
Executive

23 October, 2007

Report of the Assistant Director (Lifelong Learning and Culture) and the Head of Property Services

Review of the Leisure Facilities Strategy (Swimming)

Summary

1. This report sets out:
 - The background to how the Council's leisure facilities strategy has been developed
 - An update on the schemes already approved and in progress
 - Strategic issues and choices now facing the Council
 - Options for an updated leisure facilities strategy

Background

The Need for Review

2. The group leaders have asked officers to bring forward a review of the Council's leisure facilities strategy. Furthermore, Council, at its meeting on 29 June, resolved to instruct "officers as a matter of urgency to seek to provide the options for a city centre county standard pool ..." and that "a further report be provided outlining possible options on sites and all necessary design and redesign options for any proposed building and this be included in the leisure review already commissioned."
3. This report begins this process asking members to address the options available so that any further detailed work required can be put in hand.

The Context for the Review: Active Lifestyles

4. The Council is committed to increasing participation in active lifestyles. Undertaking 30 minutes of moderate intensity activity 5 times a week increases one's life expectancy by 9 years. For those whose lifestyles are generally sedentary sport and active recreation contribute important opportunities to be active. However, in York only 24.8% of the population meet the national target of undertaking 30 minutes of sport or active recreation 3 times a week. We have an LPSA2 target to increase this figure by 1% per annum, (a rate of improvement that has not been exceeded anywhere in the world). The Sport & Active Leisure Team are addressing this in a multitude of way, e.g. through:

- Community based schemes and programmes providing opportunities for the least active to get involved
 - Support for and development of the voluntary sports sector
 - A sports development framework through foundation to excellence
 - Development of PE and school sport through continuing professional development for teaching staff and the work of the school sports partnerships
 - Co-ordinated information about active leisure opportunities
 - Providing the Council's leisure facilities
5. Leisure facilities are an important part of the picture. In York they fall into a number of categories:
- Those owned by community sports clubs, run mainly by volunteers, providing locally based activities often catering primarily for team based sports. There are more than 50 facilities of this type in the city. The council supports these sites with funding, e.g. Discretionary Rate Relief, Section 106 funding, and support to access external sports funding, as well as providing club and sports development assistance.
 - Private sector leisure and fitness facilities. These are generally membership only sites which cater for fitness users who are motivated to participate on a regular basis. The cost of membership prevents some people from being able to use these facilities (see Annex D).
 - School, college and university facilities offering varied amounts community access. These sites are generally available for club hire and block bookings but are less easily accessed by casual users. The provision of sports facilities is not the primary function for any of these sites and they are not generally equipped to attract new, non motivated participants into healthy lifestyles. Council officers support the development of these facilities.
 - Council owned and operated facilities which cater for the casual, pay as you go market and allow access for regular and infrequent participants. They cater for the full range of activity from health and fitness to individual sports such as swimming and club and team activity. Timetabling and pricing reflect the need to ensure that the facilities are accessible to all. This leads to affordable admissions but restricted scope to raise income which could be reinvested to improve the quality of the facilities.
6. Swimming pools are costly to build and operate but unlike other sports facilities they are able to cater for participants of all ages and abilities. Aquatic activities are suitable for babies, those recovering from operations, disabled people, competitive athletes, families for fun, and those hoping to maintain a level of fitness and flexibility. Swimming is the third most popular sports activity, after walking and cycling. National statistics indicate that 35% of the population swim at least once a year while 13% participate at least once a week. People want to access facilities when its convenient for them.

7. The main relevant categories of pool are:
- 50m competition pools – these are intended for national and international competition and would normally include a warm-up pool, seating for 500, teaching rooms, etc. Leeds and Sheffield have 50m pools equipped to cater for high level competition. There is no demand in York for competition facilities at this level. Previous consultation exercises have shown that residents want high quality flexible pool space that can cater for all types of aquatic activity. A 50m pool can be divided to provide for a mix of uses but for schools, learners and family use the scale of the pool and the pool hall can be daunting. Furthermore, the capital cost of a 50m pool is significantly greater than the cost of a 25m pool with comparable water area.
 - 25m competition pools – these have a minimum of 8 lanes and normally include a 25m warm up pool and seating for 250. They are suitable for regional competition, local galas, and club competitions and can be programmed to operate flexibly to cater for a broad range of activities. (They have sometimes been referred to in the past as “County Standard” pools).
 - Community pools – this term can be used to describe any pool falling below competition standard and catering for recreational and fitness activities. It can be applied to 25m pools of varying widths as well as other non-standard forms. Such pools will be programmed to cater for mixed uses and all ages and abilities. Yearsley and the new York High pool fall into this category.
 - Leisure / Fun pools – Waterworld falls into this category. It has a swimming tank of just 18m x 8m and therefore makes only a limited contribution to meeting demand (see below).

