9.30pm Sat 8.am - 12.30pm Sun 8am - 12.30pm	n/a	£20.00	£15.00	£5.00	£0.00	£0.00	£36.00	Joining fee of £15 or £10 for students. Students pay £2.50 for a single session. Monthly concession includes 60+, Students and NYCC staff. Approx 2.3km.
THE WORKHOUSE GYM	Market Street	Malton	7.30am - 8.00pm Sat 7.30am - 3pm Sun 9.00am - 12,00	n/a	£30.00	£25.00	£5.00	£10.00	n/a	n/a	Small commercial gym approx 1km. Focused on strength and conditioning. Limited class programme. Additional concessions for armed forces.

Appendix 4 – Schools in Catchment

Key to map below: -

-  : Pre School
-  : Nursery
-  : Primary School
-  : Secondary School
-  : Colleges, 16 plus
-  : Other types of schools



## Appendix 5 – Sport England Investment Principles



We have created seven new investment programmes directly responding to the policy direction set in *Sporting Future*. They will replace the 30+ investment programmes we have now.

### 1 Tackling inactivity<sup>2</sup>

At any one time 28 per cent of people in England are inactive<sup>3</sup>.

They face a diverse range of barriers to activity, both emotional and practical. They will be the highest priority for our investment because the benefits of becoming active for them and for wider society are the greatest. We will dedicate at least 25 per cent of our total resources to tackling inactivity, and when we set our targets we will also set a percentage of inactive people who will benefit from our major investment programmes.

### 2 Children and young people

We welcome our new remit to work with children and young people from the age of five and recognise that our responsibility lies outside the school curriculum. We will focus on pre- and post-school activities that increase children's capability and enjoyment and lay the foundations for being active throughout their lives. Children and young people are customers of the sport system just as much as adults, and we will tailor our work according to their needs and preferences.

### 3 Volunteering – a dual benefit

Volunteering has traditionally been regarded as an enabler for others to play sport. We will turn this on its head, focusing on what the volunteer gets out of volunteering, making it easier to fit volunteering in sport into a modern lifestyle and making volunteers more representative of society.

### 4 Taking sport and activity into the mass market

Millions of people drop in and out of sport on a regular basis. If we can make it easier for them to stay active, many more people

will derive the wider benefits of doing so. We will seek out and back the ideas that can help make sport a mass market activity, including making sport more digitally accessible.

### 5 Supporting sport's core market

We want to ensure that those who have a strong affinity for sport – including the highly valuable but small-scale talent pool – are treated as valued customers by the sport system.

*Sporting Future* highlights that public investment has disproportionately focused on supporting this part of the market and has built financial dependency in some organisations. We will work with these organisations to improve their sustainability and increase efficiency.

### 6 Local delivery

People do not make choices about sport and activity in a vacuum. Where they live and work plays a big part in the choices they make, with each community having its unique structure, relationships and geography.

We will demonstrate the benefits of working in a more joined-up way in some specific places – a mix of urban and rural – where we will pilot new ways of working locally and build long-term collaborations.

### 7 Facilities

The places where people play sport have a big impact on their experience and the likelihood they will come back regularly. We will continue to invest in all types of facilities, with a strong presumption in favour of multi-sport for our major strategic investments. We will also create a new Community Asset Fund to support local infrastructure.

These seven investment programmes will be underpinned by a new **Workforce Strategy** and a new **Coaching Plan**.

<sup>2</sup> Inactivity is defined as doing less than 30 minutes of moderate intensity activity per week. Chief Medical Officer Guidelines, 2011. <sup>3</sup> Public Health England outcomes framework 2014.

Appendix 6 – Building Designs

**Income**

Total income - Sport &amp; Fitness

**\*\*TOTAL INCOME\*\***

	Year 1				Total
	Q1	Q2	Q3	Q4	
Total income - Sport & Fitness	13,320	14,812	16,216	17,747	62,095
<b>**TOTAL INCOME**</b>	<b>13,320</b>	<b>14,812</b>	<b>16,216</b>	<b>17,747</b>	<b>62,095</b>

	Year 2				Total
	Q1	Q2	Q3	Q4	
Total income - Sport & Fitness	19,109	20,201	21,415	22,705	83,430
<b>**TOTAL INCOME**</b>	<b>19,109</b>	<b>20,201</b>	<b>21,415</b>	<b>22,705</b>	<b>83,430</b>

**Overheads and Expenses**

Administration wages - Annual

Administration wages - casual

Advertising and marketing

Professional fees - Self Employed Workers

Professional fees - Other

Training

Sundry expenses - cleaning / domestic

Stationery

Sundry expenses - other

Lease Purchase Repayments

Depreciation - website

IT Support Contract

CRM System &amp; service contract (PC sum)

AV system; Power Pack; Servers (PC sum)

