

Report of the Assistant Director (Lifelong Learning and Culture)

Swimming Facilities

Summary

1. This report has been produced in response to the resolution agreed by Council at its meeting on 9 July, which asked the Executive member for Leisure, Culture & Social Inclusion to bring, to the next Council meeting in October 2009, a report that:
 - Sets out a clear program of the meeting dates for the University Swimming Pool Steering Group for the remainder of the municipal year
 - Outlines a clear and final completion date for the University Pool
 - Identifies a mechanism for the closing of the reported funding gap for the University Pool, and
 - Outlines the Council's strategy to provide a pool in a City Centre location if completion at the University site by 2011 is not feasible and that that strategy has a clear and timely completion date

Background

2. The Council has an agreed vision for its swimming facilities:
 - We should have facilities that encourage all York citizens to swim
 - Sufficient sports facilities should be available for casual (pay as you go) use
 - Swimming should include opportunities for:
 - fun activities, especially for children and families
 - open swimming for casual users
 - courses and lessons
 - clubs
 - time for regular fitness and competitive swimmers
 - There should be a good quality environment for sports activities (wet and dry), which is bright, safe and clean
 - All school children should be able to achieve the National Curriculum requirements for swimming
 - Facilities should be accessible to all

The City's pools between them need to cover the full range of requirements: Facilities for local competitions, schools use, club development, teaching, fitness swimming, and family swimming.

3. To inform its strategy the Council previously carried out an analysis of supply and demand for swimming facilities using Sport England's model. This shows that we have a current demand for an additional twelve, 25m lanes of swimming space in the city. By 2015 this is likely to have increased in line with the projected population increase such that there will be demand for a further pool. When the results are broken down geographically it is clear that the demand is greatest in the South and East of the city.

Consultation

4. Extensive consultation has been undertaken over the years in which the Council's pools strategy has been developed: with citizens through city-wide exercises, with user groups, clubs, other institutions in the city, with the Amateur Swimming Association, and with Active York.
5. Active York's sport and active leisure plan for the city identifies that "The city has no swimming facilities that meet modern competitive requirements or dedicated training facilities. This need, coupled with the need for public swimming facilities, can logically be met by the provision of a publicly accessible county standard pool (25m, 8 lane (or more) pool with training / teaching pool)." It comments that, "The development of a county standard pool would create a logical home for the city's competitive swimming club and would allow the existing and new community pools to cater predominantly for community and fitness users."
6. Other consultees have also identified the desire for a competition facility to ensure that local swimmers can achieve their potential. An even more important factor emerging from consultation is a pool that is available at all times when people want to use it.

The Current Strategy

7. The above factors indicate the need for a flexible space which can be divided to accommodate a mix of uses and maximise the amount of public, casual swimming time. This would best be provided by a county standard pool (also known as a short-course competition standard pool).
8. In response to this analysis the Council confirmed its current swimming facilities strategy in October 2007. The strategy was designed to:
 - Deliver the vision for swimming set out in paragraph 2 above
 - Provide effectively for all the city's needs in a coherent way avoiding head on competition between Council facilities and the pool that the University of York is required to build under its section 106 agreement (as this could leave both the Council and the University with pools that are not financially viable)
 - Be deliverable within the capital resources currently available to the Council

- Maximise the potential of partnership working in order to achieve best value for money for Council Tax payers
 - Aim to reduce the Council's revenue subsidy requirement
 - Provide for further development of the strategy from 2012 on to address additional demand arising from an increased population beyond 2015
9. In the light of these points members agreed to:
- Reconfirm the Council's commitment to delivering the required county standard pool through partnership with the University of York to deliver a pool of that standard together with associated sports facilities by 2011. The Council would contribute £2m in return for public access to the facility
 - Pursue options to develop a city centre pool beyond 2012 that:
 - o provides for the additional demand anticipated by 2015
 - o is commercially viable and does not require revenue subsidy
 - o draws in capital from development gain and other commercial sources
 - o does not compete with or jeopardise the University of York pool
 - Commit to the requirement for this city centre pool in planning future development sites
10. These commitments built upon earlier decisions to:
- Refurbish Yearsley swimming pool
 - Proceed with a new community pool on the Oaklands site as a replacement for Edmund Wilson swimming pool
11. Since October 2007:
- Yearsley swimming pool has re-opened following an extensive refurbishment and modernisation programme
 - Construction of the new community swimming pool at Oaklands sports centre has commenced and the facility is on course to be completed this month. It will open in early December
 - The Council has embraced the opportunity to provide free swimming to under 16s and over 60s
 - The University Pool Steering Group has drawn up a detailed business plan and outline design for a 25m competition standard pool on the new campus to be delivered in partnership with the Council

The University Swimming Pool

12. The University of York's Section 106 agreement requires:
- The construction of a competition standard swimming pool
 - Provision of indoor sports provision equivalent to 12 badminton courts and 3 tennis courts together
 - Outdoor sports facilities
- with a scheme for the provision of public access.