How the Council’s Swimming Facilities Strategy has been Developed

8. Development of the Council’s leisure facilities strategy can be traced back to 2000 when a structural survey of the Council’s pools and a general public consultation identified that the existing swimming facilities were no longer fit for purpose. User numbers were declining sharply at the 3 traditional pools with customer numbers down 22% in 1999/2000 compared with 1994/1995. The subsidy per swim had risen to £1.31. Furthermore, there was an urgent requirement to repair and refurbish the pools just to maintain them at their current standard. At a total cost of over £10 million at today’s prices this far exceeded the discretionary capital resources available to the Council. In response the Council set about raising capital from the Barbican site in order to invest in the swimming facilities required.
9. A vision was set out for the Council’s swimming facilities. This vision remains appropriate today:
- 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.

What facilities does York need?

Swimming

10. On behalf of Active York the Council has carried out analysis of supply and demand for swimming facilities (as well as a limited number of other sports venues). The model, designed in conjunction with Sport England, is used across the country, it:
 - Is used by Sport England to compare provision across local authorities to identify areas of under-provision
 - Assumes that participation rates are consistent across the country (participation in York is actually slightly higher than the national average)
 - Produces results based on current participation rates. This does not reflect the current government target to increase participation by 1% per annum. If this is achieved demand will be significantly higher than predicted.
 - Assumes a specific water area per bather and factors in the level of usage at different times of the day.
 - Only includes open access swimming pools and facilities that are available for club bookings (with capacity reduced proportionately to reflect times of usage and restricted availability). Private pools are excluded from the analysis. Annex A provides the detail of the analysis.

11. The analysis shows that York has a current unmet demand for an additional 12, 25m lanes of swimming space in the City. By 2015, using projected population data, this will have increased by a further 4 lanes to a demand for 16 additional 25m lanes. When the results are broken down geographically it is clear that the demand is greatest in the South and East of the city. The new Oaklands pool is located in the West and Yearsley and Waterworld are in the North. In the South and East facilities are available only for club bookings; there are no casual access pools available.

12. Active York, the city's Community Sports Network, maintains a sport and active leisure plan for the city. In relation to swimming facilities this identifies that "The city has no 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 also gives direction for the type of users that a new pool should cater for. "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.”

13. Previous consultation has identified the city’s need for a number of swimming facilities located close to population hubs and public transport routes. Residents have also expressed the desire for a competition facility to ensure that local swimmers can achieve their potential. However, the most significant need is for a pool that is available when people want to use it. This indicates 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.

Sport and Fitness

14. Active York also maintains a planning tool to assess the city’s facility needs. This has also identified the unmet demand for indoor sports hall space equal in size to 24 badminton courts. By 2015 this will have increased to 28 badminton courts. The majority of the city’s sports halls are located on school and academic sites. However, there are three secondary schools in the city which have no sports hall. The current schools development programme goes some way to addressing this shortfall but additional capital will be needed to fully satisfy the demand for hall space. The provision of 12 badminton courts of sports hall space at the University is a condition of the Heslington East planning consent. These will have community access and their provision.
15. The data produced for Active York has been incorporated into the City’s Local Development Framework documents and Issues and Options papers for York North West. They reflect the city’s demand for swimming pool space, indoor sports space, a competition hockey facility and a professional sports stadium.
16. With regard to fitness facilities analysis of supply and demand indicates that supply in York is currently sufficient to meet demand. However, the bulk of the facilities are in private gyms and therefore do not cater for casual users or those who are not regular participants. Analysis of fitness provision is also not straight forward as the facilities are often provided as ancillary facilities to swimming pools, or indoor sports centres and are not planned in isolation. Having a fitness facility as part of a pool building not only makes commercial sense but any new swimming facilities would be expected by users to be accompanied by a fitness gym (and facilities for exercise classes) to enable them to undertake complementary activities on the same site.

Current Position with Pools

Yearsley Swimming Pool

17. The Executive on 12 June approved a scheme of repairs for Yearsley Pool. These repairs are designed to secure the pool’s future till at least 2012. The repairs themselves, principally to the roof and plant, will last well beyond that time. But at that time it will be necessary to assess:
 - Further capital works that they be required in a building that will by then be over 100 years old
 - Whether, once more modern pools have opened elsewhere in the city, customers continue to be attracted to a pool with limited customer facilities

18. The Yearsley site presents a number of constraints restricting the ability to provide car parking and to add facilities such as a fitness gym.
19. The repairs scheme is now well advanced and still on schedule for the planned reopening of the pool on 29 October. The contractor has, however, encountered a number of additional issues that could not have been foreseen before the work commenced. Dealing with these has added additional costs of approximately £200k over and above the approved costs of approximately £890k. These will need to be funded from the contingency funding available. The key issues are concerned with:
 - o Additional ground works to replace drains found to be collapsed
 - o Additional work to remove asbestos
 - o Concrete found to be 4 times deeper than expected at the deep end of the pool hall necessitating a redesign of a number of scheme elements
 - o Pool hall lighting could not be re-used as originally envisaged

