

CABINET MEMBER FOR CULTURE, LEISURE AND ECONOMIC DEVELOPMENT

RECORD OF DECISIONS of the meeting of the Cabinet Member for Culture, Leisure and Economic Development held on Friday, 16 October 2020 at 10.00 am as a virtual meeting.

Present

Councillor Steve Pitt (Cabinet Member)
Councillors Frank Jonas BEM
Stephen Morgan
Claire Udy

10. Apologies for absence

There were no apologies for absence.

11. Declarations of interest

Councillor Udy declared a personal, non-pecuniary interest in agenda item 6, as a customer of BH Live but not at the Pyramids.

12. Portsmouth Museums Annual Review and Forward Plan

The report was introduced by Jane Mee, Museum and Visitor Services Manager.

The Cabinet and opposition members thanked Jane for her thorough report. Members looked forward to the opening of the Landing Craft Tank later this year which would be a great attraction for the city.

DECISIONS:

- (1) The achievements of 2019/20 were noted.**
- (2) That a new Museums Strategy is developed in dialogue with stakeholders.**
- (3) That the Landing Craft Tank (LCT) project is completed in partnership with the National Museum of the Royal Navy, opening in 2020 as part of the D-Day Story.**
- (4) That audiences are broadened and better understood by involving them in the work of the museums service and through special projects, programming, evaluation and visitor surveys.**
- (5) That standards of customer care are raised through training and performance monitoring and that the museums service continues to develop volunteers and paid staff to create a single integrated team**
- (6) That preparations begin to renew accreditation with Arts Council England.**

13. Museum Collection Development

The report was introduced by Jane Mee, Museum and Visitor Services Manager.

DECISIONS:

- (1) The contemporary collecting initiative focusing on Covid-19 and the experience of the city during lockdown was noted.**
- (2) The disposal of 'the mountain collection' from the City's Museum collection was approved.**
- (3) The review and rationalisation of the handling collection was noted.**

14. Landing Craft Tank - preparing for opening (information report)

The report was introduced by Jane Mee, Museum and Visitor Services Manager. She explained there had been a slight slippage to the planned opening date and the official opening would take place by the end of the year.

Opposition members welcomed the report and all looked forward to the official opening, although it was regrettable it was not possible to open for the October half term. Councillor Morgan added that he remained committed to getting the trust and the NMRN on board with the funding and continuing to raise the profile of this brilliant asset to the city.

The Cabinet Member wished to place on record his thanks and congratulations to Jane and the team for the project and wished them luck for getting the LCT ready to open to the public. This would be an amazing visitor experience and a welcome asset to Southsea and he very much looked forward to the opening.

The Cabinet Member noted the report

15. The Arthur Conan Doyle Collection (information report)

The report was introduced by Laura Weston, Learning and Education Officer.

The opposition members all thanked Laura for the thorough report and welcomed the proposals. The Cabinet member said it had been a slightly disappointing year due to the COVID-19 restrictions as they had hoped to start building a business case to develop a permanent location to display more of the Conan Doyle collection. He hoped that this could be resumed in December and suggested a further update be brought to the portfolio in the spring. He also asked that his personal thanks be passed to the volunteers for all their work during the pandemic.

The Cabinet Member noted the report.

16. Hotwalls Studios Update (information report)

The report was introduced by Chrissie McQueen, Hotwalls Studio Development Manager.

The opposition members thanked Chrissie for her report and felt that the artists would be grateful for all her hard work. The Cabinet member endorsed this and said the feedback he had received from the artists was that they feel incredibly well supported, which has helped during such a difficult time. Members wished Chrissie and her team good luck with the future projects with the additional funding received.

The Cabinet Member noted the report.

17. Pyramids and Eastney Swimming Pool capital schemes update (information report)

David Moorman, Strategic Development Manager introduced the report and advised that the City Solicitor had allowed for written objections to be received for this information item.

Deputations from the following members of the public were read out in full by David Moorman from:

- 1) Annie Bradrick
- 2) Mr & Mrs Viner
- 3) Mr R Ghosh

Deputations are not included in the minutes but can be viewed on the livestream on the following link

<https://livestream.com/accounts/14063785/cabinet-cled-16oct2020/videos/212176120>

Chris Symons, Chief Executive BH Live and Rob Cunningham, Head of Leisure for BH Live had been invited to the meeting to provide further detail on the proposals to convert the swimming pool to an indoor adventure centre and the plaza into a large modern gym.

Chris provided a short presentation detailing the reasons behind the proposals and showed photographs of similar schemes that he or the team had worked on developing. He gave members a brief explanation what would be included in the Play and Bounce area and the new gym.

Councillor Jonas thanked the deputees for their deputations and congratulated BH Live on their ambitious plans. He had concerns however that if the pool at the Pyramids is closed it will be closed forever as the cost of building a new pool would not be financially possible. He felt that people had not been using the pool as it has often been closed due to maintenance issues. He asked for a reassurance from the Cabinet Member that all alternative options had been considered before this decision was made. Councillor Pitt said he was very aware of all the comments made in the press, social media and at Full Council earlier in the week, and said he would be

making a statement at the end of the meeting that would address Councillor Jonas' points.