13. The Council's £2m contribution would ensure a comprehensive, publicly accessible programme covering clubs, general swimming, schools, classes, family sessions, targeted sessions, galas, etc. in state-of-the-art accommodation. The Council's agreement with the University of York is based on the following principles for the pool, that it should:
 - Be accessible to all York citizens and members of the University, including club use
 - Encourage participation by promoting the benefits of a healthy active lifestyle
 - Provide facilities for a range of abilities and actively encourage participation by all members of the communities
 - Promote use by people with disabilities
 - Be designed and maintained as a high quality environment
 - Have a flexible charging and admissions policy that promotes the maximum use of the facilities during the day and encourages widening participation
 - Be financially self-sufficient including an allowance for sufficient ongoing maintenance and renewal
 - Have an independent identity

14. The Steering Group met 6 times between February 2007 and November 2008. With an independent chair, it included a wide range of University, Council and community representatives together with a representative of the Amateur Swimming Association. It commissioned expert advice from Strategic Leisure Ltd. and signed off a final report in November 2008. This report includes a detailed analysis of the available options and an outline business plan for a fully accessible community facility. It recommends the construction of:
 - A 25m x 17m 8-lane pool x 1.1m to 2.5m deep (competition standard)
 - Health and fitness facilities
 - Dance / aerobics / martial arts studio
 - Training Pool 25m x 10.5m 4 lane pool x 1.1m to 1.2m deep
 - Movable floor + bulkhead for half length of pool

15. With the production of this final report the work of the Steering Group is complete; there would be no purpose to any further meetings. Implementation of the report now rests with the University.

16. The University has commissioned FaulknerBrowns Architects to undertake a design study and cost plan for the project. Their report has identified the preferred location for the facilities and produced outline designs for what would be a new landmark building for the University and the city (see extracts from the report at the Annex).

17. It was originally envisaged that the pool would be completed in 2011. However, alongside the first phases of developing the new campus the University has had to expand its capital programme to take on additional projects related to statutory compliance on legacy buildings. This has caused it to draw more heavily upon capital borrowing than had been expected. This has happened in the context of the economic downturn and a reduction in the grant funding available.

18. In these circumstances the University has been forced to reprioritise its capital planning. It has also had to emphasise the importance of the business case providing a break-even in order for the project to be brought forward. A completion date in 2011 is contingent upon the business plan delivering financial balance. The University has worked closely with the Council to investigate additional funding sources. This is problematic, however, at a time when the run up to the 2012 games is dominating the priorities for sports funding.
19. The University allocated £5m within their Capital plans to which the Council has agreed to add £2m. The FaulknerBrowns study estimates base line costs at £11m. The scheme also includes sporting facilities which would deliver revenue support for the pool development. The £4m funding gap remains, however.
20. The University and the Council have commenced a review to evaluate the opportunities that may be presented by different funding arrangements for example through a joint venture company. This could prove more cost effective in terms of borrowing, particularly in the context of the University's current expansion investment at Heslington East.
21. The S106 legal agreement requires the provision of the sports facilities (including swimming pool) on the Heslington East campus, as outlined in paragraph 12. Implementation would be in accordance with an agreed programme of works. At this time there is no agreed programme relating to the implementation of these facilities. Planning permission would be required for the proposed new swimming pool.

Options

22. The Council resolution introduces an alternative way forward, should completion of the pool at the University site by 2011 prove not to be feasible. This option would be to pursue a city centre pool at an earlier date, in place of the University pool, (whereas the current strategy treats a city centre pool as an additional development from 2015 onwards).

Analysis

23. If the Council were to adopt this alternative way forward and seek to provide a pool in the city centre it would be faced with the need to build a county standard facility in order to fulfil the needs identified in the Council's strategy. There are a number of key issues to consider with this:
 - Availability of sites
 - Affordability
 - Impact on the University's pool

Sites:

24. In order to understand what sites may be available the Head of Property Services commissioned Wm Saunders Architects in 2007 to produce a standard pool design based on the following components:
 - 25m pool with teaching pool
 - Plant room
 - Changing village

- Reception area
 - Viewing / vending area
 - Gym
 - Crèche
 - Dance / aerobics studio
 - Staff facilities
25. The accommodation could be provided over 2 floors which gives a minimum land take of approximately 2,820 m² for an 8 lane competition pool. (Parking facilities are not included except for disabled parking bays, cycle parking, and drop-off space.
26. The number of sites likely to be available within the centre of York are limited. Saunders were challenged to respond to the brief outlined above in relation to a hypothetical site within the city centre currently in use as a car park. (The largest available land holdings in council ownership within the city are car parks). Saunders were asked to explore the implications of the design in terms of design and order of cost.
27. The design will need to provide a quality that is acceptable within the city centre. The hypothetical scheme considered by Saunders including the re-provision of car parking under the development, sited within the city centre was estimated at £11-12m for a competition standard pool.
28. The Head of Property Services cannot currently identify any city centre sites in the Council's ownership that could feasibly accommodate such a pool. In the longer term development sites may become available though certainly not ahead of the timeframe within which the University intends to develop its pool.

