

South Ayrshire Council

**Report by Director of Housing, Operations and Development
to South Ayrshire Council
of 6 March 2025**

Subject: Refurbishment of the Citadel Leisure Centre, Ayr - Update

1. Purpose

1.1 The purpose of this report is to provide an update to Members on the refurbishment of the Citadel Leisure Centre in Ayr.

2. Recommendation

2.1 It is recommended that the Council:

2.1.1 notes that a Capital Business Case has been prepared and considered by South Ayrshire Council's Capital Asset Management Group as required by Audit Scotland;

2.1.2 notes the progress in the appointment of a contractor for the roofing works and the progress in developed design proposals for the refurbishment works which were approved by Council on 1 March 2023;

2.1.3 notes the proposed scope of refurbishment works as contained within paragraph 4.3; and

2.1.4 notes the utilisation of Scottish Government Climate Emergency capital funding in the amount of £810,000 to enhance the energy efficiency measures included within the scope of works.

3. Background

3.1 The Council purchased a town centre site called Arran Mall in 2019 with the intention of constructing a new leisure centre. HubSW were appointed to provide proposals which were developed over several years. However, when the final Stage 2 report was taken to Council on the 15 December 2022 the decision was to reject the submission. Members agreed that the Stage 2 proposals deviated significantly from the proposals the public were consulted on and the costs were £7m over the original agreed budget.

3.2 Proposals are now being prepared for a mixed-use development on the Arran Mall and Hourstons site that do not include leisure provision.

- 3.3 The Council's main sports facility is the Citadel Leisure Centre in Ayr. This building was originally constructed as Ayr Baths in the early 1970's and has been extended twice; the first extension provided a games hall and the second extension a night club which was latterly utilised as a youth club. Due to the planned replacement of the centre, as detailed in 3.1, there has been limited maintenance and repairs carried out to The Citadel for a number of years.
- 3.4 The building fabric of the Citadel has been extensively surveyed and remedial work has been identified, particularly in relation to sections of the roof. The layout is convoluted and accessibility to parts of the building is poor. The facility is dated and does not provide facilities expected in a modern leisure offering such as dedicated studio space for activities such as High Intensity Training, Spin and Wellness. The changing accommodation on both the wet and dry side are dated and in poor condition.
- 3.5 Current facilities include 3 pools (main, diving and infants), a large games hall, a spa including a plunge pool, a gym, squash courts, changing accommodation and ancillary space including back of house areas such as staff accommodation and plant rooms.
- 3.6 The Citadel Leisure Centre has reasonable footfall, income and membership, however, in order to ensure the facility can continue to cope with demand and can grow South Ayrshire Council's Health and Fitness programmes, investment is required.
- 3.7 As part of the 2025-26 Scottish Budget the Scottish Government has provided £40 million of new capital grant funding to Local Government for Climate Emergency capital works activity in 2025-26 to be used to invest in measures that tackle the climate emergency in a way that maximizes opportunities to create jobs and provide new economic opportunities for businesses and communities. South Ayrshire Councils allocation is £0.810m.

4. Proposals

- 4.1 An Audit Scotland review of the Citadel Refurbishment project found that the council did not follow its capital planning process. As a result, a Capital Business Case has now been prepared, as per the Audit action, and is contained within Appendix 1.
- 4.2 The refurbishment works will be carried out in two contracts; the first enabling contract will comprise repair works to the roof and the second main contract will comprise all the main refurbishment works. Delivery of the various works will be phased which will allow the centre to remain open throughout the works.
- 4.3 The proposed scope of works comprises:-
- fabric repairs to external walls and roof to ensure the building is wind and watertight;
 - alterations to re-purpose the games hall (which is underutilised) into a larger gym space, spin studio and family active hub;
 - installation of a mezzanine floor in the games hall to create a two-level gym;
 - the pool hall and pools will remain as is;
 - the wet side changing on the pool side will be comprehensively refurbished;

- the spa at ground floor level and the dry change at first floor level will swap positions - this means the spa will be poolside and the dry change will be closer to the gym and studio spaces; and
- a new entrance will be formed in a more prominent position on the approach to the building which will include a high-quality cafe offering and main reception desk with improved wayfinding signage to the new facilities.

