



SCOTTISH EXECUTIVE

sportscotland

# National and Regional Sports Facilities Strategy

Briefing Meeting  
Various Venues  
1-3 October 2003

**pmp**

strategy finance delivery

sportscotland



# The Strategy: Background

3 key drivers:

- **sportscotland** Property Review and Facilities Study 2002
- Scottish Executive – funding commitment to facility development
- Sport 21: Shaping Scotland's Future

# Key Findings: Facilities Study

- Existing stock is limited in its function, delivery and suitability
- Major refurbishment/ redevelopment is required
- Menu of facility needs across Scotland identified:
  - Multi-sport indoor training facilities
  - Indoor athletics/competition events facility
  - Municipal stadia
  - Curling academy
  - Indoor national/ regional sports/ competition halls
  - 50m competition and training pool
  - Velodrome for national/ regional development

# Key Findings: Property Review

- Moving away from existing HQ at Caledonia House could be the most economically effective solution
- Opportunity for new HQ to be relocated alongside or within a new or redeveloped national sports facility
- A viable stand-alone HQ will be given equal consideration
- Any new HQ should, ideally, be located within the Central Belt

# Key Findings: Sport 21

- Sport 21 2003-2007: 'Shaping Scotland's Future'
  - 'the' driving force behind sport in Scotland
- 3 key visions:
  - A country where sport is more widely available to all
  - A country where sporting talent is recognised and nurtured
  - A country achieving and sustaining world class performances in sport
- Quantity, quality and accessibility of facilities are central to achieving the visions of the strategy

# Outcome: Why you are here today!

## National and Regional Sports Facilities Strategy for Scotland

‘to develop a network of multi-sports facilities across Scotland’

‘through a partnership approach to delivery and usage’

# Facilities Strategy

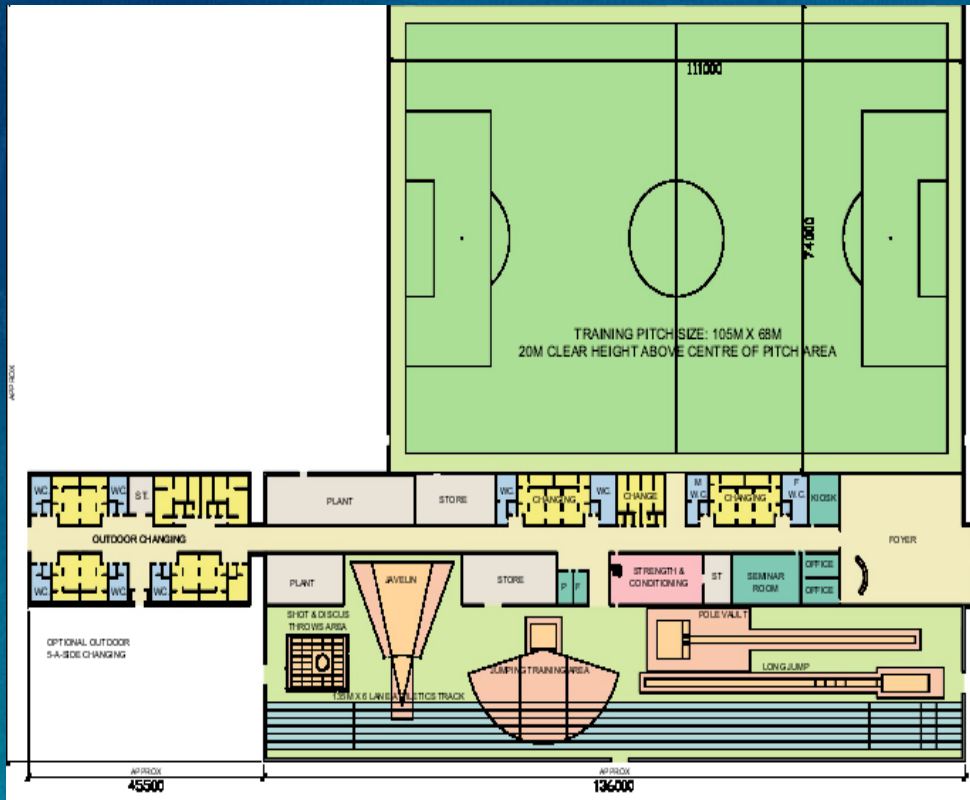
- Well designed, modern, accessible and affordable facilities are essential
- Significant investment is required - £28.8m funding identified by Scottish Executive
- Priorities for investment:
  - Network of regional indoor training facilities
  - New or redeveloped indoor athletics arena
  - Municipal stadia
- Partnership is key
- Community Access



