

# **Huish Episcopi Academy Swimming Pool Project Funding Decision**

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## **Purpose of the Report**

1. To seek approval to award Huish Episcopi Academy (HEA) a maximum grant of £352,722 comprised of Section 106 Contributions (S106) and SSDC capital towards the enclosure of the existing outdoor pool to provide indoor swimming for school and community use.

## **Forward Plan**

2. This report was not part of the Forward Plan. This report has been triggered by the timing of a provisional Sport England Improvement Fund Grant allocation of £481,600 to HEA towards retiling the existing pool, adding a traditional structure enclosure alongside new community changing, lighting, heating, air handling, and disability access. The bid to Sport England seeks to maximise the use of this school asset for the benefit of the whole community and enable swimming to be integrated all year round into the curriculum of the only secondary school with a sixth form provision in South Somerset, with a growing base of 1,459 11-18 year old students.

## **Public Interest**

3. HEA is a long standing provider of dual use community leisure services and facilities, operating an indoor sports hall, health and fitness suite, exercise studio, squash courts, multi-use games area, 3G artificial grass pitch and a heated outdoor swimming pool through its subsidiary operating company Huish Leisure Ltd.
4. The Academy Leisure Centre is some 740sqm in size and is open to the public with restricted opening times. Community access for the swimming pool operates April to October from 0630 to 2000 Monday to Friday, and 0800 to 1800 on Saturdays and Sundays.
5. Both the Academy and South Somerset District Council have a shared strategic objective to provide indoor swimming for the community in Area North, the only SSDC area with no indoor swimming provision, through transforming the existing LIDO pool, along with improvements to the supportive leisure infrastructure. This proposal will maximise the use of this school asset for the benefit of the whole community.
6. At the beginning of October 2015, Sport England launched Round 5 of the Improvement Fund Grant Programme, prioritising investments into swimming projects that could deliver an improved customer experience and increase participation, particularly in the 14 to 25 year old age group, considering funding requests of between £150,000 and £500,000.

7. In response to this opportunity, SSDC agreed to partner with HEA in making a speculative bid to the Fund to deliver its Strategic Swimming Pool Policy SP 1, to upgrade the existing Huish Episcopi Lido pool to provide a covered facility on the school site.
8. After undertaking initial concept design, cost and financial forecast work to assess the feasibility of the project, the application was submitted on 11<sup>th</sup> November 2015.
9. At the beginning of January 2016 HEA were informed that the application had passed Stage 2 of the process with SE identifying the project as having significant potential to contribute to the outcomes of the Improvement Fund, with a provisional grant allocation of £481,600, subject to receipt of the full project details. A final funding decision will be made at the end of April once SE has completed their final stage of assessment and decision making.
10. As part of this assessment HEA is required to confirm the partnership funding to SE, to demonstrate that they will be able to proceed with the execution of the project, once SE confirm their Award.
11. This report seeks this approval of a grant from the District Executive to enable the project to proceed.

## **Recommendations**

### 12. That Members:

- Approve subject to the standard Leisure grant terms and conditions, that South Somerset District Council agrees to Award Huish Episcopi Academy a grant of up to £352,722 towards the enclosure of the existing outdoor pool to provide indoor swimming for school and community use, consisting of:
  - i. £200,038 capital grant.
  - ii. £105,837 of section 106 contributions that have been paid to the Council.
  - iii. £46,847 of section 106 contributions which have not been received by the Council.
- Agree to underwrite the S106 contributions not received by the Council up to £46,847 from the SSDC capital programme in the event those sums are not received by the Council by the time HEA needs to draw those funds down for the project.
- The loss of £6,300 interest is added to the 17/18 Medium Term Financial Plan.

## **Background**

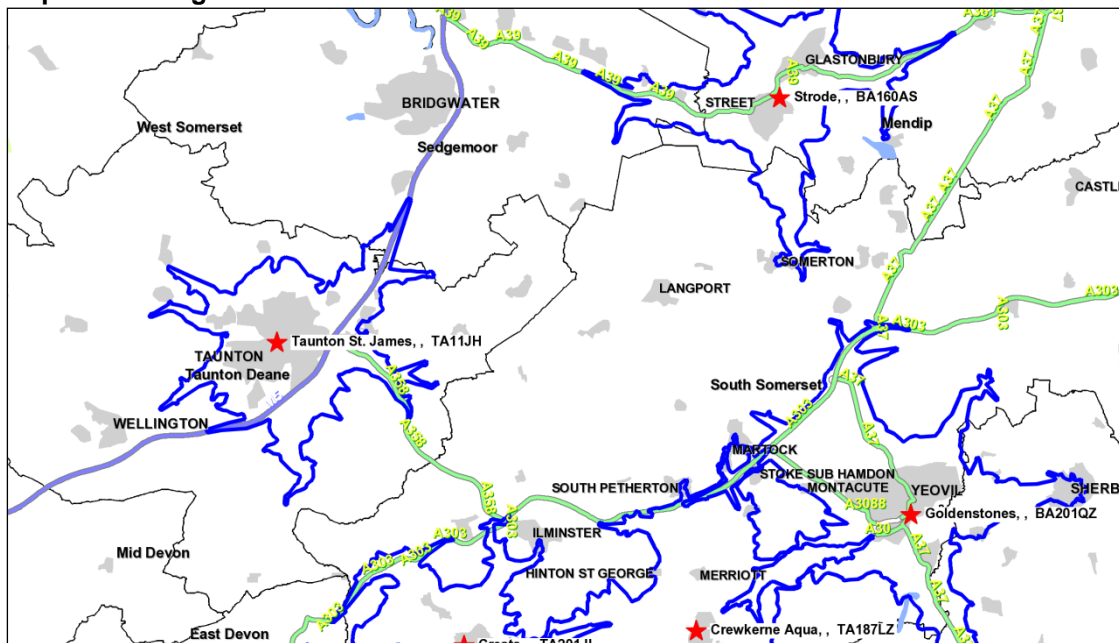
13. The strategic need for this project is underpinned by the South Somerset District Council's swimming pool assessment which indicates both district wide and local catchment deficiencies, and sets out a Strategic Policy SP1 to address this deficiency through "upgrading the existing Huish Episcopi Lido pool to provide a covered facility".