4.4 In terms of programme, the roofing works started on site in January 2025 and the main works will commence in April 2025 with overall completion in 2026.

4.5 By taking advantage of the new Scottish Government Climate Emergency funding of £0.810m, this will allow the scaling up of the existing Citadel scope of works, including the following measures:-

- Energy Efficient Lighting with LED lamps;
- Photo sensors to reduce or eliminate artificial lighting when daylight is available;
- Occupancy sensors and time-switch integration that switches lights off when not in use;
- Controls that allow appropriate zoning and dimming to ensure only required lighting is used;
- New electrical metering strategy including a primary meter on the main electrical incoming connection, meters for each section board and sub-metering at each switchboard to monitor all lighting, power, lifts, and mechanical services (throughout the proposed works area); and
- All electrical meters will have Ethernet metering connectivity which allows all metering points to be networked and readings will be available via the BEMS (Building Energy Management System).

4.6 These new energy efficiency and conservation elements when added to the original scope of works will have a positive environmental benefit through improved energy efficiency with the project as a whole having a social benefit effect on Ayr and surrounding communities through increased Health and Fitness programming but through potential expansion of the Council's Health Development programme, including falls prevention and cardiac/ stroke rehabilitation classes. Increase of the membership base does require investment.

5. Legal and Procurement Implications

5.1 There are no legal implications arising from this report.

5.2 There are no procurement implications arising from this report.

6. Financial Implications

6.1 The Citadel Refurbishment is an identified project within the Council's approved Capital Programme with an allocation of £10m. This budget was approved by Council on 1 March 2023. The sum of £898,000 has already been expended on design, fees, surveys and emergency repairs to an unsafe wall.

6.2 The utilisation of the Scottish Government Climate Emergency funding of £810,000 for the Citadel Refurbishment project will allow the inclusion of energy efficiency

measures and will also part-fund the cost on increasing the power supply to the building.

7. Human Resources Implications

7.1 Not applicable.

8. Risk

8.1 *Risk Implications of Adopting the Recommendations*

8.1.1 There are no significant risks associated with adopting the recommendations. Normal risks associated with capital projects will be monitored throughout the duration of the contract.

8.2 *Risk Implications of Rejecting the Recommendations*

8.2.1 Rejecting the recommendations may result in the Council missing an opportunity to refurbish and modernise a significant building within Ayr Town Centre which would ensure high quality leisure provision.

8.2.2 Rejecting the recommendations may result in the Council incurring abortive costs for design fees and surveys.

8.2.3 Rejecting the recommendations may result in reputational damage to the Council as there has been wide ranging public engagement on the proposed plans for the Citadel.

9. Equalities

9.1 The proposals in this report have been assessed through the Equality Impact Assessment Scoping process. There are no significant potential positive or negative equality impacts of agreeing the recommendations and therefore an Equalities Impact Assessment is not required. A copy of the Equalities Scoping Assessment is attached as Appendix 2.

10. Sustainable Development Implications

10.1 ***Considering Strategic Environmental Assessment (SEA)*** – The proposals in this report do not represent a qualifying plan, programme, policy or strategy for consideration for SEA. There is therefore no obligation to contact the Scottish Government Gateway and no further action is necessary. An SEA has not been undertaken.

11. Options Appraisal

11.1 An options appraisal has not been carried out in relation to the subject matter of this report.

12. Link to Council Plan

12.1 The matters referred to in this report contribute to key commitments and priorities set out in the Council Plan 2023 – 28. With regards to improving our Places and

Spaces, ensuring South Ayrshire is a good place to access high quality play, sport and recreation facilities.