# Facility Requirements

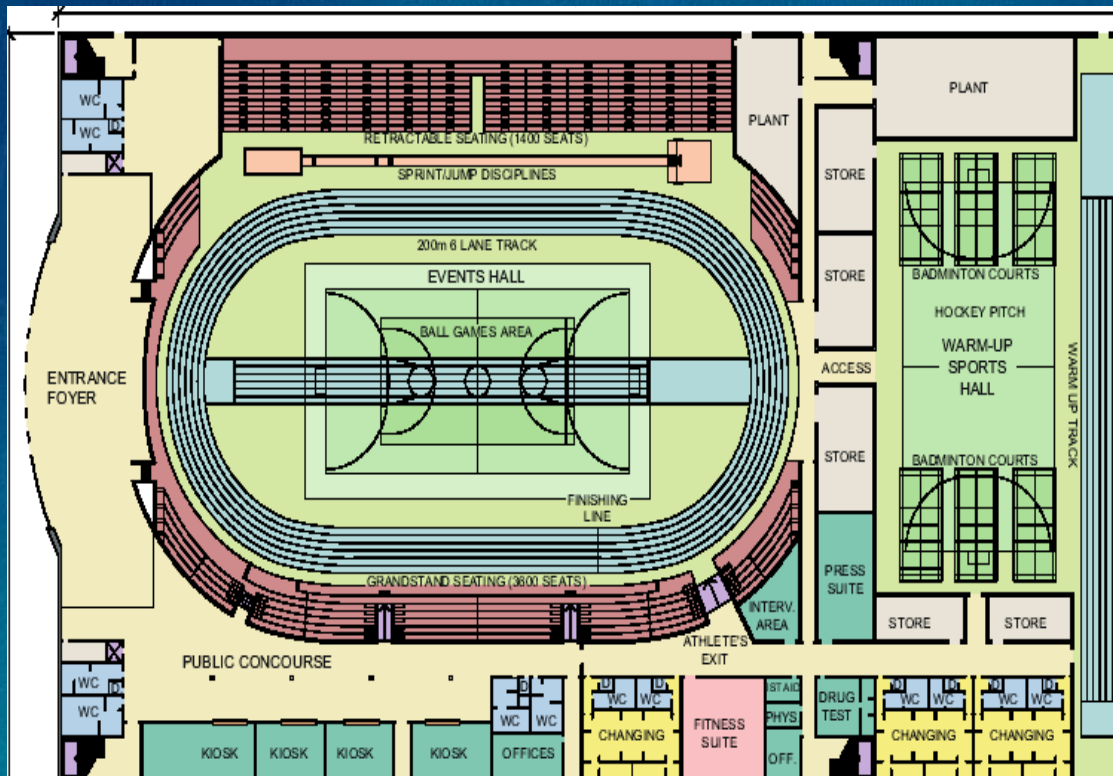
- a network of regional facilities that broadly reflect the 6 AIS regions:
  - Central
  - East of Scotland
  - Grampian
  - Highland
  - Tayside & Fife
  - West of Scotland
- developed through extensive SGB consultation