Oaklands / York High

20. The scheme approved by the Executive in December last year provides for a 6 lane community pool with trainer pool to be built onto the rear of the existing sports facilities. It will be integrated with the existing facilities including the sports hall, gym, climbing wall, and dance studio. The existing gym will be doubled in size. A hydrotherapy pool will be included. The cost of the main pool is £5.454m of which £4m is a call on the capital programme whilst £1.454m will be financed from borrowing to be repaid from the £130k a year revenue savings generated through the integrated management arrangements proposed. The cost of the hydrotherapy pool is approximately £520k to be funded from the Council's Administrative Accommodation budget.
21. The pool will provide for a wide range of community uses. It will not, however, provide for competition or club development activities (as these will be provided for elsewhere – see below). The scheme will be resubmitted to the Planning Committee in October.
22. There are two areas of additional specification that have been suggested for the project and that have been costed as options for members to consider:
 - o Measures to improve the appearance of the front of the building and to link it effectively to the new school building. These include the provision of a canopy in front of the entrance, repainting the front of the sports hall and improving the front elevation of the community room. See drawings at Annex E. £170k
 - o Installing high specification equipment to heat the pool including bio-mass boilers and solar panels to the roof. These would provide a BREEAM rating of “very good” rather than merely a pass, and comply with the Council's policy of reducing carbon emission by 25% by 2013. See Annex E for details. £170k

23. The cost of the improved environment specification can be met in part from prudential borrowing given that it is likely to produce revenue savings over its life.
24. A rigorous process of value engineering is currently being undertaken on the pool project. However, the cost is projected to exceed the currently allocated budget by approximately £220k due to a number of additional unexpected and unavoidable items that need to be budgeted for, notably:
 - o A requirement from Yorkshire Water to create water attenuation tanks
 - o Some fixtures and fittings not being re-usable from Edmund Wilson as originally envisaged

The final cost of the scheme will be established once the individual packages of work have been put out to tender.

25. No allocation has yet been made to this particular project from the overall programme fees budget nor from the overall contingency and this now needs to be done. There are also some infrastructure costs associated with the project that should be properly be assigned to the York High School project. Once this is done it will be possible to deliver the project, including the items set out above, on budget. (see Finance Implications section below) .

The University

26. The University of York and the City of York Council have agreed and signed up to a Statement of Intent with regard to the development of a competition standard swimming pool and fitness facilities at Heslington. (See Annex B). (The development of a competition standard pool with community access is a condition of the planning consent for the new campus. See Annex F).
27. A Steering Group with wide community stakeholder involvement is currently developing recommendations for the specification of the pool in light of projected user demand and is building a business plan. The pool will provide for between 8 and 12 x 25m lanes. The steering group will report back to the University with a view to securing a decision to proceed by the end of the year. It was previously agreed that, at the same time, a report would be made to the Council with regard to the community outcomes to be secured in return for the Council's £2m contribution.
28. The pool and fitness facilities are likely to cost close to £10m. The University have identified a contribution of £5m and the Steering Group will be working to close the remaining funding gap. Although the University are required to bring forward a publicly accessible competition standard pool as a condition of their planning consent the Council's contribution to the partnership will:
 - a) Help bridge the present funding gap
 - b) Significantly bring forward the start date of the project, probably to 2009 (otherwise the University effectively have up to 25 years to deliver the pool under the terms of the planning consent)
 - c) Influence the community nature of the facility
 - d) Help create a package that operationally should be self-sustaining and revenue neutral to CYC and the University

29. The facility will provide a much higher specification than the previously proposed community pool on the Kent Street site with facilities that could include a floating floor giving greater flexibility in its use, including use by disabled people – the University has access for all as one of its core principles for the proposed facility. It will provide for sports and club development and short course competitions. As well as swimming it is planned that there would also be a wide range of facilities on hand for fitness, dance, aerobics, martial arts, and a café. In the long term the University has aspirations to provide additional facilities including a sports hall and outdoor facilities.
30. Key principles for the new centre would be 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
31. It will provide a comprehensive, publicly accessible programme covering clubs, general swimming, schools, classes, family sessions, targeted sessions, galas, etc. in state-of-the-art accommodation. The concept of the facility has drawn extensively on the Norwich Sportspark at the University of East Anglia (prices for which are shown in Annex D).
32. The project plan provides for the pool to open approximately 2.5 years from a final decision subject to the necessary funding being in place. This should have the pool being completed in early 2011. The University's ability to close the funding gap will of course be heavily influenced by whether the Council recommits its £2m contribution.

Waterworld

33. Waterworld is leased (together with Huntington Stadium) to Cannons Leisure Ltd on a 15 year lease which ends in 2012. Cannons pay the Council a rent whilst the Council pays the business rates. As 2012 approaches it will be necessary to ascertain whether Cannons wish to renew this arrangement under the terms of their lease. It should be expected that, if the facility were to be returned to the Council, there would be a significant capital requirement associated with renewing the excitement and appeal of what is primarily an entertainment venue that will by then be 15 years old.