13. Results of Consultation

- 13.1 There has been public consultation on the contents of this report as part of a public engagement session held in The Citadel Leisure Centre on the 21 August 2024.
- 13.2 Consultation has taken place with Councillor Martin Kilbride, Portfolio Holder for Buildings, Housing and Environment, and Councillor Brian Connolly, Portfolio Holder for Sport and Leisure, and Councillor Alec Clark, Portfolio Holder for Tourism, Culture and Rural Affairs, and the contents of this report reflect any feedback provided.

14. Next Steps for Decision Tracking Purposes

- 14.1 If the recommendations above are approved by Members, the Director of Housing, Operations and Development will ensure that all necessary steps are taken to ensure full implementation of the decision within the following timescales, with the completion status reported to the Cabinet in the 'Council and Cabinet Decision Log' at each of its meetings until such time as the decision is fully implemented:

Implementation	Due date	Managed by
Proceed with appointment of a contractor for main works	31 March 2025	Assistant Director – Planning, Development and Regulation/ Service Lead - Professional Design Services
Adjustment to be made to General Services Capital programme for additional funding	31 March 2025	Chief Financial Officer

Background Papers None

Person to Contact **Chris Cox, Assistant Director – Planning, Development and Regulation**
County Buildings, Wellington Square, Ayr, KA7 1DR
Phone 01292 612981
Email chris.cox@south-ayrshire.gov.uk

Date: 25 February 2025



Capital Project Business Case

Project Title: The Citadel Leisure Centre - Refurbishment

Version 1.7 November 2023

Capital Project Business Case

Section 1: Project Details & Objectives

1.1 Project Title:

1.2 Project Reference:

1.3 Project Description:

pools (main, diving and infants), a large games hall, a spa including a plunge pool, a gym, changing accommodation and ancillary space including back of house areas such as staff offices and plant rooms.

The building is generally tired and although in an excellent location, with a wide range of facilities, it would benefit from a programme of refurbishment and re-purposing of some spaces.

The project will include a number of elements, including:-

- fabric upgrades to external walls and roof to ensure the building is wind and watertight
- alterations to re-purpose the games hall (which is under utilised) into a larger gym space, spin studio and family active hub.
- the pool hall and pools will remain as is
- the wet side changing on the pool side will be comprehensively refurbished
- the spa at ground floor level and the dry change at first floor level will swap positions - this means the spa will be poolside and the dry change will be closer to the gym and studio spaces
- a new entrance will be formed in a more prominent position on the approach to the building which will include a high quality cafe offering and main reception desk with improved wayfinding signage to the new facilities.

1.4 Sponsoring Service: Sport & Leisure

1.5 Service Lead Officer: Alistair Mutch - Service Lead

1.6 Project Purpose/Need:

The Citadel Leisure Centre has reasonable footfall, income and membership, however, in order to ensure the facility can continue to cope with demand and can grow South Ayrshire Council's Health & Fitness programmes, investment is required. This will allow fabric issues to be addressed to ensure the building is wind and watertight and it will also provide a larger capacity gym, a state of the art spin studio, additional studio space, a family active hub, high quality changing accommodation and a food and beverage offered (cafe).

This work would not only have a positive social benefit effect on Ayr and surrounding communities through increased Health & Fitness programming but through potential expansion of the Council's Health Development programme, including falls prevention and cardiac/stroke rehabilitation classes. Increase of the membership base does require investment.

1.7 Impact if the Project is not Undertaken (Service Risks)

Not completing works to increase the Health & Fitness offer within Ayr risks a plateau of existing membership, and inability to reach a larger percentage of the local community with targeted health intervention and opportunities to exercise

Capital Project Business Case

Section 2: Link to Council Plan Objectives and Asset Management Plan

2.1 Relationship with Council Plan:

This section is to be used to identify the main strategic objectives which the project will satisfy. Full definitions of these Corporate objectives are detailed in the South Ayrshire Council Plan 2018-2022.