# Regional Indoor Training Facility



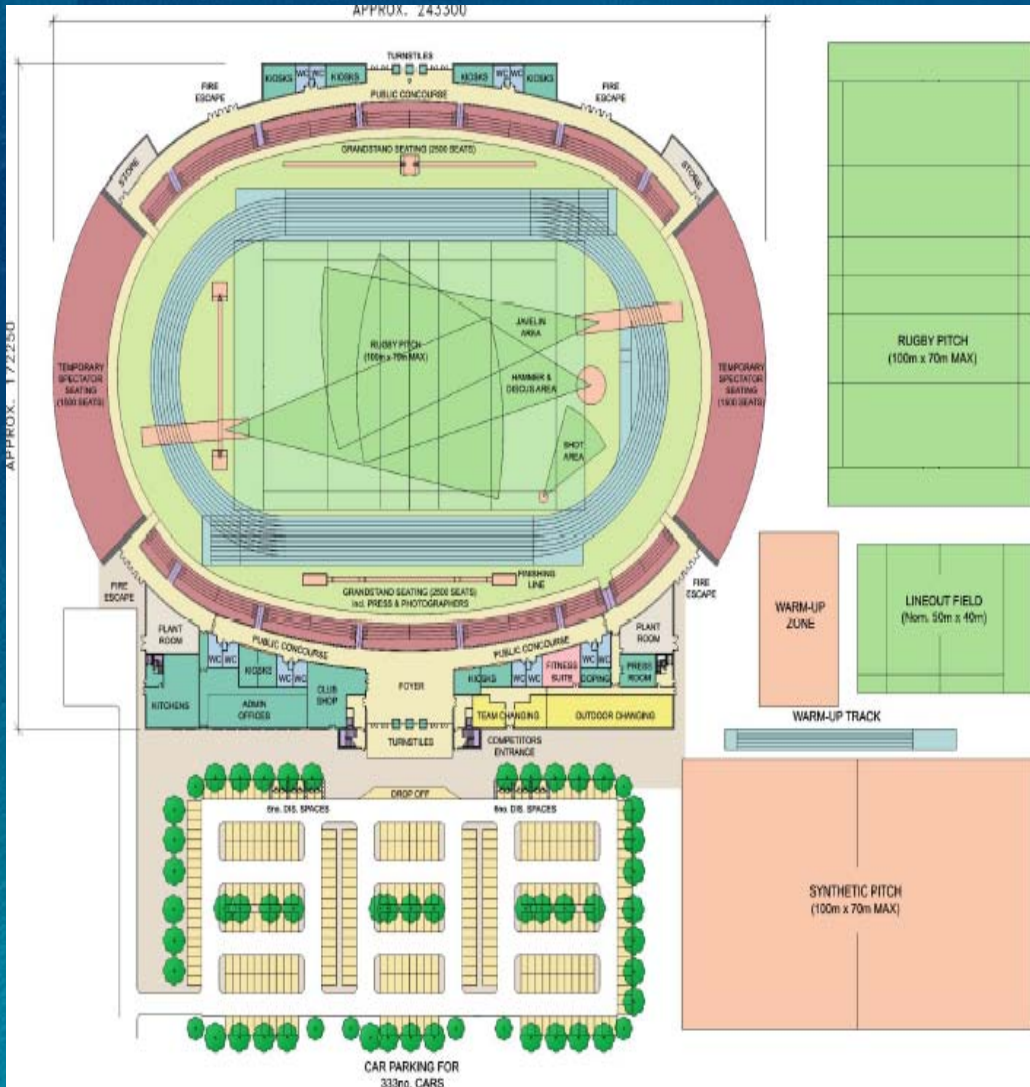
- **Core elements:**
  - synthetic grass pitch (105 x 68)
  - 135m x 6 lane athletics straight plus throwing/jumping training area
  - Fitness/ conditioning support facilities
- **Supplementary outdoor elements:**
  - Training pitches
  - Specialist training areas
- **Optional**
  - National/regional sports hall
  - Other priority sport facilities
- **Cost £11m**

# National Indoor Sports Arena



- **Core elements:**
  - 200m x 6 lane indoor track
  - 60m x 6 lane sprint straight
  - 5,000 spectator seating
  - Court sport facilities
  - Warm up/training/support facilities
- **Location**
  - Motorway network
  - Good public transport
  - Supporting infrastructure
- Cost £17m