VAT

**\*\*TOTAL OVERHEADS/EXPENSES\*\*****\*\*NET PROFIT/(LOSS) FOR THE QTR\*\***

b/f

c/f

Administration wages - Annual	0	0	0	0	0
Administration wages - casual	0	0	0	0	0
Advertising and marketing	750	750	750	750	3,000
	0	0	0	0	0
Professional fees - Self Employed Workers	750	750	750	750	3,000
Professional fees - Other	0	0	0	0	0
Training	750	750	750	750	3,000
	0	0	0	0	0
Sundry expenses - cleaning / domestic	2,187	2,187	2,187	2,187	8,748
Stationery	0	0	0	0	0
Sundry expenses - other	0	0	0	0	0
Lease Purchase Repayments	12,287	12,287	12,287	12,287	49,148
Depreciation - website	0	0	0	0	0
IT Support Contract	0	0	0	0	0
CRM System & service contract (PC sum)	0	0	0	0	0
AV system; Power Pack; Servers (PC sum)	3,000	3,000	3,000	3,000	12,000
VAT	0	0	0	0	0
	0	0	0	0	0
<b>**TOTAL OVERHEADS/EXPENSES**</b>	<b>19,724</b>	<b>19,724</b>	<b>19,724</b>	<b>19,724</b>	<b>78,896</b>
<b>**NET PROFIT/(LOSS) FOR THE QTR**</b>	<b>(6,404)</b>	<b>(4,912)</b>	<b>(3,508)</b>	<b>(1,977)</b>	
b/f	-	(6,404)	(11,316)	(14,824)	
c/f	<b>(6,404)</b>	<b>(11,316)</b>	<b>(14,824)</b>	<b>(16,801)</b>	

Administration wages - Annual	0	0	0	0	0
Administration wages - casual	0	0	0	0	0
Advertising and marketing	750	750	750	750	3,000
	0	0	0	0	0
Professional fees - Self Employed Workers	1,125	1,125	1,125	1,125	4,500
Professional fees - Other	0	0	0	0	0
Training	750	750	750	750	3,000
	0	0	0	0	0
Sundry expenses - cleaning / domestic	2,253	2,253	2,253	2,253	9,010
Stationery	0	0	0	0	0
Sundry expenses - other	0	0	0	0	0
Lease Purchase Repayments	12,287	12,287	12,287	12,287	49,148
Depreciation - website	0	0	0	0	0
IT Support Contract	0	0	0	0	0
CRM System & service contract (PC sum)	0	0	0	0	0
AV system; Power Pack; Servers (PC sum)	0	0	0	0	0
VAT	0	0	0	0	0
	0	0	0	0	0
<b>**TOTAL OVERHEADS/EXPENSES**</b>	<b>17,165</b>	<b>17,165</b>	<b>17,165</b>	<b>17,165</b>	<b>68,658</b>
<b>**NET PROFIT/(LOSS) FOR THE QTR**</b>	<b>1,945</b>	<b>3,036</b>	<b>4,250</b>	<b>5,540</b>	
b/f	<b>(16,801)</b>	<b>(14,856)</b>	<b>(11,820)</b>	<b>(7,569)</b>	
c/f	<b>(14,856)</b>	<b>(11,820)</b>	<b>(7,569)</b>	<b>(2,029)</b>	

**Income**

Total income - Sport & Fitness

**\*\*TOTAL INCOME\*\***

	Year 3				Total
	Q1	Q2	Q3	Q4	
Total income - Sport & Fitness	23,157	23,166	23,166	23,166	92,655
<b>**TOTAL INCOME**</b>	<b>23,157</b>	<b>23,166</b>	<b>23,166</b>	<b>23,166</b>	<b>92,655</b>

**Overheads and Expenses**

Administration wages - Annual  
 Administration wages - casual  
 Advertising and marketing  
 Professional fees - Self Employed Workers  
 Professional fees - Other  
 Training  
 Sundry expenses - cleaning / domestic  
 Stationery  
 Sundry expenses - other  
 Lease Purchase Repayments  
 Depreciation - website  
 IT Support Contract  
 CRM System & service contract (PC sum)  
 AV system; Power Pack; Servers (PC sum)  
 VAT

	Year 3				Total
	Q1	Q2	Q3	Q4	
Administration wages - Annual	0	0	0	0	0
Administration wages - casual	0	0	0	0	0
Advertising and marketing	500	500	500	500	2,000
Professional fees - Self Employed Workers	1,125	1,125	1,125	1,125	4,500
Professional fees - Other	0	0	0	0	0
Training	500	500	500	500	2,000
Sundry expenses - cleaning / domestic	0	0	0	0	0
Stationery	0	0	0	0	0
Sundry expenses - other	0	0	0	0	0
Lease Purchase Repayments	12,287	12,287	12,287	12,287	49,148
Depreciation - website	0	0	0	0	0
IT Support Contract	0	0	0	0	0
CRM System & service contract (PC sum)	0	0	0	0	0
AV system; Power Pack; Servers (PC sum)	0	0	0	0	0
VAT	0	0	0	0	0
	0	0	0	0	0
<b>**TOTAL OVERHEADS/EXPENSES**</b>	<b>14,412</b>	<b>14,412</b>	<b>14,412</b>	<b>14,412</b>	<b>57,648</b>
<b>**NET PROFIT/(LOSS) FOR THE QTR**</b>	<b>8,745</b>	<b>8,754</b>	<b>8,754</b>	<b>8,754</b>	
<b>b/f</b>	<b>(2,029)</b>	<b>6,716</b>	<b>15,470</b>	<b>24,224</b>	
<b>c/f</b>	<b>6,716</b>	<b>15,470</b>	<b>24,224</b>	<b>32,978</b>	