From the lists below please identify the most appropriate Local Outcomes Improvement Plan (LOIP) areas, Council Plan Objective or Current strategy that the project links to:

Link to LOIP Areas		Link to Council Plan Objectives		Link to Current Plans & Strategies	
Integrated Children's Services		Effective leadership that promotes fairness;		Programme for Effective Governance	
Community Safety		Reduce poverty and disadvantage		Directorate Plans	
Health and Wellbeing		Health and care systems that meet people's needs		Council Financial Strategy	
Economy, Employability and Sustainability		Make the most of the local economy		Council Asset Management Plan	
		Increase the profile and reputation of South Ayrshire and the Council		Corporate Workforce Plan	
		Enhanced environment through social, cultural and economic activities			

Capital Project Business Case

2.2 Link to Asset Management Plan:

The refurbishment works would have a positive effect on Council reputation in regards maintenance of Council assets, showing continued investment in a facility, along with contributing to overarching SAC commitment to energy saving and working towards Net Zero carbon emissions.

2.3 Assessment Criteria:

Please provide details of how the project fits in with the following assessment criteria:	
What is the current condition of the property?	Property Condition
	Suitability Rating
	Accessibility (Pass/Fail)
	EPC Rating
	G (100+) - 569
How does the project improve / enhance assets?	Maintain/improve Council reputation, increased income and customer satisfaction
Is the project required to fulfil a statutory obligation, Health & Safety, or legal requirement and if so, what reasons?	n/a
Will the project lead to increased efficiency and / or reduced revenue running costs and if so, please provide details?	Expected efficiencies in modernised lighting and plant.
Are there any other factors not covered by the above which need to be taken into account?	The Citadel has to compete with private gym offerings in Ayr and this investment will ensure that we can retain and grow our market share. South Ayrshire is home to an older population and there will be dedicated studio space for Living and Aging Well.

Capital Project Business Case

Section 3: Project Financial Details and Delivery Schedule

3.1 Project Delivery Schedule:

Milestone/Deliverables	Timescales
Project Development Phase:	In process
Construction Phase:	2025

3.2 Project Implementation Costs – Capital Expenditure (excluding Revenue - £000):

Financial Year	Purchase of site	Site Prep	Fees	Build Costs	Equipment/Furniture	IT Costs	Demolition of old site	Other Costs	Total
2024/25			406	789					1195
2025/26			400	3789	1100			516	5805
2026/27				3000					3000
2027/28									0

2028/29									0
2029/30									0
2031/32									0
2030/31									0
2031/32									0
2033/34									0
2034/35									0
2035/36									0
Total	0	0	806	7578	1100	0	0	516	10000

3.3 Impact on the Council Revenue Budget:

Completion would have a significant impact on Council income, generating additional revenue through increased membership.

Capital Project Business Case

Section 4: Options Appraisal

4.1 Options Appraisal:

a concise summary of the options considered should be detailed below. An example has been given to illustrate how this should be completed.

Number	Options Considered	Comments
1	Complete works	Increased income, memberships, programming, community health
2	Do nothing	Risk of membership stagnation/reduction resulting in reduced income, customer satisfaction and removal of health benefits and opportunities linked with proposed works
3	Phased approach	Consideration could be given to addressing separate aspects of the proposal over more than one Financial Year. This may increase construction costs through inflation and stopping/starting works and would result in multiple facility closures to facilitate
4		
5		
6		

Capital Project Business Case

Section 5: Evaluation Criteria / Scoring

5.1 Relationship with Council Plan:

Stipulate the outcome that the proposed scheme contributes to and score accordingly	Score
Very Low - No Real Impact	1
Low - Some Impact	2
Medium - A Noticeable Contribution	3
High - A Significant Contribution	4
Very High - A major Contribution	5