Councillor Morgan thanked BH Live for the presentation. He said that Councillor Pitt was already aware that the Labour group had raised concerns over the lack of consultation and public engagement on this decision and a discussion had taken place at Full Council earlier this week. He added that the Labour group believe that governing inevitably involves tough decisions however it is better to do that with public involvement.

Councillor Udy said she would like a promise from the Cabinet Member that there will still be some form of swimming facility in the south of the city, particularly for disabled residents as the Pyramids was the only walk in pool in the city. The new indoor adventure centre and gym would help bring people to the area, although it was regrettable losing the pool. She also said that Hilsea Lido also needed some help to make the provision better and asked if the Council could look to help the Trust further. Councillor Pitt explained that as soon as he became Cabinet member he met with the Trust at Hilsea Lido as was in regular contact. The Council had given advice on amending their lease and put a lot of resource behind their Coastal Communities bid. Unfortunately this was not a successful bid but the Council had made a pledge to support the Lido with match funding if their fund was successful. The Council will support them if they put forward another bid and he would love to improve this facility. In terms of provision in the south east of the city, Councillor Pitt said the Council was in a difficult position as the updated conditional survey for Eastney swimming pool had yet to be received. Officers were expecting the report back in the next couple of weeks and an additional meeting of the portfolio had been arranged to update members then.

Chris Symons offered BH Live's support in terms of insight and data as the Council looked to develop other venues in the city. Councillor Pitt added that Chris had offered to take any councillors through the proposals at the Pyramids.

David Moorman added that the next thing to happen was the appointment of the principal contractor for the Pyramids which was expected at the end of next week, and he would inform members once this was known.

Councillor Pitt said in the interests of openness and transparency on this occasion he had a statement to inform people how this decision was made. This is added as an appendix to the minutes.

There will be ongoing dialogue and members would be kept informed of all the discussions that take place, along with the community and any affected parties.

The Cabinet Member noted the report.

The meeting concluded at 11.30 am.

.....
Councillor Steve Pitt
Chair

Appendix to the minutes

Pyramids and Eastney Swimming Pool capital schemes update

Built in 1988 with an expected lifespan of 30 years, the Pyramids has had a difficult history. Successive operators failed to make it work and by the late 2000s the Council, DC Leisure, Parkwood and Southsea Leisure had all racked up significant losses. Millions were invested but the wet side of the offer continued to slowly decline and the Plaza and Glasshouse failed to attract the business that they had at their height in the 90s.

The materials and design of the building, problematic from almost the day it opened, began to become quickly outdated. It is a simple fact that no one would ever build The Pyramids Centre today, its carbon footprint is appalling. The fun pools are hugely expensive to operate, prone to regular closures for maintenance and the staffing costs to operate it safely are simply immense compared to a conventional pool.

As far back as 2008, closure was considered. Other uses were considered: Ice rink, roller rink, Eden Project style attraction and even a church. Options were looked at to demolish it and build a new leisure centre, a hotel or even just to level the site and return it to open space. There was heated political debate. No alternative options could be made to stack up financially and the centre limped on with the lone success being the introduction of the gym in 2010.

In 2013, at a time when the centre really was on a knife edge, BH Live came forward to run the facility without a management fee for a period of 5 years.

In May 2018, I became the Cabinet Member and was made aware of the Sports Facility Strategy for the city prepared in 2017 for my Conservative predecessor by independent consultants, and identified the need to consider the future of the Pyramids and Eastney given their condition and age.

No capital money had been allocated in the Council's budget in the previous 4 years. There was spend due to insurance monies from flooding but this only enabled some minor cosmetic improvements to the customer facing areas. The centre was clearly in decline.

In Summer 2018 - Following a visit to the Centre, I wanted to know what we needed to do and a condition survey of the Pyramids was commissioned. It indicated that there was an urgent need to secure a capital injection of £1.33 million just to continue operating but not to improve the customer experience

significantly. A further £620k would also be needed after 5 years but again just to stand still. Conversations with the then CEO of BH Live made it clear that they would not be seeking to renew their management contract for the site without this investment and additional monies to improve the public areas. In the budget round of 2018 – I secured £1.4 million to ensure the Pyramids could remain open. This was passed at the 2019 Full Council meeting as part of the Council's 2019-20 capital budget.

Also in 2018-19, as part of essential maintenance works, £300k was spent to renew the fire alarm system which was obsolete.

In spring 2019 – The new BH Live CEO expressed concerns about the condition of the Pyramids site and urged caution in spending the £1.4 million allocated to the pool. The reason would become clear over the summer. Knowing that the BH Live contract on the Pyramids was reaching an end and now anticipating that any renewal might not be easy to achieve, it was decided that we needed an update on the 2017 consultant's report to make some recommendations on the best way forwards that would ensure we could secure a high quality leisure provision for Portsmouth that was financially sustainable.