The Private Sector

34. Planning permission has been granted for two additional commercial sector pools in the North of the City. Both will be part of health and fitness developments that will be operated as member only facilities. The commercial health and fitness sector is continuing to grow with appropriate sites being highly sought after. St Peter's school also have plans for a new pool to replace their existing one. There is scope for some limited community use during holiday periods and possible local school use during term times, but primarily the pool will be required for the school's own use.

Strategic Options for future Swimming Provision

35. It has already been agreed that the Yearsley and replacement of Edmund Wilson at York High School schemes should go ahead. It then remains to provide 12 - 16, 25m lanes of swimming. Options for addressing this are to:
- a) Reconfirm the Council's commitment to the partnership with the University to deliver 8 – 12, 25m lanes in a competition standard pool
 - b) Withdraw from the partnership with the University and build a new Council pool instead
 - c) Reconfirm the Council's commitment to the partnership with the University and also plan for an additional city centre pool to meet further identified needs
 - d) Reconfirm the Council's commitment to the partnership with the University whilst also planning for the long-term replacement of Yearsley Pool

The cost and deliverability of these options are summarised in tabular form in Annex C. The main issues with each are as follows:

a) Reconfirm the Council's commitment to the partnership with the University:

36. This option would see Yearsley and a new pool on the York High site providing effective and flexible community pools whilst the new university pool would provide all the functions of a community pool plus much needed club development and short-course competition facilities as part of an integrated and fully accessible leisure complex. Furthermore, if the University pool provides 12, 25m lanes it will meet all the city's current demand.

37. Pros:

- Is affordable within the existing capital available
- Meets the city's identified needs in a timely manner
- Is affordable within existing revenue budgets
- Reduces financial risk to the Council

Cons:

- Does not provide a city centre pool
- Does not provide for future projected need

b) Withdraw from the partnership with the University and build a new Council pool instead:

38. If the Council withdraws from the partnership with the University the University's scheme could be delayed whilst alternative funding is sourced. There would then be two potential scenarios:
- i) the Council would need to find an alternative means of meeting the 12 lanes shortfall through providing a competition standard pool at a cost of around £10m (not including land acquisition costs), or
 - ii) the Council could build a community pool costing around £6m (excluding land acquisition) accepting that the University would meet the demand for a competition pool in due course (provided that any pool built by the Council did not undermine the University's business plan by competing for the same customers).
39. This option would of course require a site to be available within the city centre and this issue is covered below.
40. On the assumption that the sale of Kent Street goes through, and after the Yearsley and York High schemes are accounted for, there would remain only the £2m contribution to the University and the £200k contribution to replacement community facilities that could be redirected from the Barbican receipt. This would leave a shortfall of £4m - £8m in capital funding (not including any land acquisition costs).
41. The plan to build a city centre pool was previously rejected also on the grounds of revenue cost because although a business plan was put together showing a relatively small revenue subsidy requirement for a 5 lane community pool with fitness facility on the Kent Street site, the advent of competition from a much superior University facility further down track would completely undermine that business plan. This would lead to the need for an annual subsidy probably in the region of £200k. If the Council were to compete head to head with the University with a second competition standard pool the annual subsidy could be much higher.
42. **Pros:**
- Provides for a city centre pool
 - May create a long-term route to meet more / all of the 16, 25m lane short-fall
- Cons:**
- Has a shortfall of £4m - £8m in capital funding available
 - Acquisition of the site is likely to incur opportunity costs / revenue implications and significant delay
 - Would create unhelpful competition between Council and University facilities making both unviable
 - Likely to require additional revenue funding of over £100k p.a.
 - Removes the Council's ability to influence the University's plans and the nature of community access to their pool
 - If a community pool were built it would almost certainly delay meeting the city's identified swimming need for a competition pool

c) Reconfirm the Council's commitment to the partnership with the University and also plan for an additional city centre pool to meet further identified needs:

43. A further option is to maintain the previous strategy in order to meet the city's identified needs with the capital available but to consider ways to provide additional city centre swimming over time. To be achievable such a facility:
- i) must be deliverable without major Council capital investment
 - 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
44. This would require the Council to seek a commercial partner interested in creating publicly accessible facilities in the city centre. The requirement would be to create new products, primarily based around fitness, that will create additional demand particularly amongst city centre workers. In this way the facilities would be complementary to, rather than in competition with, the city's main three swimming pools.
45. Ideally to make the most of a central location it should be close to a employment centre but also able to serve the residential population. The site would be advertised as a commercial opportunity for a developer. Given the city's unsatisfied demand and lack of city centre swimming facilities this should represent a viable commercial proposition. Given the lack of currently available sites referred to above this option would need to be pursued through new development schemes that will be coming on stream for example York Central / York North West.
46. **Pros:**
- Provides for a city centre pool
 - Meets all of the 16, 25m lane short-fall projected for 2015
 - Is affordable within the existing capital available
 - Meets the city's identified needs in a timely manner
 - Is affordable within existing revenue budgets
 - Reduces financial risk to the Council
- Cons:**
- Uncertainty about the ability to find a commercial partner and what they would be able to offer
 - Could divert custom from the University pool undermining its viability

d) Reconfirm the Council's commitment to the partnership with the University whilst also planning for the long-term replacement of Yearsley Pool:

47. The current repairs to Yearsley Pool are designed to take it up to 2012. Whilst the repairs themselves should last well beyond that time it will be necessary to review at the time i) further structural requirement that may need to be addressed ii) whether the pool is still well used once new pools open elsewhere in the city.
48. Yearsley is comparatively expensive to operate with an annual subsidy of approximately £199k. It has limited potential to add further revenue generating services such as fitness. If, once new pools open, user numbers fall back to the levels when the Barbican was open this would give a subsidy per swim of around £1.64.
49. There are further issues to be considered in this part of the city. As stated above the current lease of WaterWorld expires in 2012 and it is not known at this stage whether Cannons will wish to renew it. The Council could be faced with a capital renewal requirement. Furthermore, if a new sports stadium has been built by that time the Council may wish to dispose of the Huntington Stadium site. Also located in this part of the city is New Earswick swimming pool which belongs to the Joseph Rowntree Trust. It caters for club and group bookings. It has no reception area, changing facilities are small and there are no supporting health and fitness or crèche facilities.
50. There may therefore be a case for creating a strategic plan for this part of the city that takes account of Yearsley, WaterWorld and New Earswick pools as well as reflecting the future increased demand for pool space across the city. Such a strategy will need to be flexible and opportunistic, capable of responding to options as they arise. Possible options might be:
- Adding a pool to the Waterworld site (depending on the future of the stadium)
 - Building a new pool on a school site such as at Joseph Rowntree
 - Finding another partner
 - Building a new pool on a city centre site (see above)
51. **Pros:**
- The opportunity could be taken to replace Yearsley with a city centre pool
 - Provides the potential to reduce revenue expenditure through the provision of new facilities capable of generating additional income
 - Addresses the strategic needs in the North of the city
 - Reduces financial risk to the Council
- Cons:**
- The 50 yd pool at Yearsley equates to 13, 25m lanes, a significant capacity to replace
 - The Yearsley site has a limited capital value and it is uncertain whether enough capital would be available in 2012 to complete this strategy unless a partner could be found to support this option.

52. Yearsley is clearly very much an essential part of the Council's current provision, particularly at a time when only two pools are available. It is well liked by users. It may therefore be unhelpful to begin a review of this pool at this time particularly as no options are immediately available. Furthermore, this option is unlikely to be able to supply all the capacity needed to meet the identified demand. This option is not therefore recommended at this time.

The City Centre

53. The above analysis Options b) and c) require a city centre site to be identified for an additional pool. In order to understand what sites may be available the Head of Property Services has commissioned Wm Saunders Architects 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
54. The accommodation could be provided over 2 floors which gives a minimum land take of approximately 1,870 m² for a 6 lane community pool or 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.
55. The number of sites likely to be available within the centre of York are limited. However, where sites are identified either in council or private ownership the development of those sites will be faced with very similar challenges. With this in mind Saunders were challenged to respond to the brief outlined above and to consider 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.)
56. Saunders were asked to explore the implications of the design in terms:
- Planning and Archaeology
 - Highways, Transport and Access
 - Parking
 - Structure and Services
 - Design and order of cost
57. **The Building:** Saunders have confirmed that a 2 storey building meeting the outlined brief could be accommodated within the target footprint of 1870 m². This is based upon a simple rectangular plan with circulation minimised. An irregular site may require a different solution and is likely to increase the required footprint area.

58. **The site:** would require access to each elevation of the building for maintenance and cleaning etc. The plant room would require vehicular access for deliveries. The front entrance would require an open and accessible approach to the building large enough to accommodate the entrance, ramps, disabled car parking and drop off zones. All of which would increase the size of the development footprint.
59. **Planning and Archaeology:** Any development in the city centre is going to be constrained by the historic nature of the city, adjacencies to listed buildings, conservation areas, English Heritage input, planning requirements etc. all of which add cost to any building. Most of the sites will require a minimum of a watching brief in terms of Archaeology and will have particular challenges when constructing a pool tank below ground levels. The hypothetical solutions examined by Saunders consider the provision of underground car parking to replace any displaced car parking. This will be even more challenging from an archaeological perspective.
60. **Highways, Transport and Access:** Despite the fact that the objective of providing a city centre pool facility is to meet the demand from those that live within the city, it will of course attract use from those using private transport, cars. On any city centre site the public would expect car parking to be available within reasonable walking distance. If not available limited provision may have to be established as part of the development, particularly for disabled provision. If an existing car park was used alternative provision would need to be made for the spaces displaced to meet demand and to maintain revenue income levels for the council. The facility itself would add to the demand for parking. Any new facility should be located adjacent to established public transport routes to encourage travel this way in lieu of car use. Cycle parking would also need to be included.
61. **Structure and Services:** The scale, mass and configuration of the building are very much guided by the internal operation of the building. The pool hall has a significant impact upon the structure, in part it will relate to the changing village, possible viewing gallery and to the external world. A steel framed structure clad in brick, timber, stone and expanses of glass would be the norm. Taking account of the issues above in terms of planning, conservation areas etc. sensitive detailing and use of materials is also likely to impact upon the cost of this building in the centre of York. The building by its very nature will be highly serviced to ensure the environment created within responds to the customer feel and to the climate agenda, BREEAM and our carbon emissions targets. Other schemes are already reporting a financial impact of between 5-15% depending upon the standards and targets set.
62. **Design and order of cost:** The design will need to respond to all of the above, provide a quality that is acceptable within the city and challenged by the financial constraint that is the public purse. The hypothetical scheme considered by Saunders including the re-provision of car parking under the development, sited within the city centre has been estimated at £7-8m, excluding furniture, both statutory and professional fees, risk and contingency. The total cost would be expected to be around £9-10m. This is based upon the provision of a community