Objective	Score	Comments
Effective leadership that promotes fairness	4	The project will ensure that all South Ayrshire residents and visitors will have access to the proper facilities required for health and fitness.
Reduce poverty and disadvantage	4	The upgraded centre will be best placed to provide a range of services that best support disadvantaged people and people in poverty.
Health and care systems that meet people's needs	3	The improved facilities will be available to support a wide range of community activities including health and fitness.
Make the most of the local economy	4	The project will include a range of community benefits which will help support local business particularly during the build phase.
Increase the profile and reputation of South Ayrshire and the Council	5	The project is positive outcome for the Council.
Enhanced environment through social, cultural and economic activities	4	The building will play an important part in community life.
Total Score to Summary =	24	

Capital Project Business Case

5.2 Relationship with Asset Management Plan:

Indicate how the proposed scheme contributes to the Priorities set out in the Corporate Property Asset Management Plan	Score
Very Low - No Real Impact	1
Low - Some Impact	2
Medium - A Noticeable Contribution	3
High - A Significant Contribution	4
Very High - A Major Contribution	5

Where proposals affect existing assets the Property Asset Management Plan should be consulted to identify issues relating to the following priorities:

Outcome	Score	Comments
Accessibility (improve Access for all)	5	The refurbished centre will be fully compliant with accessibility requirements.
Suitability (Ability of asset to support and contribute to the effectiveness of service delivery)	5	Modern facilities which best support health and fitness and community needs.
Sufficiency (Capacity)	5	The re-purposing of space will be designed to accommodate current and future requirements.
Condition (Improve Rating)	3	The centre will have a significantly improved rating on completion of the works.
Energy Efficiency	5	Improved efficiency.
Total Score to Summary =	23	

Capital Project Business Case

5.3 Summary:

No	Evaluation Criteria	Score	Weighting	Weighted Score
5.1	Relationship with Council Plan	24	0.6	14.4
5.2	Relationship with Asset Management Plan	23	0.4	9.2
Total:		47		23.6

Please ensure all relevant persons verify the information contained on the Business Case, and sign/date where appropriate.

5.4 Verification of Accuracy and Relevance of Bid Paper

By signing below, you are confirming the accuracy of details included within this Capital project business case. This includes :

- Accuracy of Costs (current financial year prices or beyond if appropriate)
- Revenue Implications
- Project Impact
- Relationship with Local Outcomes Improvement Plan
- Relationship with Council Plan
- Link to Asset Management Plan

	Signature	Date
Service Lead Asset Management & Community Asset Transfer		
Assistant Director - Planning and Development		
Chief Financial Officer		

Capital Project Business Case

Notes for Completion

The purpose of this form is to provide sufficient information to the Corporate Asset Management Group to allow them to determine the priority of the project within the Capital Programme.

It is understood that submissions will range from minor work items to large scale projects and that the range and depth of the submission will be commensurate

Detail comments on sections:

Project Description: Should be sufficient to allow all readers to understand the precise nature and scope of the project.

Project Purpose/Need: Set out clearly the need for and purpose of the project highlighting any particular drivers.

Links to Corporate and Asset Management Plans: All projects should demonstrate compliance with current plans.

Project Delivery Schedule: A reasonable estimate should be provided as to long will the project take from initial design to completion.

Project Implementation Costs – Capital Expenditure: Capital costs would typically be provided by Professional Design Services. Specific Client lines like furniture and ICT should be provided by the sponsoring service.

Options: All potential options to satisfy the project need should be explained, examined and disposed of. Large scale projects should have a formal option appraisal attached.