Over the Summer and into Autumn 2019 - with the 5 year management contract on the Pyramids drawing to a close and a forensic investigation by BH Live into the operation of the Pyramids during their tenure as operator, losses of £1.8m over the period were reported to PCC. It became clear that BH Live would not renew their contract. An agreement was reached for them to continue to operate the centre on an 'open book basis' while BH Live asked for time to put together a proposal that might save the centre from closure. I agreed to consider all alternatives that would keep the centre open as an attraction for families.

It is important to note that if, at this point a new operator had been sought, anyone coming forward would be entitled to see the books and would be made fully aware of the losses. In addition, it was felt extremely unlikely that, even without the financial picture being quite so grim, any operator would step in to take over a single loss making centre without any free parking when the rest of the city's facilities were under one operator and all had free parking.

During the winter 2019-20 – BH Live honed proposals for a giant Adventure Play Centre, incorporating soft play, climb and bounce for a range of ages, the largest such project in the region and for an expansion to the gym, the one part of the Pyramids business which was not loss-making, to offer a 5 star state of the art fitness centre at 3 star prices.

The proposal was informally presented to the Cabinet on 10th March 2020.

Before proper consideration could be given to next steps, just 10 days later, we were in Lockdown and all leisure centres were closed across the country. To date, there is no indication when The Pyramids pools would be able to re-open as their operation cannot be Covid Secure.

During Lockdown, the Council faced some very alarming threats. Initial pledges by government to cover costs during Covid were later clarified to exclude commercial income, meaning that loss of income from the property portfolio of the Council would not be part of any compensation, nor any drop in income from the Commercial Port. As of today, that gap stands at £12million with a second wave of Covid now clearly upon us and the future more uncertain than ever with the transition agreement ending at the end of the year.

What seemed just a few months ago as an urgent need to talk about the future of The Pyramids is now just one element of a much larger financial problem. The decision I had to make was in the context of knowing the Pyramids would need between £13.8m and £14.8m over the next 10 years. This huge investment would be unlikely to significantly increase swimming numbers due to a national decline of 24% in swimming over the last 10 years and most notably a 14% decline over the last 3 years in Portsmouth EXCLUDING the Pyramids. The Pyramids itself has declined by 33%. This investment would include a whopping £700k every year that does not exist within the Council budget and up to £4 million in up front capital investment.

And to what end?

As I said at the beginning, this centre was built to last for 30 years, it is aging and will eventually fail. It would be irresponsible to pour vast sums into any building just to knock it down. The condition survey did show that the basic structure was sound, so we have an opportunity to keep the centre open for, hopefully, at least another 10 years and do so in a way that provides a first class family offer on the Seafront and a first class gym to help grow the already popular fitness offer and not require ongoing revenue subsidy. Would we love to keep the pools and Plaza open? Of course we would. Can we? No.

Much has been made of this decision not being consulted on with the public. Consult on what? It would have been pure deceit to ask people if they wanted to keep the pool at the Pyramids. To what end? So that 3000 people could say 'keep the pool' and we then had no option but to close it anyway? That's not consultation, that's lying to people.

Sometimes there are hard decisions to take. Sometimes the politics are irrelevant. Sometimes you have to do the right thing, not the easy thing. Sometimes you have to accept that you will be abused and insulted because that is the nature of the job. It hurts but what would hurt far more would be to run away from my commitments and leave someone else to do what I was afraid to do. Sorry, that's not who I am.

Finally, I would say that the Seafront Masterplan talks about what the possible future for the Pyramids site could be after the centre finally closes. Well, we now have something we didn't have, time. Time to think about what should eventually replace the Pyramids and what the people of Portsmouth would like to see there and time to consider how to take their ideas forward. Will there ever be a pool on the site again? Very possibly.

I want now to turn briefly to the other council pool in the south east of the city. Much has also been made of the threat to Eastney Pool. The facility is over 100 years old. It is not disability compliant, it has communal changing facilities, the roof is in a dire state and there are structural issues. Again, it has a large carbon footprint. The existing pool needs to be either completely refurbished, rebuilt or replaced and this administration is totally committed to ensuring that whichever of these options emerge as viable options, we talk to people and explain what is possible. We can do that because there is a choice, there are possibilities. On the Pyramids there weren't. Similarly Wimbledon Park Sports Centre is in a very poor state, having not had the investment that was originally envisaged under the previous administration and needs a large investment over the next few years. Alternatively it could close to help develop a new, co-located pool and sports facility.

If this latter course of action were to be followed, it would fulfil the recommendations of the 2019 report from leading industry experts Strategic Leisure and have the potential to reduce capital liability, increase customers, increase revenue generation, better address the health and well-being priorities of the city and deliver better long-term value from capital investment.

I have asked officers to explore all options available to the Council and report back to the next meeting of this Portfolio with an update on both Eastney and Wimbledon Park Sports Centre.

Change isn't easy and it isn't always for the best. However, in this instance, there is an overwhelming case for ending a long period of sticking plasters over the problems and committing to a future based on sound and bold investment, so that the people of Portsmouth are served by quality leisure facilities fit for this century, not the faded icons of the last one.