pool. Consideration of a competition standard pool would add significantly to those costs.

63. The Head of Property Services has looked at sites that could immediately be available taking account of Saunder's work:

- **Hungate:** The Hungate regeneration scheme has identified within it, a civic / community space within a mixed use building to act as a focal point within the residential, commercial and retail environment that is being created around the new St John's Square. However, with a floor area of only 1,000m² this is nowhere near big enough. The Council could, however, propose to locate a fitness gym within the facility.

Consideration has also been given to whether a pool could be located under the new civic offices. However, space there is already very stretched and a pool, even if it were technically possible to construct it under an office building, would necessitate building an extra 3 storeys. This would not be acceptable on that site in planning terms.

Consideration could be given to going back to the developer to discuss taking over one of the front facing blocks designated for office and residential accommodation. However, even if the developer were interested in this it would require fundamentally redesigning the whole scheme and taking it back through consultation and the full planning process. This would take up to 2 years and the outcome would be highly uncertain. Furthermore, it would require funding the cost of the land acquisition, increasing the capital gap.

- **17 – 21 Piccadilly (Reynard's Garage):** Surplus to council requirements and to be sold for development. That development will be considered alongside the proposals for Castle Piccadilly. Some of those proposals include the use of 17-21 Piccadilly as an important component of that wider development. If progressed this would exclude use of this site for leisure purposes. The timescale for consideration and development of the Piccadilly area is dependent upon a lengthy planning and consultation process. The site in council ownership is narrow and would not, on its own, be big enough to accommodate the brief. Adjacent land not in the council's ownership would have to be acquired in the future to support such a development. However, the irregularity of shape and complexity of the project would no doubt add to the costs of the development.
- **St George's Fields:** Currently in use as a car park and regularly subjected to flooding. The Environment Agency would inevitably oppose such a development on this site. Whilst a planning permission may nonetheless be achievable the cost of building on this site would be prohibitive. It is estimated that the total cost of constructing a building capable of withstanding the flooding experienced on the site would be around 50% more than on a normal site. Re-provision of car parking as part of the development would be particularly challenging because of the water levels and flooding issues. This would give a cost of around £15m.

Development of this site would have an impact upon income streams as the car park currently generates £460k per annum. The exact loss of income from having a pool on this site will depend on the configuration of the site and the number of cars displaced to other council owned car parks.

- **Other car park / sites in council ownership:** Both Marygate and Union Terrace car parks generate approximately £500k per annum and building on them would impact upon car parking policy in York . Alternative provision would be required as part of the development. Practically this could be achievable, particularly on the Union Terrace site. The Marygate site would be more challenging because of access, particularly vehicular for users and deliveries and because of its proximity to the river and flooding.

Longer term development sites:

64. The above analysis demonstrates that there are no city centre sites where a pool could be progressed in the short term, and certainly not ahead of the timeframe within which the University intend to develop their pool. However, it does point to the potential to consider development sites as they come forward over the longer term. An example would be the York Central and York North-West sites. We know that we will have to reprovide the York RI facilities that are strategically important to the city so it would make every sense to reprovide them along with a pool/leisure facility possibly as part of some other community facilities, but perhaps more as a direct benefit to potential businesses relocating. The council could look for businesses and employers to sign up from the outset in order to support a commercial business model similar to that provided by the Civil Service Sports Association.
65. If members wish to pursue a longer-term development of this nature they need to make a firm policy decision now so that:
 - further work can be done to identify potential sites
 - the desire for a pool can be reflected in future planning documents, both site development briefs and the Local Development Framework
 - development partners can be sought
 - development gain can be channelled specifically for this use

Financing - Capital

66. Saunder's have estimated that a community pool would require £9m - £10m and a competition pool would cost around £2m more. All of the options above except a) show a capital shortfall. What other sources of funding could there be?
 - a) The Capital Programme: The capital programme has been set for 2007/08 to 2010/11. Based on the estimated capital receipts there is a small £0.7m surplus, but this is assuming that £13m of high value, high risk capital receipts are achieved. The programme is reviewed annually as part of the budget process, but the majority of schemes requiring capital receipts funding do so as match funding to secure external capital funding.
 - b) Capital disposals: There is 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.
 - c) External Funding: There is no longer a sports lottery fund and it is unlikely that there will be any new capital grants available for a pool.
 - d) Private Sector Finance: There may be potential for PFI funding in the future although there is no certainty that credits will become available. Private

sector partnership may be a possibility to develop a fully commercial proposal. This is not likely to be suitable for a competition standard pool, however.