South Ayrshire Council Equality Impact Assessment Scoping Template

Equality Impact Assessment is a legal requirement under the Public Sector Duty to promote equality of the Equality Act 2010. Separate guidance has been developed on Equality Impact Assessment's which will guide you through the process and is available to view here: <https://www.south-ayrshire.gov.uk/equalities/impact-assessment.aspx>

Further guidance is available here: <https://www.equalityhumanrights.com/en/publication-download/assessing-impact-and-public-sector-equality-duty-guide-public-authorities/>

The Fairer Scotland Duty ('the Duty'), Part 1 of the Equality Act 2010, came into force in Scotland from 1 April 2018. It places a legal responsibility on Councils to actively consider ('pay due regard to') how we can reduce inequalities of outcome caused by socio-economic disadvantage, when making strategic decisions. FSD Guidance for Public Bodies in respect of the Duty, was published by the Scottish Government in March 2018 and revised in October 2021. See information here: <https://www.gov.scot/publications/fairer-scotland-duty-guidance-public-bodies/>

1. Policy details

Policy Title	The Citadel leisure Centre – Refurbishment Update
Lead Officer (Name/Position/Email)	Pauline Bradley, Service Lead, Professional Design Service pauline.bradley@south-ayrshire.gov.uk

2. Which communities, groups of people, employees or thematic groups do you think will be, or potentially could be, impacted upon by the implementation of this policy? Please indicate whether these would be positive or negative impacts

Community or Groups of People	Negative Impacts	Positive impacts
Age – men and women, girls & boys	No	No
Disability	No	No
Gender Reassignment (Trans/Transgender Identity)	No	No
Marriage or Civil Partnership	No	No
Pregnancy and Maternity	No	No
Race – people from different racial groups, (BME) ethnic minorities and Gypsy/Travellers	No	No
Religion or Belief (including lack of belief)	No	No

Community or Groups of People	Negative Impacts	Positive impacts
Sex – (issues specific to women & men or girls & boys)	No	No
Sexual Orientation – person’s sexual orientation i.e. LGBT+, lesbian, gay, bi-sexual, heterosexual/straight	No	No
Thematic Groups: Health, Human Rights & Children’s Rights	No	No

3. What likely impact will this policy have on people experiencing different kinds of social disadvantage i.e. The Fairer Scotland Duty (This section to be completed for any Strategic Decisions). Consideration must be given particularly to children and families.

Socio-Economic Disadvantage	Negative Impacts	Positive impacts
Low Income/Income Poverty – cannot afford to maintain regular payments such as bills, food, clothing	No	No
Low and/or no wealth – enough money to meet Basic living costs and pay bills but have no savings to deal with any unexpected spends and no provision for the future	No	No
Material Deprivation – being unable to access basic goods and services i.e. financial products like life insurance, repair/replace broken electrical goods, warm home, leisure/hobbies	No	No
Area Deprivation – where you live (rural areas), where you work (accessibility of transport)	No	No
Socio-economic Background – social class i.e. parent’s education, employment and income	No	No

4. Do you have evidence or reason to believe that the policy will support the Council to:

General Duty and other Equality Themes Consider the ‘Three Key Needs’ of the Equality Duty	Level of Negative and/or Positive Impact (High, Medium or Low)
Eliminate unlawful discrimination, harassment and victimisation	No impact
Advance equality of opportunity between people who share a protected characteristic and those who do not	Low

General Duty and other Equality Themes Consider the 'Three Key Needs' of the Equality Duty	Level of Negative and/or Positive Impact (High, Medium or Low)
Foster good relations between people who share a protected characteristic and those who do not. (Does it tackle prejudice and promote a better understanding of equality issues?)	No impact
Increase participation of particular communities or groups in public life	No impact
Improve the health and wellbeing of particular communities or groups	No impact
Promote the human rights of particular communities or groups	No impact
Tackle deprivation faced by particular communities or groups	No impact

5. Summary Assessment

Is a full Equality Impact Assessment required? (A full Equality Impact Assessment must be carried out if impacts identified as Medium and/or High)	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
Rationale for decision: This is an update report with no implication in relation to equalities	
Signed : Pauline Bradley Date: 2 December 2024	Service Lead