Funding:

29. Sources of capital funding available to fund a scheme of this size in the current market environment are limited:
- a) The Capital Programme: The 5 year capital programme was approved at Full Council in February 2009 for 09/10 to 13/14, which included £2m for the Council's contribution to the University Pool scheme. The capital programme is reviewed every year as part of the Capital Resources Asset Management process which identifies available resources for new schemes. This year the economic situation has led to limited resources being available and funding is extremely tight. It is unlikely that further funding of £10m could be found to meet the hypothetical scheme considered by Saunders estimated at £11-£12m.
 - b) Capital disposals: In the current market environment the sale of capital assets is likely to result in a lower capital receipts being realised than would be the case if the market was more buoyant. Therefore consideration needs to be given to the timing of capital receipts. This leads to a lower level of funding being available to fund schemes in the capital programme. There is also a limited number of sites available for sale. Most sales are as part of a rationalisation of existing facilities with the receipt often required to contribute to the capital cost of improved asset provision or are already allocated to fund other schemes in the capital programme.

- c) External Funding: There is no longer a sports lottery fund which could support local authority facilities and it is unlikely that there will be any new capital grants available for a pool in the foreseeable future.
 - d) Private Sector Finance: There may be potential for PFI funding in the future although there is no certainty that credits will become available. It is unlikely that private sector finance will be available for a competition standard pool.
 - e) Development Gain: Opportunities may exist as part of major developments within York, most notably York North West and Castle Piccadilly.
 - f) Partnership approach to another major organisation or institution in York willing to contribute to such a development: Discussions to date have shown no indication of capital being available.
 - g) Create the revenue stream necessary to support the required level of borrowing for a major development: To fund £10m, (the additional amount required over and above the £2m already allocated in the capital programme) would require a revenue stream of around £936k p.a. for 15 years. This equates to around a 0.86% increase on Council Tax. In light of the current budget position it is unlikely that additional funding of this magnitude could be found.
30. A city centre pool would expose the Council to the likelihood of having to provide an operating subsidy. The business plan for the University facilities aims to break even largely through the provision of income generating sports and fitness facilities along side the pool. It is most unlikely that there would be space to provide a comparable range of facilities in the city centre.

Impact on the University of York's Pool:

31. The University is required to build its facilities under its Section 106 obligation. It would therefore be unwise for the Council to proceed at this stage with a pool in the city centre which would ultimately compete with the University's facilities, and potentially leave the city with two facilities that were not financially viable.

Conclusions

32. The above analysis suggests that a city centre competition standard pool is not a realistic option because:
- There is no site immediately available for it
 - It is not affordable
 - It would compete head on with the pool that the University is required to build at Heslington East campus under their Section 106 obligation
33. Any city centre option would more realistically be seen as longer term, to provide the additional swimming capacity required beyond 2015. To be achievable such a facility:
- i) would need to be deliverable without major Council capital investment
 - ii) would need to work in the context of one of the city's major development sites

- ii) must stimulate new types of demand and create new markets so that it does not compete head on with the planned University facilities and does not require significant revenue subsidy
34. A delivery model would be needed that could fund a public leisure facility mainly through developers' and landowners' contributions.

Corporate Priorities

35. Swimming facilities are relevant to the following aims in the Council's Corporate Strategy:
- Inspire residents and visitors to free their creative talents and make York the most active city in the country. We will achieve this by providing high quality sporting and cultural activities for all
 - We want to be a city where residents enjoy long, healthy and independent lives. For this to happen we will make sure that people are supported to make healthier lifestyle choices

Implications

36. **Financial:** See paragraphs 29 and 30 above.
37. **Legal:** The Council has agreed a "statement of intent" with the University of York for the development of the pool and sports facilities but has not entered into any binding legal agreement.
38. **Property:** Property implications are as contained in the report.
39. There are no **Human Resources, Crime and Disorder, or Information Technology** implications.

Risk Management

40. The key risk with the current strategy surrounds the identified difficulties in closing the funding gap for the University of York facilities. This means that these facilities may not be deliverable by 2011. However, the alternative strategy of the Council pursuing a city centre pool at this time has greater risks of a funding shortfall together with the risk of a revenue subsidy requirement.

Recommendations

41. The Executive is recommended to:
- continue its commitment to the partnership with the University of York to deliver a publicly accessible competition standard pool on the new campus
 - ask officers to continue to work with the University to develop a funding plan for the University pool and sports facilities
 - continue to plan for a future city centre pool beyond 2015 by developing an affordable delivery model
 - report to Council accordingly

Reason: To meet the city's identified need for swimming facilities.

Annex: Outline designs for the Swimming Pool and associated sports facilities at the Heslington Campus.

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Specialist Implications:

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Wards affected: All

For further information please contact the author of the report.

Background Papers:

Leisure Facilities Strategy: Report to the Executive, 7 February, 2006

Review of the Leisure Facilities Strategy (Swimming): Report to the Executive, 23 October 2007

York's Sport & Active Leisure Plan – file held by the report author

Facilities modelling data – file held by the report author

Wm Saunders city centre pool study – file held by the Head of Property Services

University Pool Steering Group papers – file held by the report author