# Municipal Stadia

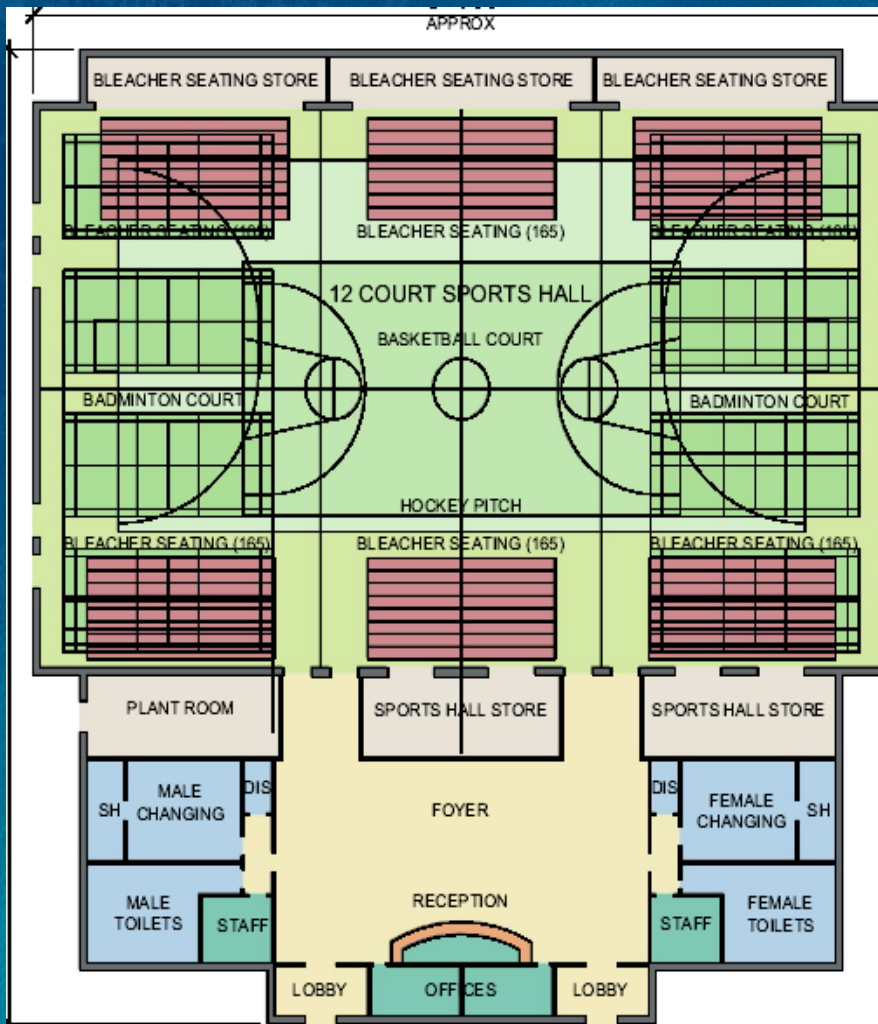


- **Core elements**
  - 400m x 8 lane track, 10 lane sprint and warm up area
  - Rugby pitch, 100m x 70m
  - 5,000 spectator seating – option to increase to 10,000
  - Support facilities
  - Outdoor pitches/specialist training areas in vicinity
  
- **Location**
  - Most likely to be Edinburgh or Glasgow
  
- **Cost £12.5m**

# Additional Facility Requirements

- Other facilities identified to meet the requirements of other priority sports:
  - National/Regional sports halls
  - 50m national competition swimming pool and international diving pool
  - National Training Centre for Curling
  - Indoor velodrome
  - Residential Accommodation for SGBs, national and regional squads

