
**Meeting of the Executive Member for Leisure,
Culture and Social Inclusion, and Advisory Panel**

2nd September 2008

Report of the Assistant Director (Lifelong Learning and Culture)

Free Swimming Scheme

Summary

1. This report asks the Executive Member to:
 - Review the Government's newly proposed free swimming scheme and the implications for implementing this scheme at council run pools;
 - Assess the value of the scheme against both the national and corporate health improvement agenda, and the LAA indicator set;
 - Decide whether the scheme should be implemented in York.

Background

2. The Government announced on 6th June that it intends to fund Councils to provide free swimming for over 60s and under 16s, as a first step towards an aspiration to provide free swimming to everyone by 2012. The Government's proposals are designed to extend opportunities to swim and to maximise the health benefits of wider participation in swimming. It is also designed to help authorities achieve their goals for increased physical activity, which is among the national indicators most commonly selected for Local Area Agreements.
3. This cross-Government announcement set out a £140 million package comprising contributions from the Department for Culture, Media and Sport, the Department of Health, the Department for Children, Schools and Families, the Department for Work and Pensions and the Department for Communities and Local Government.
4. The package on offer to local authorities applies to the last two years of the current settlement, i.e. 2009/10 and 2010/11. Government will then use evidence gained from these first two years of delivery to inform any future funding and delivery arrangements.
5. The £140m package comprises three distinct elements:
 - a) A fund to allow local authorities to introduce free swimming for people aged over 60. (This is being termed Pot 1).
 - b) A further fund to allow local authorities to introduce measures designed to promote increased participation in swimming for under 16s. (Pot 2)

These two pots consist of £80m revenue funding over the two years 2009/10 and 2010/11.

- c) A capital fund of £60m (£10m for 2008/09, £25m for 2009/10 and £25m for 2010/11) to which local authorities can bid for the renovation and maintenance of their pools, in support of schemes under a) and b) above. (Pots 3 and 4)

Allocation of Pots 1 & 2

6. The Government has written to the Chief Executives of all local authorities in England that are responsible for leisure services to ask them to confirm, by no later than 15th September 2008, whether they wish to take up this offer. This letter has set out the funding that the local authority will be allocated from Pot 1 in 2009/10 and 2010/11 if it chooses to participate. This allocation is calculated according to a formula based on the size of the local population of over 60s. For York, the allocation has been fixed at £57,312 per annum for the two year period. Funding will be paid as a grant to the local authority.
7. The qualifying criteria for the scheme are simple. Free swimming for the over 60s means that people in that age group who wish to swim at any time throughout the year at a time when they would normally be admitted to a local authority pool for public swimming, in accordance with local programming, will not be charged for doing so.
8. All local authorities who choose to participate in Pot 1 are also invited to submit, by no later than 15th September 2008, an expression of interest to make swimming free for under 16s. For these authorities, details of their prospective allocation from Pot 2 will be provided no later than 30th September 2008. They will then be invited to confirm, by 15th October 2008, whether they wish to take up this offer. Again, funding will be paid as a grant.
9. As in the case of the over 60s, the qualifying criteria for the scheme will mean free swimming for the under 16s who wish to swim throughout the year, outside of normal school hours and at a time when they would normally be admitted to a local authority pool for public swimming, in accordance with local programming. Again, local authorities that already offer free swimming that would otherwise have qualified for this funding may deploy their allocation to fund initiatives designed to further increase and sustain participation for the under 16s and extend such measures to wider groups of the population.
10. Both of these scheme apply to local authority pools including those whose operation an authority contracts out to a trust or private company. In York this includes only Edmund Wilson and Yearsley Swimming Pools.

Allocation of Pot 3 - Modernising pool provision – Capital Reward Fund

11. To support local authorities in making swimming free for the over 60s and under 16s, Government is also making available £10 million of capital funding in 2008/09 to modernise pool provision. All authorities that sign up to participate in Pot 1 and Pot 2 will be entitled to a one-off capital grant in

2008/09. Pot 3 will be allocated amongst all authorities that choose to participate in both Pot 1 and Pot 2, based on population size.