**Year 4**

	Year 4				Total
	Q1	Q2	Q3	Q4	
Total income - Sport & Fitness	23,174	23,166	23,166	23,166	92,672
<b>**TOTAL INCOME**</b>	<b>23,174</b>	<b>23,166</b>	<b>23,166</b>	<b>23,166</b>	<b>92,672</b>
Administration wages - Annual	0	0	0	0	0
Administration wages - casual	0	0	0	0	0
Advertising and marketing	500	500	500	500	2,000
Professional fees - Self Employed Workers	1,500	1,500	1,500	1,500	6,000
Professional fees - Other	0	0	0	0	0
Training	250	250	250	250	1,000
Sundry expenses - cleaning / domestic	0	0	0	0	0
Stationery	0	0	0	0	0
Sundry expenses - other	0	0	0	0	0
Lease Purchase Repayments	0	0	0	0	0
Depreciation - website	0	0	0	0	0
IT Support Contract	0	0	0	0	0
CRM System & service contract (PC sum)	0	0	0	0	0
AV system; Power Pack; Servers (PC sum)	0	0	0	0	0
VAT	0	0	0	0	0
	0	0	0	0	0
<b>**TOTAL OVERHEADS/EXPENSES**</b>	<b>2,250</b>	<b>2,250</b>	<b>2,250</b>	<b>2,250</b>	<b>9,000</b>
<b>**NET PROFIT/(LOSS) FOR THE QTR**</b>	<b>20,924</b>	<b>20,916</b>	<b>20,916</b>	<b>20,916</b>	
<b>b/f</b>	<b>32,978</b>	<b>53,903</b>	<b>74,819</b>	<b>95,735</b>	
<b>c/f</b>	<b>53,903</b>	<b>74,819</b>	<b>95,735</b>	<b>116,651</b>	

	Year 5				
	Q1	Q2	Q3	Q4	Total
<b>Income</b>					
Total income - Sport & Fitness	23,174	23,166	23,166	23,166	92,672
<b>**TOTAL INCOME**</b>	<b>23,174</b>	<b>23,166</b>	<b>23,166</b>	<b>23,166</b>	<b>92,672</b>
<b>Overheads and Expenses</b>					
Administration wages - Annual	0	0	0	0	0
Administration wages - casual	0	0	0	0	0
Advertising and marketing	500	500	500	500	2,000
	0	0	0	0	0
Professional fees - Self Employed Workers	1,500	1,500	1,500	1,500	6,000
Professional fees - Other	0	0	0	0	0
Training	250	250	250	250	1,000
	0	0	0	0	0
Sundry expenses - cleaning / domestic	0	0	0	0	0
Stationery	0	0	0	0	0
Sundry expenses - other	0	0	0	0	0
Lease Purchase Repayments	0	0	0	0	0
Depreciation - website	0	0	0	0	0
IT Support Contract	0	0	0	0	0
CRM System & service contract (PC sum)	0	0	0	0	0
AV system; Power Pack; Servers (PC sum)	0	0	0	0	0
VAT	0	0	0	0	0
	0	0	0	0	0
<b>**TOTAL OVERHEADS/EXPENSES**</b>	<b>2,250</b>	<b>2,250</b>	<b>2,250</b>	<b>2,250</b>	<b>9,000</b>
<b>**NET PROFIT/(LOSS) FOR THE QTR**</b>	<b>20,924</b>	<b>20,916</b>	<b>20,916</b>	<b>20,916</b>	
<b>b/f</b>	<b>116,651</b>	<b>137,575</b>	<b>158,491</b>	<b>179,407</b>	
<b>c/f</b>	<b>137,575</b>	<b>158,491</b>	<b>179,407</b>	<b>200,323</b>	