- e) Development Gain: Opportunities may exist as part of major developments within York, most notably York North West and Castle Piccadilly.
- f) Partnership: To approach another major organisation or institution in York willing to contribute to such a development (though 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. Typically this would require a revenue stream of approximately 9% of the capital build, or £90k per £1m. For example, replacement of Yearsley with a facility capable of generating income through fitness provision sufficient to break even would generate borrowing potential of £2m. Provide sector partners are available to manage schemes that exploit such prudential borrowing potential. To fund the £10m pool costed above would require a revenue stream of around £900k p.a. This equates to around a 2% increase on Council Tax.

Financing - Revenue

67. The previous strategy also recognised the importance of creating arrangements that are financially sustainable. It provided for:
- York High Pool – aims for no subsidy requirement
 - University partnership – aims for no subsidy requirement
 - Yearsley – ongoing annual subsidy requirement of approximately £180k
- (It is worth remembering that the Barbican complex previously cost around £650k to run plus TLM's operating loss).
68. Since the Council's revenue budget will come under increasing pressure over the forthcoming financial years it will be important that this financial performance is improved upon. It will be important to avoid incurring additional cost such as the loss of revenue income from building a pool on existing car park sites of up to £500k per annum and looking at ways to reduce the ongoing revenue subsidy at Yearsley Pool.

Conclusion

69. The analysis points to the need for a facilities strategy that can:
- Deliver the vision for swimming set out in paragraph 9 above
 - Provide effectively for all the city's needs in a coherent way avoiding head on competition that 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 current revenue subsidy requirement

- Recognise that further development of the strategy may be required beyond 2012 to address the additional demand that will arise from increased population

70. It is clear that:

- We have the opportunity and the resources to deliver the above through the partnership with the University of York together with the schemes at Yearsley and York High
- There is currently no city centre site available capable of siting a swimming pool as an alternative to going ahead with the University and certainly not in a timescale ahead of that in which the University intend to progress their pool
- Furthermore, the Council does not have the capital to build its own city centre pool. To borrow the additional capital would cost up to £900k p.a.
- Plus, significant running costs would need to be funded
- The best potential to deliver a city centre pool lies in developing partnerships that will generate both capital and a customer base from which a feasible business plan can emerge
- In the meanwhile, to withhold the £2m from the University whilst waiting for a site to become available risks delaying the completion of an important competition facility that will meet the city's current identified need. It would also remove the Council's ability to influence the project

71. The most sensible course of action therefore will be to pursue Option c) now:

- Reconfirming the Council's commitment to the partnership with the University so that a network of excellent swimming pools is put in place by the earliest possible date, i.e. 2011
- Pursuing options to develop a city centre pool beyond 2012 that:
 - o provides for increased 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
- Committing to the requirement for a further pool in planning future development sites

72. Members may wish to consider establishing a cross-party working group in order to provide a sounding board for:

- development of the city centre pool options
- consideration of longer-term options for the north east of the city (as covered in option d) above

73. A final decision to commit the £2m contribution to the University scheme will be subject to a further report to the Executive in the new year once the University has made a decision about how it will proceed with the scheme. This decision will lead in turn to a project plan for the scheme and timescales in which the facility is to be delivered. It is recommended that the Council's contribution to

the project is made subject to the University adopting a project plan which will deliver the pool by 2011. The Council's contribution would also be subject to satisfactory arrangements being set out regarding location of and public access to the pool.

Implications

Finance

74. The Council's approved capital programme reflects the following financial framework:

Funding	£,000s
Barbican site receipt	6,385
Legal Fees	12
Kent Street site receipt *	1,000
Auditorium receipt	765
Barbican claims provision	148
less Leisure section 106 contribution	-170
Prudential borrowing	1,424
Total available funding	9,564
Budget Breakdown	£,000s
Pre-2006/7 spend including customer relocation	249
Oaklands Pool	5,424
Third Pool Contribution	2,000
Yearsley Pool	880
Procurement costs	297
Contribution to replacement community facilities in the area around the Barbican	200
Contingency	514
Total	9,564

* dependent on the sale of Kent Street Coach Park which is subject to planning approval

75. The £297k Procurement costs budget has £240k left unallocated. None has yet been allocated to the York High scheme and members are now asked to allocate the £240k to this scheme.
76. The contingency was previously being held against the risk of having to cover the demolition cost of Edmund Wilson pool. However, further investigation by the Corporate Landlord has established that it will be possible to dispose of the site and that an alternative building of similar scale would in principle be

acceptable in planning terms. It has also been established that there is commercial interest in the site. Under the circumstances therefore it is reasonable to proceed on the basis that the sale of that site will fund the demolition of Edmund Wilson Pool.