Allocation of Pot 4 - Capital Challenge Fund

12. Sport England will administer the capital challenge fund on behalf of the Government, and will publish a prospectus for bids for funding. This has only been made available in the last few days and will require further analysis. Local authorities that have committed to Pot 1 and Pot 2 will be invited to submit costed plans for Pot 4 by no later than 15th October 2008.

Consultation

13. This scheme has been communicated to local authorities at very short notice, and the first allocation has only just been confirmed. Little public consultation has therefore been possible. There has, however, been considerable discussion between local authority officers across the region as to the benefits and operational concerns of running the scheme across pools in North Yorkshire. Whilst all authorities welcome the recognition that swimming has a key role to play in the health agenda it is clear that some authorities are concerned about the financial impact of adopting the scheme. Some district authorities may not accept their grant allocations. Active York, the city's strategic partnership for sport and active leisure supports the proposals on the proviso that the financial implications to the local authority do not jeopardise other areas of swimming provision for the rest of the community.

Issues

14. This scheme has explicit links to the corporate priority of improving health and lifestyles of York residents and has a clear potential to deliver on the key LAA targets of increasing participation in sport and active lifestyles for both adults and young people, decreasing health inequalities and improving uptake of cultural opportunities in particular for young people.
15. The intention of the scheme is that it will significantly increase the participation rates of the over 60 and under 16 populations by removing any financial barriers to attendance. In itself this must be seen as a key reason to support the scheme. We already know that for York's adult population, only 24.8% are hitting the government's PSA targets of 3 x 30 minutes activity per week. Indeed over 50% are doing no blocks of 30 minutes of active leisure in a weekly period, a concerning statistic for both health and cultural improvement targets.
16. There is, however, a need to analyse what implementation of the scheme would mean practically for York, and a number of questions to be answered before a submission to take up the allocations from Pots 1 and 2 could be made.
17. The following table shows the estimated annual user numbers and income figures for the over 60s and under 16s at Edmund Wilson and Yearsley Swimming Pools in 2009/10. We are unable to ascertain exactly how much of current pool income is from customers aged over 60 because of the way the

pricing structure is made up (disabled, unemployed and o.a.p.s being concessions) but have made an informed estimate of the amount they contribute.

2009/10	EWSP	YSP	TOTAL
Total income for public swimming	£173,000	£140,000	£313,000
Total user figures for public swimming	145,000	65,000	210,000
Estimated income from over 60s	£30,000	£32,000	£62,000 + £2,000 in inclusive membership fees = £64,000
Over 60s swimming user figures	17,000	15,000	32,000
Estimated income from under 16s	£25,000	£12,000	£37,000
Under 16s user figures	16,500	13,500	30,000

18. The data above only includes York residents (we do not have the figures for non York residents within these age groups). It is recommended that the scheme is restricted to York residents as the funding is only targeted at the authority's local community.
19. Based on this data, however, free swimming for the over 60s would cost City of York Council £64,000 per annum compared to a grant of £57,312 per annum representing a loss of income of £6,688.
20. As noted above, local authorities are also being asked to submit an expression of interest in implementing the under 16s' scheme by 15th September. We don't yet know how much funding the council will be allocated for Pot 2, and cannot therefore calculate what the financial implications would be. The grant allocation would need to be at least £37,000 in order to match the baseline of income set out in the figures above. We will find out what the grant allocation will be by 30th September, and are required to have confirmed acceptance of it by 15th October 2008. It is proposed that an in principle decision is taken on the under 16s' scheme as part of this report subject to its implementation being cost neutral. If, however, it transpires that it has cost implications, a further report will be required to members.
21. With regard to Pots 3 and 4, the capital reward funding is £10 million for the whole of England. The amount York would secure is likely to be very modest and will be reduced by every local authority which successfully bids to Pots 1 and 2. Further, the capital challenge fund is also very modest, will be competitive, and could involve the Council in additional expense and considerable officer time for very little return. The Executive Member is not recommended to view these funding streams as a significant element in the decision making process as to whether York should take up Pots 1 and 2.