		Q1			Q2			Q3			Q4			
		Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	
<b>Adult Inclusive (monthly)</b>	Attrition	0.97												
	Pre-sales of Membership	60												
	No of Membership	60	61	62	63	64	65	66	67	68	69	70	72	
	New member p/m	0	3	3	3	3	3	3	3	3	3	3	4	
£30.00	Monthly Fee	30	30	30	30	30	30	30	30	30	30	30	30	
	<b>Total</b>	<b>1,800</b>	<b>1,830</b>	<b>1,862</b>	<b>1,893</b>	<b>1,925</b>	<b>1,956</b>	<b>1,988</b>	<b>2,019</b>	<b>2,051</b>	<b>2,083</b>	<b>2,114</b>	<b>2,146</b>	<b>23,666</b>
<b>Concessions Inclusive (Monthly)</b>	Attrition	0.97												
	Pre sales	30												
Pre Sales	No of Membership	25	27	29	31	33	35	36	37	38	39	40	41	
0	New member p/m 15% inc	0	3	3	3	3	3	2	2	2	2	2	2	
£24.00	Monthly Fee	24	24	24	24	24	24	24	24	24	24	24	24	
	<b>Total</b>	<b>600</b>	<b>636</b>	<b>688</b>	<b>741</b>	<b>794</b>	<b>847</b>	<b>858</b>	<b>883</b>	<b>908</b>	<b>933</b>	<b>959</b>	<b>984</b>	<b>9,831</b>
<b>Concession Gym Only (Monthly)</b>	Attrition	0.97												
Pre sales	No of Membership	35	36	37	38	39	40	41	42	43	44	45	46	
0	New member p/m 5% inc	0	2	2	2	2	2	2	2	2	2	2	2	
£18.00	Monthly Fee	18	18	18	18	18	18	18	18	18	18	18	18	
	<b>Total</b>	<b>630</b>	<b>644</b>	<b>662</b>	<b>681</b>	<b>700</b>	<b>719</b>	<b>738</b>	<b>757</b>	<b>776</b>	<b>795</b>	<b>814</b>	<b>833</b>	<b>8,748</b>
<b>Adult Gym Only (Monthly)</b>	Attrition @ 3%	0.97												
	No of Membership	35	38	40	43	46	50	53	56	61	65	70	74	
0	New member p/m 10% inc	0	4	4	4	4	5	5	5	6	6	7	7	
£22.00	Monthly Fee	22	22	22	22	22	22	22	22	22	22	22	22	
	<b>Total</b>	<b>770</b>	<b>825</b>	<b>875</b>	<b>945</b>	<b>1,019</b>	<b>1,092</b>	<b>1,165</b>	<b>1,239</b>	<b>1,334</b>	<b>1,431</b>	<b>1,529</b>	<b>1,627</b>	<b>13,850</b>
														<b>Total members</b> 233
<b>Pay &amp; Train</b>	No of sessions Per Month	100	100	100	100	100	100	100	100	100	100	100	100	
Cost per session	Cost Per Session	5	5	5	5	5	5	5	5	5	5	5	5	
£5.00	<b>Total</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>6,000</b>									
<b>Total by Month</b>		<b>4,300</b>	<b>4,435</b>	<b>4,586</b>	<b>4,760</b>	<b>4,937</b>	<b>5,114</b>	<b>5,249</b>	<b>5,398</b>	<b>5,569</b>	<b>5,742</b>	<b>5,916</b>	<b>6,089</b>	
<b>Total by Qtr</b>		<b>13,320</b>			<b>14,812</b>			<b>16,216</b>			<b>17,747</b>			

<b>Total Income</b>	<b>62,095</b>
Target membership	233
Theoretical Minimum Membership	1000
Target as a % of Minimum	23.27
Theoretical Maximum Membership	2000
Target as % of Maximum	11.64

Year 2 income

		Q1			Q2			Q3			Q4			
		Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	
<b>Adult Inclusive (Monthly)</b>	Attrition not applicable	0.97												
	Year 1 closing membership	72												
	No of Membership	75	77	78	80	81	83	85	86	88	90	92	93	
	New member p/m 5% inc	4	4	4	4	4	4	4	4	4	4	4	5	
£30.00	Monthly Fee	30	30	30	30	30	30	30	30	30	30	30	30	
	<b>Total</b>	<b>2,253</b>	<b>2,298</b>	<b>2,344</b>	<b>2,391</b>	<b>2,439</b>	<b>2,487</b>	<b>2,537</b>	<b>2,588</b>	<b>2,640</b>	<b>2,693</b>	<b>2,746</b>	<b>2,801</b>	<b>30,217</b>
<b>Concessions Inclusive (Monthly)</b>	Attrition	0.97												
	Year 1 closing membership	43												
41	No of Membership	43	44	45	46	47	48	49	50	52	53	54	55	
	New member p/m	2	2	2	2	2	2	2	2	3	3	3	3	
£24.00	Monthly Fee	24	24	24	24	24	24	24	24	24	24	24	24	
	<b>Total</b>	<b>1,033</b>	<b>1,060</b>	<b>1,085</b>	<b>1,110</b>	<b>1,136</b>	<b>1,161</b>	<b>1,186</b>	<b>1,211</b>	<b>1,237</b>	<b>1,262</b>	<b>1,287</b>	<b>1,312</b>	<b>14,079</b>
<b>Concession Gym Only (Monthly)</b>	Attrition @ 3%	0.97												
	Year 1 closing membership	46												
46	No of Membership	46	47	48	49	50	52	53	54	55	56	57	58	
	New member p/m 5% inc	0	2	2	2	2	3	3	3	3	3	3	3	
£18.00	Monthly Fee	18	18	18	18	18	18	18	18	18	18	18	18	
	<b>Total</b>	<b>833</b>	<b>852</b>	<b>871</b>	<b>890</b>	<b>908</b>	<b>927</b>	<b>946</b>	<b>965</b>	<b>984</b>	<b>1,003</b>	<b>1,022</b>	<b>1,041</b>	<b>11,243</b>
<b>Adult (Monthly)</b>	Attrition @ 3%	0.97												
	year 1 closing membership	74												
74	No of Membership	74	76	77	78	80	81	83	85	87	89	91	94	
	New member p/m 5% inc	0	4	4	4	4	4	4	4	4	4	4	5	
£22.00	Monthly Fee	22	22	22	22	22	22	22	22	22	22	22	22	
	<b>Total</b>	<b>1,627</b>	<b>1,665</b>	<b>1,689</b>	<b>1,712</b>	<b>1,758</b>	<b>1,782</b>	<b>1,827</b>	<b>1,873</b>	<b>1,920</b>	<b>1,966</b>	<b>2,012</b>	<b>2,059</b>	<b>21,891</b>
<b>Pay &amp; Train</b>	No of sessions Per Month	100	100	100	100	100	100	100	100	100	100	100	100	
	Cost per session	5	5	5	5	5	5	5	5	5	5	5	5	
£5.00	<b>Total</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>6,000</b>									
<b>Total by Month</b>		<b>6,246</b>	<b>6,375</b>	<b>6,489</b>	<b>6,603</b>	<b>6,740</b>	<b>6,858</b>	<b>6,997</b>	<b>7,138</b>	<b>7,280</b>	<b>7,424</b>	<b>7,568</b>	<b>7,713</b>	
<b>Total by Qtr</b>		<b>19,109</b>			<b>20,201</b>			<b>21,415</b>			<b>22,705</b>			