# National/Regional Sports Halls

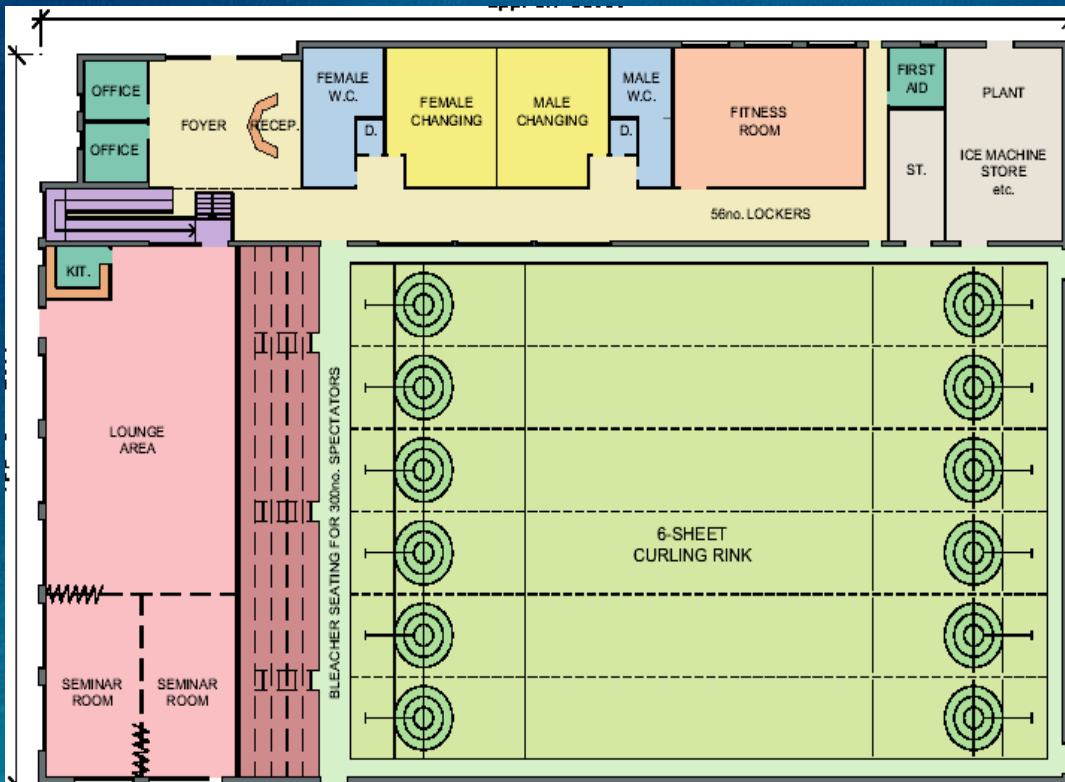


- Core elements:
  - 12 courts (National)
  - 9 courts (Regional)
  - Bleacher seating for c 1,000 spectators
- Cost £3m (National)
- Cost £2m (Regional)

# 50m Competition Swimming Pool

- Core elements:
  - 50m x 8 lane national competition swimming pool
  - International diving facility – flexible tank
  - Spectator seating
- Cost £2,100 per metre square (new build)

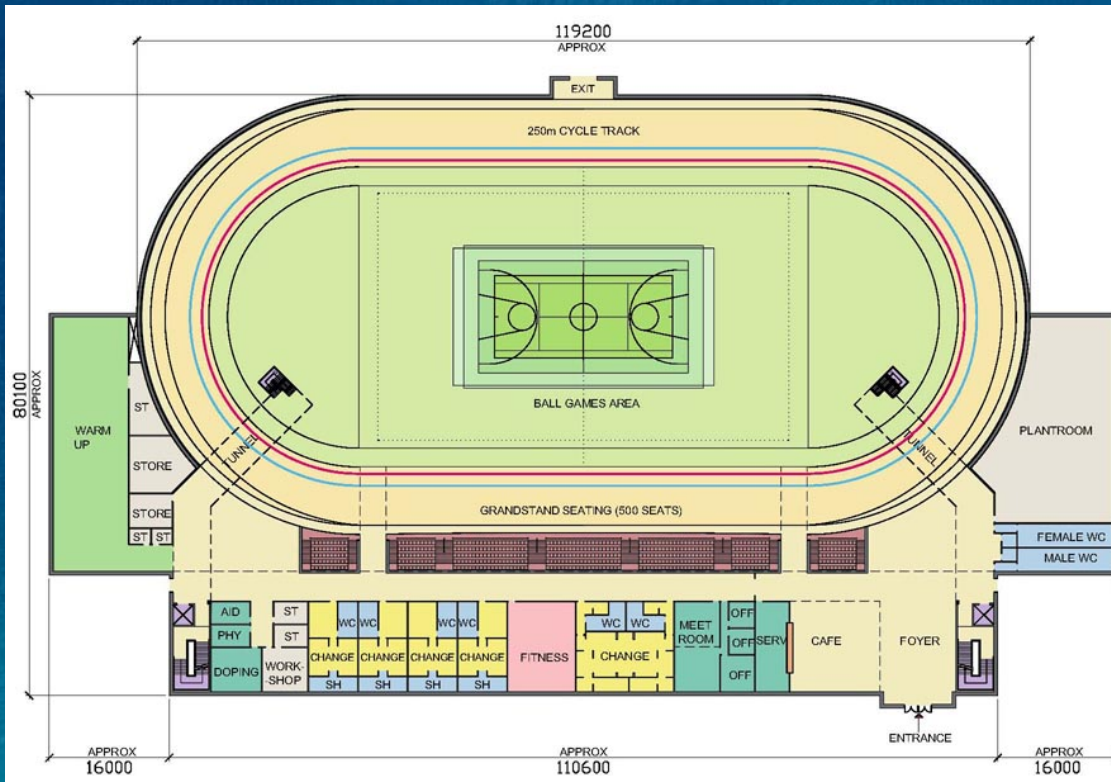
# National Training Centre for Curling



- Core elements:
  - 6 sheet curling rink
  - All year round access to ice
- Supplementary Facilities:
  - Fitness, strength and conditioning facilities
- Cost £3m



