There are many reasons why clubs may want to obtain their own dedicated facilities; typically, these are based around increasing membership numbers and raising performance levels. However, for the long-term sustainability of the club increasing income streams through membership should be the initial focus following any project implementation.

Current research shows that the demand for gymnastics is rapidly increasing. Nationally British Gymnastics has witnessed an increase in membership in registered clubs from approximately 200,000 in 2012, to over 400,000 in 2018. Demand outstrips supply to participate in gymnastics. People trying to access the sport often face waiting lists, with clubs and other deliverers stating they have challenges with capacity to meet the need. Dedicated gymnastics facilities managed by Clubs and Partner Organisations including Leisure Providers are an effective way to increase capacity enabling more people to take part in gymnastics.

Having a dedicated facility also offers the possibility to provide a greater variety of gymnastics activities, improve customer service, professionalise the workforce and diversify the business model and income streams. A key consideration at an early stage needs to be what your club goals are and how you intend to achieve them. Having your own facility can offer many opportunities, but also introduces possible challenges to resolve, including:

- The club’s legal status and tax status
- Understanding Employment Law
- Improving business processes to manage increased finances and administration
- Building management and maintenance
- Workforce sustainability
- An increase in expectations from your members: e.g. customer service

Your facility project will need to be an integral part of your club’s business plan.
Due to the variety of facilities where gymnastics takes place, facility projects are diverse. The main types of dedicated facility projects are:

- Industrial Unit Conversion
- Improvement Project
- Asset Transfer
- Lease Back
- New Build

**Industrial Unit Conversion**

Converting an industrial unit or other existing building is the preferred option for most clubs. Unless the building is already classed as D2 leisure use, clubs wishing to convert a building into a gymnastics facility will need to gain “Change of Use” planning permission. Conversion projects can range in size from 300m² to 3000m² depending on the size of the club and the gymnastics programme they deliver. A suggested space of 650m² is recommended to offer a sustainable recreational programme. It’s a good idea to contact your local commercial estate agents to find out average rental costs for your area.

**Improvement Project**

Improvement projects upgrade an existing gymnastics facility to add extra value. This may include freeing up additional space to provide more gymnastic stations, thus allowing a club to increase its capacity. Projects also include adding improvements to non-gymnastic spaces giving extra value to club members and members of the public by adding viewing areas, cafés or community rooms.

**Asset Transfer**

An asset transfer involves the transfer of ownership of land or buildings from organisations such as local authorities or leisure trusts, to community groups including local sports clubs, often at a discounted price or a peppercorn rent. This can be an attractive option for clubs due to the generous size of usable space and the range of existing auxiliary rooms including toilets, changing rooms and community areas. Asset transfers are usually offered due to organisations needing to make financial savings and the cost of getting the buildings to a fit-for-purpose state can be high.

**Lease Back**

Lease back projects offer an affordable option for clubs to operate from a new building, often to their layout design and specification, however the clubs do not own the building. Lease Back projects usually involve a land owner or commercial developer financing all or part of the build cost with the club signing up to a lease which is ordinarily over a long period. The cost of the rent will depend on what aspects of the build and conversion each party has financed. For example, if a club finances the internal kit-out including heating and lighting, it will likely lead to a reduction in the rent.

**New Build**

A new build project is the full development of a gymnastics facility from groundworks to project completion. Unlike a lease back project, the club will need to finance the full build costs which are likely to be around £1500 per m². This brings a suitably sized building of 1000m² to well over £1.5 million, which is a substantial challenge to fund. Timescales can easily run into 2-3 years for completion of this type of project. Organisations including school trusts will often look to donate land to build on, however the high build costs tend to be a limiting factor revealed in the initial feasibility study.

**Comprehensive design guidance**

- Sport England
- Sport Northern Ireland

*Click here for Case studies on completed Facility projects*
Although each facility layout design will differ depending on the disciplines and type of activity delivered, there are recommendations around the type of equipment and space needed. These can be found in our Training Facility Guidance documents and also through our preferred equipment provider, Gymnova.

Sport England produces a range of documents which should be used as a best practice starting point for any project; these include recommendation on design details such as lighting. Disability access should be considered from the start and incorporated into all projects.

Information on specifications to ensure your facility is accessible to all members of the public can be found through Sport England and Sport Northern Ireland.

Your facility will need to be compliant with building regulations. Regulations are needed on a range of building works including, access to and use of buildings, fire safety and building structure. You should apply for building regulations before you start works. If you fail to comply with the regulations your local authority may serve an enforcement notice requiring alteration or removal of work which contravenes the regulations, it may also prosecute for non-compliance. Your local authority will also have recommendations on a variety of points including toilet provision, parking provision and capacity restrictions based on facility usage.

To apply for approval, visit the relevant planning portals below:

England and Wales, Northern Ireland, Scotland

Health and safety requirements will need to be met. It is imperative that appropriate risk management processes and procedures are developed and implemented to comply with current legislation. Registered clubs can access a range of information and tool kits in the resource centre in GymNet, this includes details of our health and safety partner organisation Agility Risk and Compliance and our health and safety management system. Comprehensive information relating to health and safety can also be found on the Health and Safety Executive’s site and The Health and Safety Executive for Northern Ireland.

Fire safety risk guides can be found at and at the Northern Ireland Fire and Rescue Service.