<b>Total Income</b>	<b>83,430</b>
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Target membership	299
Theoretical Minimum Membership	2200
Target as a % of Minimum	13.61
Theoretical Maximum Membership	3500
Target as % of Maximum	8.56

year 3 income

year 2 closing membership

Memberships level off at yr 3  
attrition matches new members

		Q1			Q2			Q3			Q4			
		Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	
<b>Adult Inclusive (Monthly)</b>	Attrition not applicable	1												
	Year 2 closing membership	93												
	No of Membership	93	93	93	93	93	93	93	93	93	93	93	93	
	New member p/m 0% inc	0	0	0	0	0	0	0	0	0	0	0	0	
£30.00	Monthly Fee	30	30	30	30	30	30	30	30	30	30	30	30	
	<b>Total</b>	<b>2,801</b>	<b>2,790</b>	<b>2,790</b>	<b>2,790</b>	<b>2,790</b>	<b>2,790</b>	<b>2,790</b>	<b>2,790</b>	<b>2,790</b>	<b>2,790</b>	<b>2,790</b>	<b>2,790</b>	<b>33,491</b>
<b>Concessions Inclusive (Monthly)</b>	Attrition not applicable	1												
	Year 2 closing membership	55												
	No of Membership	55	55	55	55	55	55	55	55	55	55	55	55	
55	New member p/m 0% inc	0	0	0	0	0	0	0	0	0	0	0	0	
£24.00	Monthly Fee	24	24	24	24	24	24	24	24	24	24	24	24	
	<b>Total</b>	<b>1,312</b>	<b>1,320</b>	<b>1,320</b>	<b>1,320</b>	<b>1,320</b>	<b>1,320</b>	<b>1,320</b>	<b>1,320</b>	<b>1,320</b>	<b>1,320</b>	<b>1,320</b>	<b>1,320</b>	<b>15,832</b>
<b>Concession Gym Only (Monthly)</b>	Attrition	1.00												
	Year 2 closing membership	58												
	No of Membership	58	58	58	58	58	58	58	58	58	58	58	58	
58	New member p/m	0	0	0	0	0	0	0	0	0	0	0	0	
£18.00	Monthly Fee	18	18	18	18	18	18	18	18	18	18	18	18	
	<b>Total</b>	<b>1,041</b>	<b>1,044</b>	<b>1,044</b>	<b>1,044</b>	<b>1,044</b>	<b>1,044</b>	<b>1,044</b>	<b>1,044</b>	<b>1,044</b>	<b>1,044</b>	<b>1,044</b>	<b>1,044</b>	<b>12,525</b>
<b>Adult (Monthly)</b>	Attrition	1.00												
	Year 2 closing membership	94												
	No of Membership	94	94	94	94	94	94	94	94	94	94	94	94	
94	New member p/m	0	0	0	0	0	0	0	0	0	0	0	0	
£22.00	Monthly Fee	22	22	22	22	22	22	22	22	22	22	22	22	
	<b>Total</b>	<b>2,059</b>	<b>2,068</b>	<b>2,068</b>	<b>2,068</b>	<b>2,068</b>	<b>2,068</b>	<b>2,068</b>	<b>2,068</b>	<b>2,068</b>	<b>2,068</b>	<b>2,068</b>	<b>2,068</b>	<b>24,807</b>
<b>Pay &amp; Train</b>	No of sessions Per Month	100	100	100	100	100	100	100	100	100	100	100	100	
	Cost per session	5	5	5	5	5	5	5	5	5	5	5	5	
£5.00	<b>Total</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>6,000</b>									
<b>Total by Month</b>		<b>7,713</b>	<b>7,722</b>	<b>7,722</b>	<b>7,722</b>	<b>7,722</b>	<b>7,722</b>	<b>7,722</b>	<b>7,722</b>	<b>7,722</b>	<b>7,722</b>	<b>7,722</b>	<b>7,722</b>	
<b>Total by Qtr</b>			<b>23,157</b>			<b>23,166</b>			<b>23,166</b>			<b>23,166</b>		