# Indoor Velodrome



- Core elements:
  - 250m cycle track
  - Court sports in centre of track
  - approximately 500 seats
- Location:
  - linked to other cycling facilities
- Cost £8m

# HQ Requirements

- Property review 2002: HQ options
  - Stand alone/ Co-locate
  - House of Sport
- New working practices
- 8 potential areas identified:
  1. Glasgow
  2. Edinburgh
  3. West Lothian
  4. Falkirk
  5. Fife
  6. Clackmannanshire
  7. North Lanarkshire
  8. Stirling

# The Process

- What?
  - Delivery of network of facilities
- When?
  - 2007
- Who?
  - Overall responsibility– **sportscotland**
  - Steering Group - Scottish Executive, **sportscotland**, PMP
  - National Facilities Forum
  - Partners – LA, public, voluntary and commercial sector

# Application Process

Two staged approach over 15 months

Key Stage	Date
Briefing Pack issued	Mid September 2003
Assistance Phase <ul style="list-style-type: none"> <li>• Questions and enquiries</li> <li>• Briefing meetings held in each of the geographic areas</li> </ul>	1, 2 & 3 October 2003
Stage One applications should be prepared and submitted to <b>sportscotland</b>	Preparation – Mid Sept 2003 to End March 2004. Submission date – 31 March 2004
Stage One Assessment – by <b>sportscotland</b> /Scottish Executive and negotiations with potential partners.	April to June 2004
Selected applicants will be invited to work up Stage Two applications.	30 June 2004
Stage Two Partnering – Preparation and submission of Stage Two applications. Approval of Stage Two applications will be carried out within three months of submission.	July 2004 onwards
The scale of the project and how far the proposals have been developed at Stage Two will determine start on site date.	Late 2004 – March 2007

# Outline Funding Options

- Central resource of £50m
  - £28.8m Scottish Executive
  - £21m **sportsotland**
  - Receipts from sale of Caledonia House
- Notional allocations of funding
  - Regional indoor training centres - £19m
  - 2 municipal stadia - £8m
  - National Indoor sports arena - £8m
  - Other national & regional facilities - £15m
- Efforts must be focussed on achieving affordable and deliverable solutions

# Capital Funding Sources

- Local authority capital funding
- Joint Ventures
  - HE and FE partnerships
  - Links to local authority borrowing
- Regeneration/Enterprise Funding
  - National/Regional Enterprise Bodies
  - Health and Social inclusion
- Local Authority land & commercial development opportunities
  - Section 75/ hotel/ residential/ commercial units
- Sponsorship Opportunities

# Public Private Partnership

- Long term contract between LA and private sector/consortium
- Private sector design, build, finance and operate facilities
- Suitability depends on:
  - Amount of capital investment required
  - Ability of bidding partnership to make that investment

# Leisure PPP – the DBFO Process

## Private Sector

- Designs and builds fully serviced facilities
- Full operation of facilities
- Lifecycle costs
- Income generation
- Long term service contract
- Capital financing off public sector balance sheet