Pre-project costs can easily amount to £5,000–£10,000 for standard projects, but the figure can be far higher for larger projects which need development costs such as formal feasibility studies. Pre-project costs are not exclusive to but can include legal fees, architect fees, planning permissions and building surveys. In addition to this you may also be asked to provide a deposit to secure the lease which is often a percentage of one-year’s rent. It should be noted that this investment may not be secure, and money may be lost if the project cannot go ahead.

Project costs can vary significantly depending on the type of project. You can find examples of project costs in our case studies. You can try to offset project costs by asking for donations or sponsorship from local organisations. Projects have been very successful with gaining donations for building materials, office equipment, paint, carpets and work in kind.
6 Project Finance

The type of project finance which can be raised will depend on several factors centred around the project ethos and organisation structure. Grant funding is becoming difficult to obtain and total project costs should not be dependent on this. For “not for profit” projects, blended finance which includes a mix of streams including grants, club funds, bank loans and social investment loans is becoming the norm. More information on project finance can be found on Sport England’s funding page and Sport Northern Ireland’s funding page.

7 Running Costs

You should be prepared for managing a business with a potential annual turnover up to and in excess of £1 million. Careful consideration should be given to the monthly cash flow predictions. Example running costs can be found in our case studies and sample costs can be found in the expenditure tab of the financial forecast datasheet.

For further information on project finance visit our Financial Toolkit.

8 External Partners

Linking with external partners can add value to many aspects of a facility project including support for planning applications, identifying project finance opportunities and cohort engagement for daytime usage. Local authorities, Active Partnerships, schools, community groups and local councillors should be made aware of your project. Local authorities will have local plans which take into account leisure facility provision. It is possible for a club or partner organisation’s facility project to be part of a larger strategic development; however these projects take several years to plan and deliver so early communication with local authorities is key. It may also be appropriate to work with Sport England or Sport Northern Ireland.

9 Project Plan

Although every project will be different, there are several specific stages that most will pass through.

Feasibility Study

This is the first stage in deciding whether a project should go ahead. The club management should consider the needs and aspirations of the organisation and whether the project is financially viable in principle. Our feasibility flow chart can be found in the resource centre of your GymNet and you can check the financial viability of the project by producing realistic financial projections using our Financial Toolkit.

Design and Layout

Getting the right equipment layout is pivotal to creating a space which allows for maximised usage and thus maximum revenue brought in through activity delivery. Our preferred provider Gymnova is able to assist with layout design. The design of the facility should be accessible to all, be a welcoming space but again should be focused on maximising capacity.

Project Finance

Once you have a design and layout plan it’s good business practice to get multiple quotes for all works. From this point you should have detailed project costings. It’s now time to identify finance streams for each element. You may be able to access a lease finance product for equipment costs, which can drastically reduce upfront project costs. Be aware that securing project finance can take several months, so asking for loans in principle and checking the eligibility of grant funds in the first instance is recommended. Even the most meticulously planned projects tend not to come in on budget. It’s good practice to allow for unplanned elements of work and to have a sinking fund in place to minimise cash flow issues.
Planning

Depending on the project you may need to apply for Change of Use planning permission. This will cost a fee and although an 8-week decision period is recommended, it is not uncommon for the process to take 13 weeks or longer. The application can be turned down if your project doesn’t meet local requirements. The key to gaining Change of Use planning permission is often in the background work prior to making an application. Build relationships with local planning officers and councillors to gain their support in advance. Many local authorities offer pre-planning applications at a reduced cost to offer advice on whether a full application would be successful, but these are never guaranteed. Normal planning objections are based around loss of employment opportunities, extra traffic flow and car parking, but these can be argued against by providing appropriate evidence. Current and historical applications can be searched for on the local authorities planning portals. Taking time to research similar applications will highlight any common issues you may need to address. Clubs may choose to employ a specialist planning consultant to address any possible problems and increase their chances of success.

Further information on the planning process can be found in the Planning Change of Use Guide.

Lease

Leases can often be negotiated to include an initial reduced or rent-free period. Ensure you understand what you are signing, liable for and any clauses for rent increases. If you are applying for funding, there will normally be a minimum lease length requirement for the Security of Tenure. Some landlords may ask for a deposit, or a guarantor for the length of the agreement. Make sure any planning Change of Use is completed before signing a lease. Leases are generally on a full repairing and insuring term which equates to the tenant being responsible for insuring the building, attending to any repairs needed to the building, it’s also their responsibility to restore the building to its original state.

Further information can be found in our Lease Guide.

Project main – conversion/build

The facility project proper will take considerable time to complete. It’s good practice to appoint a project manager or project team, as decisions will need to be made on a day-to-day basis. The adoption of a project management system such as a Gant chart will help to track project phases.

Health and Safety

Operating from a dedicated facility where you are responsible for both gymnasts and members of the public brings added requirements for health and safety. Before you open you will need to have in place a range of processes and procedures not only to ensure safe gymnastic delivery, but also general site safety, these include site and equipment risk assessments and evacuation procedure. The Health and Safety Management System and guidance can be found in the resource centre of your GymNet.

Opening

The official opening will be a great opportunity to promote the new facility. Linking with local press and social media are the main ways of promotion, you can also deliver taster days in the run up to the opening. A soft launch with minimal promotion focused on “word of mouth” recommendations will lead to steadier growth which is often more manageable.
For further advice on facility projects please contact our facility team at participation@british-gymnastics.org.

The British Gymnastics Business Support Partners provide clubs with guidance and information on how to manage their day-to-day operations. To contact the Business Support Partners please email business-support@british-gymnastics.org.