**Total Income 92,655**

Target membership	300
Theoretical Minimum Membership	2200
Target as a % of Minimum	13.64
Theoretical Maximum Membership	3500
Target as a % of Maximum	8.57

year 4 income

		Q1			Q2			Q3			Q4			
		Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	
<b>Adult Inclusive (Monthly)</b>	Attrition not applicable	1												
	Year 3 closing membership	93												
	No of Membership	93	93	93	93	93	93	93	93	93	93	93	93	
	New member p/m 0% inc	0	0	0	0	0	0	0	0	0	0	0	0	
£30.00	Monthly Fee	30	30	30	30	30	30	30	30	30	30	30	30	
	<b>Total</b>	<b>2,801</b>	<b>2,790</b>	<b>2,790</b>	<b>2,790</b>	<b>2,790</b>	<b>2,790</b>	<b>2,790</b>	<b>2,790</b>	<b>2,790</b>	<b>2,790</b>	<b>2,790</b>	<b>2,790</b>	<b>33,491</b>
<b>Concessions Inclusive (Monthly)</b>	Attrition not applicable	1												
	Year 3 closing membership	55												
	No of Membership	55	55	55	55	55	55	55	55	55	55	55	55	
55	New member p/m 0% inc	0	0	0	0	0	0	0	0	0	0	0	0	
£24.00	Monthly Fee	24	24	24	24	24	24	24	24	24	24	24	24	
	<b>Total</b>	<b>1,320</b>	<b>1,320</b>	<b>1,320</b>	<b>1,320</b>	<b>1,320</b>	<b>1,320</b>	<b>1,320</b>	<b>1,320</b>	<b>1,320</b>	<b>1,320</b>	<b>1,320</b>	<b>1,320</b>	<b>15,840</b>
<b>Concessions Gym Only (Monthly)</b>	Attrition	1.00												
	Year 3 closing membership	58												
	No of Membership	58	58	58	58	58	58	58	58	58	58	58	58	
58	New member p/m 5% inc	0	0	0	0	0	0	0	0	0	0	0	0	
£18.00	Monthly Fee	18	18	18	18	18	18	18	18	18	18	18	18	
	<b>Total</b>	<b>1,041</b>	<b>1,044</b>	<b>1,044</b>	<b>1,044</b>	<b>1,044</b>	<b>1,044</b>	<b>1,044</b>	<b>1,044</b>	<b>1,044</b>	<b>1,044</b>	<b>1,044</b>	<b>1,044</b>	<b>12,525</b>
<b>Adult Gym Only (Monthly)</b>	Attrition	0.97												
	year 3 closing membership	94												
	No of Membership	94	94	94	94	94	94	94	94	94	94	94	94	
94	New member p/m 5% inc	0	0	0	0	0	0	0	0	0	0	0	0	
£22.00	Monthly Fee	22	22	22	22	22	22	22	22	22	22	22	22	
	<b>Total</b>	<b>2,068</b>	<b>2,068</b>	<b>2,068</b>	<b>2,068</b>	<b>2,068</b>	<b>2,068</b>	<b>2,068</b>	<b>2,068</b>	<b>2,068</b>	<b>2,068</b>	<b>2,068</b>	<b>2,068</b>	<b>24,816</b>
<b>Pay &amp; Train</b>	No of sessions Per Month	100	100	100	100	100	100	100	100	100	100	100	100	
	Cost per session	5	5	5	5	5	5	5	5	5	5	5	5	
£5.00	<b>Total</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>6,000</b>
<b>Total by Month</b>		<b>7,730</b>	<b>7,722</b>	<b>7,722</b>	<b>7,722</b>	<b>7,722</b>	<b>7,722</b>	<b>7,722</b>	<b>7,722</b>	<b>7,722</b>	<b>7,722</b>	<b>7,722</b>	<b>7,722</b>	
<b>Total by Qtr</b>			<b>23,174</b>			<b>23,166</b>				<b>23,166</b>			<b>23,166</b>	

**Total Income 92,672**

Target membership	300
Theoretical Minimum Membership	2200
Target as a % of Minimum	13.64
Theoretical Maximum Membership	3500
Target as a % of Maximum	8.57

Year 5 income

		Q1			Q2			Q3			Q4			
		Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	
<b>Adult Inclusive (Monthly)</b>	Attrition not applicable	1												
	Year 4 closing membership	93												
	No of Membership	93	93	93	93	93	93	93	93	93	93	93	93	
	New member p/m 0% inc	0	0	0	0	0	0	0	0	0	0	0	0	
£30.00	Monthly Fee	30	30	30	30	30	30	30	30	30	30	30	30	
	<b>Total</b>	<b>2,801</b>	<b>2,790</b>	<b>2,790</b>	<b>2,790</b>	<b>2,790</b>	<b>2,790</b>	<b>2,790</b>	<b>2,790</b>	<b>2,790</b>	<b>2,790</b>	<b>2,790</b>	<b>2,790</b>	<b>33,491</b>
<b>Concession Inclusive (Monthly)</b>	Attrition not applicable	1												
	Year 4 closing membership	55												
	No of Membership	55	55	55	55	55	55	55	55	55	55	55	55	
	New member p/m 0% inc	0	0	0	0	0	0	0	0	0	0	0	0	
£24.00	Monthly Fee	24	24	24	24	24	24	24	24	24	24	24	24	
	<b>Total</b>	<b>1,320</b>	<b>1,320</b>	<b>1,320</b>	<b>15,840</b>									
<b>Concession Gym Only (Monthly)</b>	Attrition @ 3%	1.00												
	Year 4 closing membership	58												
	No of Membership	58	58	58	58	58	58	58	58	58	58	58	58	
	New member p/m 5% inc	0	0	0	0	0	0	0	0	0	0	0	0	
£18.00	Monthly Fee	18	18	18	18	18	18	18	18	18	18	18	18	
	<b>Total</b>	<b>1,041</b>	<b>1,044</b>	<b>1,044</b>	<b>1,044</b>	<b>1,044</b>	<b>1,044</b>	<b>1,044</b>	<b>1,044</b>	<b>1,044</b>	<b>1,044</b>	<b>1,044</b>	<b>1,044</b>	<b>12,525</b>
<b>Adult (Monthly)</b>	Attrition @ 3%	0.97												
	Year 4 closing membership	94												
	No of Membership	94	94	94	94	94	94	94	94	94	94	94	94	
	New member p/m 5% inc	0	0	0	0	0	0	0	0	0	0	0	0	
£22.00	Monthly Fee	22	22	22	22	22	22	22	22	22	22	22	22	
	<b>Total</b>	<b>2,068</b>	<b>2,068</b>	<b>2,068</b>	<b>24,816</b>									
<b>Pay &amp; Train</b>	No of sessions Per Month	100	100	100	100	100	100	100	100	100	100	100	100	
	Cost per session	5	5	5	5	5	5	5	5	5	5	5	5	
£5.00	<b>Total</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>6,000</b>									
<b>Total by Month</b>		<b>7,730</b>	<b>7,722</b>	<b>7,722</b>	<b>7,722</b>	<b>7,722</b>	<b>7,722</b>	<b>7,722</b>	<b>7,722</b>	<b>7,722</b>	<b>7,722</b>	<b>7,722</b>	<b>7,722</b>	
<b>Total by Qtr</b>			<b>23,174</b>			<b>23,166</b>			<b>23,166</b>			<b>23,166</b>		