## LA/ Bidding Partnership

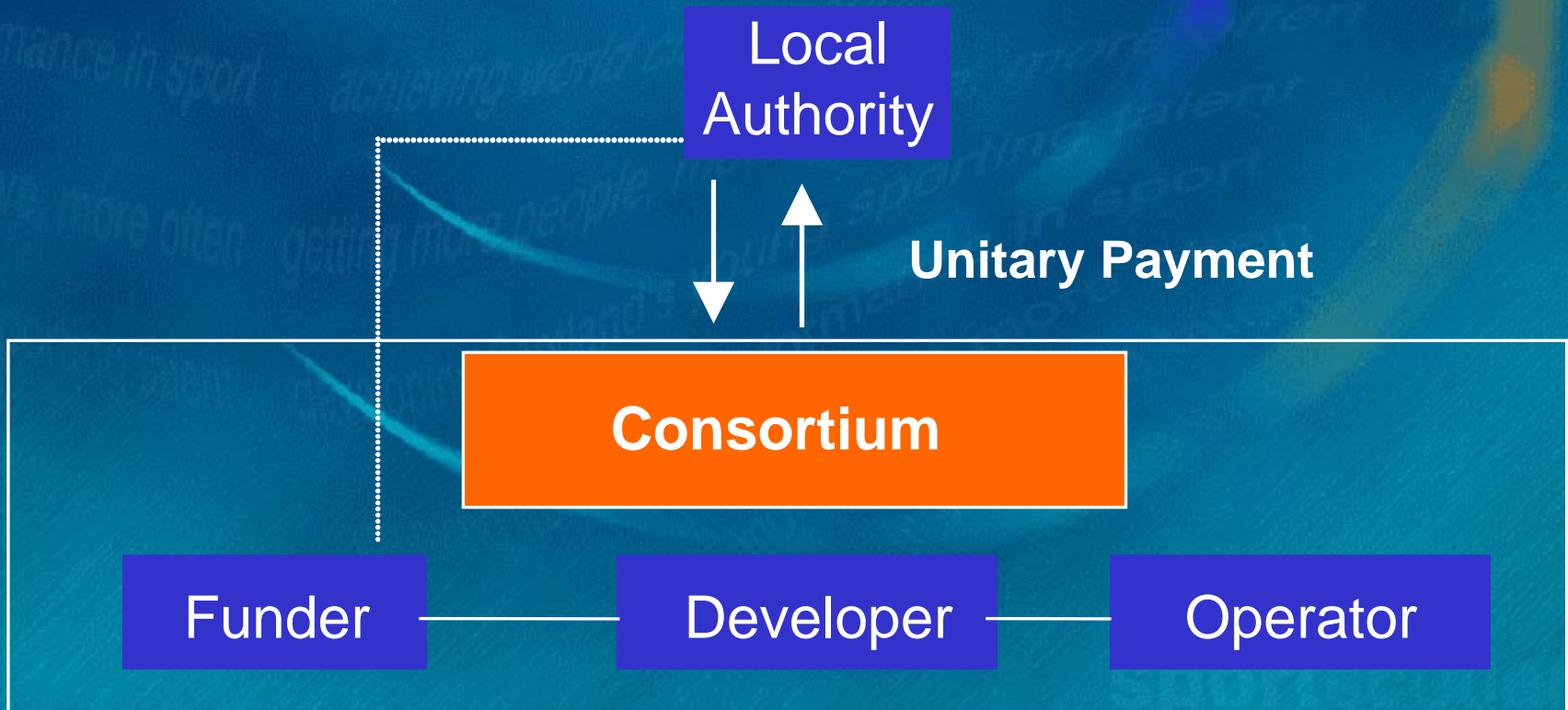
- Output based contract specification
- Appropriate risks transferred to private sector
- Better VFM than public sector alternatives
- Long term facility provision and operation





# Relationships

A summary of the transaction and relationship between each party to the PFI or PPP contract:



# PPP: Key Points to consider

- Can it generate the capital required?
- Can the bidding partnership/LA afford the unitary charge?
  - Revenue positions?
- Can it bring additional management/ funding/ expertise?
- Wider package including other LA facilities?

# How do we make the facilities sustainable?

# Management Options

- In house management
  - Greatest control
  - Greatest flexibility
  - Lack of capital investment
  - “Slow” decision making
- Private Management Contractor
  - Key component of PPP
  - Economies of scale available
  - Reduce overall cost to LA
  - Access to national best practice
  - Access to national branding/marketing resources
- Trust/NPDO
  - Save on corporation tax, VAT and NNDR
  - Use private sector investment with no impact on LA resources
  - Limited access to finance
  - Limited experience
  - NNDR rates reduced by up to 80%

# Revenue Support

- Must consider ongoing revenue costs
- Funding sources
  - Existing LA revenue subsidies
  - Contracted usage payments from SGBs and club users
  - Third party income streams
- Long term sustainability is fundamental
- 25 year business plan

# Outline Revenue Business Plans

- Indicative only
- Assumptions
  - Range of Facilities
  - Capital and lifecycle costs
  - Facility size
  - Prices
  - Levels of usage
  - Staffing structures, levels and pay rates
  - National no-domestic rates
- Outline business plan summaries

FACILITY	OPERATIONAL SURPLUS/ (DEFICIT) £000's
Sports Hall	(72)
Athletics/Rugby Stadium	(326)
Indoor Sports Arena	403
Regional Indoor Facility	(245)
Indoor Velodrome	(174)
Curling Centre	(65)

# What If I Need Help?

Why?

What?

Who?

Where?

When?

# Ask the team!

- The team:
  - sportscotland
  - PMP
  - Donaldsons
- Today's workshop...
- Open days
- Individual sessions



# Workshop Groups

1. Facilities
2. Funding and procurement
3. Business Planning
4. HQ

# Remember...