77. Members are asked to approve the use of the contingency on the York High Pool and Yearsley Pool projects.
78. With regard to prudential borrowing, members have already agreed to borrow £1.424m over 17 years to fund the overall project at a cost of £121k per annum. This will be funded by the £130k annual savings to be generated by the improved business plan. The equipment proposed can be expected to generate additional savings. However, it is too early to be able to produce a reliable calculation of these savings at this stage. It is therefore proposed to keep to the current projection of £130k per annum savings which, if fully utilised, would fund a further £105k of borrowing.
79. The table below summarises the proposed changes to the capital programme as set out above.

Available Resources	Reference	£,000s
Contingency	Para 74-5	514
Unspent Procurement Fees	Para 73	240
Additional Prudential Borrowing	Para 76	105
		859
Cost Pressures		
Yearsley Pool	Para 19	200
York High Pool unforeseen costs	Para 22	220
York High Pool external works	Para 24	170
York High Pool environmental works	Para 24	170
		760
Remaining Contingency		99

Other Implications

80. It will also be important to keep under review the means by which facilities are provided. The partnerships with York High School and the University aim to deliver swimming without a requirement for subsidy. It will be important that any additional / replacement provision is delivered through the most effective vehicle. This is likely to be a partnership or commercial arrangements. A review of procurement arrangements in December 2003 showed potential advantages at that time for establishing a leisure trust. Those advantages have now reduced because:
- Most of the potential savings came from 80% mandatory rate relief. The rates bill for the Barbican alone was £355k producing a significant saving. The liability on the remaining facilities, however, is far lower, only £7k p.a. in the case of Yearsley

- There were potential savings from a trust compared to the infrastructure maintained by TLM. Within Learning, Culture and Children's Services on the other hand the management capacity retained to manage the facilities is less than 1 f.t.e. A trust would therefore increase management costs. This would be exacerbated by extra costs that the Council would incur from central overheads that could no longer be recovered from an external organisation. In 2003 this was estimated at £35k p.a.

There may, however, be a case for keeping the position under review and considering the potential benefits of a trust for other reasons, for example to create concerted partnership working around a healthy lifestyles agenda.

81. In the light of the option selected by members the fully developed strategy may have further detailed implications, notably legal, human resources, and / or property related. These will be covered in any future report dealing with more detailed proposals.

Sport and Fitness

82. This paper necessarily concentrates on swimming. Other aspects of sport and leisure facility provision warrant more detailed consideration in their own right and members may wish to return to this in a future paper.
83. Broadly we need to continue looking at the potential of all development sites for delivering the sports facilities the city needs. Where the sites are inappropriate we must continue to get investment to fund facilities off-site. We will continue to work with schools to create facilities that are appropriate for mixed school and community use, use community sports funding as a lever to bring in external funding, and to influence design and operation of facilities to best meet the needs of the local community. There is an ongoing need to improve city centre sports facilities and to secure what we have already. For example, the future of the York RI facilities at Queen St is in doubt because of the potential redevelopment of that site and it will be important to reprovide these on a comparable scale.

Consultation

84. Three major consultation exercises have been undertaken since 2000 on the swimming strategy. The results of these exercises has been reflected in the analysis above.

Corporate Priorities

85. This issue contributes to a number of corporate objectives including:
- Work with others to improve the health, well-being and independence of York residents
 - Work with others to develop opportunities for residents and visitors to experience York as a vibrant and eventful city.

Risk Management

86. Key issues around risk highlighted in the body of the report above are:
- The need to create arrangements that can be delivered within the capital available recognising that £1m of the capital to be raised from the Kent Street site is still subject to a planning approval
 - The need to create financially sustainable arrangements in revenue terms which reduce the on-going cost to the Council tax payer

Recommendations

87. Members are recommended to:
- i) agree option c) *Reconfirm the Council's commitment to the partnership with the University and also plan for an additional city centre pool to meet further identified needs*, subject to detailed agreement on the terms of the Council's contribution and in particular:
 - o the University adopting a project plan which will deliver the pool by 2011
 - o satisfactory arrangements being set out regarding location of and public access to the pool
 - ii) agree to revise the respective schemes within the capital programme to take account of:
 - o allocating the pools programme contingency budget as set out in paragraph 75
 - o the additional prudential borrowing set out in paragraph 76
 - o allocating the overall procurement budget as set out in paragraph 73

Reason: So that a clear and agreed strategy can be taken forward with immediate progress to create excellent swimming facilities in York and options developed for a central location for a further pool.

Annexes

- A. Non-Council pools in the city
- B. Statement of Intent between the Council and the University of York
- C. Cost / deliverability comparison of the options
- D. Swimming and fitness pricing information
- E. York High Pool capital scheme option details
- F. University development Section 106 agreement (cover page and page relevant to sports facilities)

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All ✓

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Background Papers:

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