**Total Income 92,672**

Target membership	300
Theoretical Minimum Membership	2200
Target as a % of Minimum	13.64
Theoretical Maximum Membership	3500
Target as a % of Maximum	8.57

**Year 1**

Post	Postholder	Salary	Hours p/w	Hourly Rate	On-costs	Total Payroll cost
General Manager		£ -	0.00	0.00	£ -	£ -
Shift Manager 1		£ -	0.00	0.00	£ -	£ -
Shift Manager 2		£ -	0.00	0.00	£ -	£ -
Shift Manager 3		£ -	0.00	0.00	£ -	£ -
Reception 1	Budget	£ -	0.00	0.00	£ -	£ -
Reception 2		£ -	0.00	0.00	£ -	£ -
Reception 3		£ -	0.00	0.00	£ -	£ -
Admin / finance		£ -	0.00	0.00	£ -	£ -
Gym Instructor 1		£ -	0.00	0.00	£ -	£ -
Gym Instructor 2		£ -	0.00	0.00	£ -	£ -
Gym Instructor 3		£ -	0.00	0.00	£ -	£ -
Cleaners	Budget	£ -	0.00	0.00	£ -	£ -
Groundsman		£ -	0.00	0.00	£ -	£ -
		£ -	0.00	0.00	£ -	£ -
<b>Total Payroll cost</b>						<b>£ -</b>

Salaries to be increased by 3% per annum.

Year 2	£ -
Year 3	£ -
Year 4	£ -
Year 5	£ -

		Yr 1	Yr 2	Yr 3	Yr 4	Yr5
Group Exercise Instrctors	Number of classes per week	2	3	3	4	4
	Charge per class	£ 30.00	£ 30.00	£ 30.00	£ 30.00	£ 30.00
	Number of weeks p/a	50	50	50	50	50
	Total cost	£ 3,000	£ 4,500	£ 4,500	£ 6,000	£ 6,000

Category	£
Adult - inclusive	£ 30.00
Concession Inclusive	£ 24.00
Adult Gym Only	£ 22.00
Concession Gym Only	£ 18.00
	£ -
	£ -

**S106 Funding available for Malton and Norton 5.11.18**

<b>Agreement</b>	<b>Description</b>	<b>Amount remaining</b>	<b>Potential Further budget</b>	<b>Total</b>
Malton and Old Malton. [ The Malton Cluster Sites]	Providing or enhancing youth and adult sport and leisure facilities in the vicinity of <b>Malton and Old Malton</b> (3/5/28)	£ 126,476	£ 77,170	£ 203,646
Malton and Norton. [Westfield Nurseries]	The provision and / or improvement to youth and /or adult sports facilities within the vicinity of the land within <b>Norton and Malton</b> (31/8/2021)	£ 161,615		£ 161,615
Ryedale. [Taylor Wimpey, Broughton Road]	Provision of new leisure / sports facilities and / or improvements and / or extension to existing leisure and / or sports facilities in the administrative area of <b>Ryedale</b> (17/1/2022)	£ 80,819	£ 140,000	£ 220,819
<b>Norton</b> [ Cheesecake Farm]	The provision of adult and youth public open space within the vicinity of the site. (15/7/2019)	£ 82,966		£ 82,966
<b>Total</b>		<b>£ 451,876</b>	<b>£ 217,170</b>	<b>£ 669,046</b>
If MCSC approved:		<b>Amount remaining</b>	<b>Potential Further budget</b>	
MCSC request £220,000	leaves remaining for Malton & Norton	£ 106,491	£ 217,170	£ 323,661