Options

22. Given the issues above, the following options are open to us:

23. **Option A:**

- To confirm by 15th September that the Council wishes to participate in the over 60s' swimming scheme and accepts the grant allocation
- To submit an expression of interest by the same date for free swimming for under 16s provided that sufficient grant is made available to make the implementation cost neutral for the Council
- To follow up entitlement to funding under Pot 3 and to investigate the appropriateness of a submission to Pot 4

24. **Option B:**

- To confirm by 15th September that the council wishes to participate solely in the over 60s' swimming scheme.

25. **Option C:**

- To decline to participation in any of the schemes.

Analysis

26. **Option A:** Implementation of the two schemes will provide a platform for a growth in participation, supporting achievement of LAA targets and addressing issues in both the health and cultural agenda. Public expectation will be fulfilled for the two years. On the down side, there is a risk of a small loss of income being incurred on the over 60s' scheme (see financial implications below) and there is a strong possibility that the funding will cease at the end of the two year period, leaving the authority with a decision to make about whether to continue the scheme.

27. **Option B:** Implementation of the over 60s' scheme may help to address low physical activity participation rates for this age group. On the down side, it is likely there will be some public disappointment if free access for young people which is not pursued. The financial issues are as above.

28. **Option C:** If the Council declines to participate we will miss out on the opportunity to increase participation in swimming. Public and media reaction will need to be managed carefully.

Corporate Priorities

29. This initiative would contribute significantly to delivering the Council's priority of improving the health and lifestyles of the people of the city particularly in communities with lower participation in active lifestyles.

Implications

Financial:

30. The estimated loss of income from the over 60s' scheme is nearly £7k. We will aim to offset some of this through additional secondary spend and the remainder through a review of pricing.
31. Significant take-up of this scheme would result in additional demand. This in turn could put pressure on running costs. For example, an additional lifeguard becomes necessary when bather loads exceed 1:40. To avoid this risk it will be necessary to put a limit on the capacity of each session so that additional costs are not incurred. If this results in regular inconvenience to customers we will report back to members with a view to submitting a growth bid for next year to cover the additional costs that would be incurred in increasing the capacity.
32. This ring fenced grant is a temporary one until 2011. It is uncertain whether financial assistance will be forthcoming beyond this. The Council is therefore likely to be expected to continue the free service with no further financial support. This would involve significant loss of revenue which could not be contained within the revenue budget. A further member decision on the way forward would be required at that point.
33. There are currently a small number of swimmers aged over 60 who enjoy free swimming as part of their inclusive membership packages. There is a risk that they will cease their membership packages costing up to £2k in lost income.

Human Resources:

34. There may be a need to recruit additional casual staff to cope with increased attendances.

Legal:

35. The grants offered by the DCMS are made pursuant to S.31 of the Local Government Act 2003 and is subject to the conditions listed in annex b to the grant offer letter which cover matters such as the use of grant monies and carry forwards.

Other implications:

36. There are no equalities, crime and disorder, property or IT implications that accompany any of the options.

Risk Management

37. In compliance with the Council's risk management strategy the main risks that have been identified in this report are those which could lead to the inability to meet business objectives (Strategic) and to deliver services (Operational), leading to financial loss (Financial), non-compliance with legislation (Legal & Regulatory), damage to the Council's image and reputation and failure to meet stakeholders' expectations (Governance).
38. Measured in terms of impact and likelihood, the risk score all risks has been assessed at less than 15. This means that at this point the risks need only to

be monitored as they do not provide a real threat to the achievement of the objectives of this report.

Recommendations

39. The Executive Member is asked to approve option A:
- To confirm by 15th September that the Council wishes to participate in the over 60s' swimming scheme and accepts the grant allocation.
 - Also to submit an expression of interest by the same date for free swimming for under 16s, subject to the Council's allocation from Pot 2 being sufficient to cover the loss of income
 - Officers to follow up entitlement to Pot 3 and investigate the appropriateness of a submission to Pot 4

Reason: To increase the take up of swimming in York.

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**Report
Approved**

✓

Date 18.08.08.

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Wards Affected:

All ✓

For further information please contact the author of the report