**Funding already allocated to Malton and Norton through the S106 grants programme.**

**£ 367,983**

S106-013	Malton Town Council, Lady Spring Wood and Riverside	£	<b>16,500</b>
S106-013	Malton Town Council, Lady Spring Wood and Riverside	£	6,500
S106-001	Malton Town Council, Rainbow Lane Play Area	£	<b>50,904</b>
S106-007	Malton Tennis Club, Replacement Tennis Court	£	<b>60,260</b>
S106-018	Norton Town Council, Skatepark	£	9,000
S106- 028	Malton Town Council, Rainbow Lane Play Area phase 2	£	4,960
S106-037	Ryedale Community and Leisure club, Lights	£	3,295
S106-011	Norton Community Library, Busy Bees Garden	£	<b>1,462</b>
S106-030	RDC Riverside View Play Area	£	20,000
S106 - 033	Norton Community Library, Library Garden	£	8,160
s106-013	Malton Town Council, Lady Spring Wood	£	<b>46,527</b>
S106-026	The Milton Rooms, Lights, Camera, Action	£	8,130
S106-023	Derwent Riverside Project Castle Garden Paths improvement	£	6,900
S106-044	Malton Town Council, Rainbow Revolutionary Project	£	<b>74,811</b>
S106-045	Old Malton St Marys Football Club, Goal Posts	£	<b>1,300</b>
S106-038	Norton Town Council, Riverside walk Footpath Redevelopment		<b>£5,000</b>
S106-039	Norton Town Council, King George V Play Area New Equipment		<b>£44,274</b>

Pending approval 29.11.18

Pending approval 29.11.18

Pending approval 29.11.18

Pending approval 29.11.18

**Total**

**£ 367,983**

<b>Timeline for S106-009 Malton Community Sports Centre Application</b>	
14.7.17	Application received (request for £220K)
1.8.17	Malton and Norton Town Councils and Ward Members consultation sent
Aug-17	Officer appraisal process - seeking clarification on finance, planning, contractors and procurement issues.
11.9.17	Grants Working Party consider and defer for further information
13.11.17	Grants Working Party consider and defer pending review by RWP regarding proposal to limit the S106 contribution to £100K and convert the annual grant payment of £30K into a capital contribution over 4 years (£120K.)
20.2.18	Malton and Norton Town Councils consulted on alternative proposal to reduce the S106 funding amount.
12.7.18	RWP presentation by MCSC and letter to MCSC from Chair P&R
1.10.18	Application resubmitted (£220K), including updated business plan & funding package
5.11.18	Grants Working Party consider and defer to 15.11.18 (special GWP) for further information (internal, not from applicant)
13.11.18	Malton Town Council request deferral for decision to 29.11.18 P&R
29.11.18	Grants Working Party reconvened (postponed from 15.11.18) to consider application

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## Grants Working Party 29.11.18

### Malton Community Sports Centre – Fitness Suite – S106–009

At the GWP on 5.11.18 asked for some further clarification on the MCSC project to consider the recommendation at 29.11.18 GWP.

1 Does the existing Leisure Services Contract with Everyone Active contain any reference to the provision of grant aid towards any other leisure facility?

The legal advice received is:

“I have searched the Contract documents for any reference to ‘competition’ ‘funding’ ‘restraint’ ‘trading’ using the search facility in Word and I’ve also scanned through the physical version of the Contract and I haven’t been able to find any references or clauses which would suggest that the Council are restricted in any way in discharging their grant funding powers.”

2 What is the current market for gym and fitness provision?

An analysis of the market is included in the business plan produced by the applicant in the GWP Agenda Pack, particularly with reference to Section 4 Competitor Analysis and Market Opportunity. This indicates that gym membership rose by 5.1% in 2017 (page 340 on the GWP agenda 5.11.18). I contacted Sport England and they were not able to provide any further information regarding the market opportunities.

For information, Malton Town Council have reconsidered their position relating to the MCSC application at their meeting on 27.11.18. Their consultation response is now:

At the Malton Town Council Full Council Meeting held on on 27th November 2018, it was **agreed** by Members to support the MCSC Community Fitness Suite Development Section 106 Grant Application for the full amount of **£220,000.00** subject to the following recommended conditions:-

1. RDC Standard Conditions
2. That no funds will be drawn down until the full funding package is in place and secure
3. That the RDC Section 151 Officer work with the Community Sports Centre to ensure close scrutiny of the project.
4. Progress reports to be made to the Grants Working Party at all scheduled meetings.
5. If the funding package is not in place by the agreed deadline, the allocated funding to be returned back to the Grants Working Party to be re-allocated to other projects.
6. Any amendments to the current application to be re-considered by the Grants Working Party and Malton Town Council
7. The Community Sports Centre to update the current Business Plan (to be circulated)

As a reminder, GWP Members are reminded that they suggested the following conditions for the grant when it was considered on 5.11.18:

- 1 The ongoing commitment and prioritisation to the rehabilitation activity should be stated and secured
- 2 Public access to the facility must be clearly stated and secured
- 3 The grant should be open for a set period of time (say 12 months) to enable MCSC to seek match funding
- 4 Funding should not be released in advance of the project achieving the match funding targets and being ready to commence.

The minutes, containing the recommendations from today’s meeting will be tabled at today’s P&R for decision.

Jos Holmes  
29.11.18

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