14. At the district level the current shortfall is equivalent to 636 sq m of swimming pool provision across South Somerset and this deficiency will grow to 943 sq m by 2027.

Population Scenarios:	Supply Sq m	Over Supply / (Shortfall) sq m
2017:	1085	(784)
2022:	1085	(862)
2027:	1085	(943)

15. In drilling down further into this shortfall, the mapping analysis for South Somerset shows a clear spatial deficiency in indoor swimming provision, with over 26,271 residents living outside the 15 minute drivetime catchment, primarily from the main market town areas including Somerton, Langport, Stoke-sub-Hamdon and Martock.

**Map: Swimming Pool Sites with 15 Minute Drive Time Catchments**



16. This deficiency equates to a current shortfall equivalent to 251 sq m of swimming pool provision and this deficiency is expected to increase to 285 sq m by 2027.

**Catchment Indoor Swimming Pool Shortfall:**

Population Scenarios:	Supply Sq m	Over Supply / (Shortfall) sq m
2017:	0	(268)
2022:	0	(276)
2027:	0	(285)

17. In providing 212.5 sq m of indoor swimming provision, the proposed HEA swimming pool project would make a substantial contribution to reducing both the Area North and District wide shortfalls, in accordance with SSDC Strategic Swimming Pool Policy SP1.

## Outcomes

18. This project aims to deliver make the following contributions to sport and health and well-being:

<p>A growth in participation in the 14-25 age group</p>	<ul style="list-style-type: none"> <li>• Provide a structured all year round indoor swimming pool programme.</li> <li>• Enable the HEA network of 10 primary feeder schools to meet their national swimming curriculum obligations, and young provide children with a great introduction.</li> <li>• Integrate swimming into the HEA curriculum for their growing base of 1,459 11-18 year old students on site.</li> <li>• Offer small group learn to swim swimming courses linked to the national swim plan and one on one swimming lessons.</li> <li>• Deliver fast track holiday courses.</li> <li>• Introducing online and app based tracking.</li> <li>• Adopt a 'retention people' model to reducing drop out.</li> <li>• Introduce lifesaving awards scheme.</li> <li>• Encouraging swimming and triathlon 'club' development routes.</li> <li>• Good teachers, improved water quality, high quality changing provision.</li> <li>• Continuing to capitalise upon the summer Lido experience, through the flexible access design.</li> <li>• Strong regular marketing through social media, and school based leaflet drops.</li> </ul>
<p>A growth in participation across the adult population</p>	<ul style="list-style-type: none"> <li>• Provide all year round indoor swimming.</li> <li>• Offer increased casual and lane swimming time.</li> <li>• Develop Fitness Swimming product, using ASA recently published recommendations arising from "Behaviour Change" Research, and introduce ASA "Corporate Take 30".</li> <li>• Provide adult small group swimming courses and one on one swimming lessons.</li> <li>• Develop ASA site Aquatic Plan.</li> <li>• Target female mothers and senior markets.</li> <li>• Good teachers, improved water quality, high quality changing provision.</li> <li>• Build a new Swimming Club for Langport and its surrounding area.</li> <li>• Extending the range of available 'social' sporting activities available during the daytime and at weekends at the site.</li> <li>• Easier access and booking.</li> <li>• Adopt a 'retention people' model to reducing drop out.</li> <li>• Build upon national promotions (Swimathon, RLSS Drowning Prevention, and ASA Swim Britian).</li> </ul>
<p>A growth in participation by people with disabilities, including those with talent</p>	<ul style="list-style-type: none"> <li>• Accessible and DDA compliant facilities, incorporating the provision of a pool hoist with detachable chair.</li> <li>• Work with national Disability Sporting Organisations and local Disability groups to offer a regular tailored programme of swimming activities.</li> </ul>
<p>An improved customer experience for participants</p>	<ul style="list-style-type: none"> <li>• All year round, non-weather restricted, indoor swimming pool</li> </ul>

	<p>programme.</p> <ul style="list-style-type: none"> <li>• Reduced travel, improved access.</li> <li>• Fully refurbished and modernised facilities, including complete overhaul of existing changing.</li> <li>• Online and smart app booking.</li> <li>• Excellent water quality.</li> <li>• Great range of regular swimming courses and aqua fitness classes.</li> </ul>
High quality talent development programmes	<ul style="list-style-type: none"> <li>• Continued provision of the HEA highly successful and long standing junior and senior triathlon events.</li> <li>• Accommodate all year round club based training which supports a number of national triathlon and swimming age group athletes.</li> </ul>
Employment	<ul style="list-style-type: none"> <li>• Employment growth of 6.2 FTEs.</li> </ul>

19. Details of current usage of the 25m x 8.5 LIDO pool, together with our expected usage figures for the first five years of opening the new facility are set out below. A copy of the model programme is set out in Appendix 1.

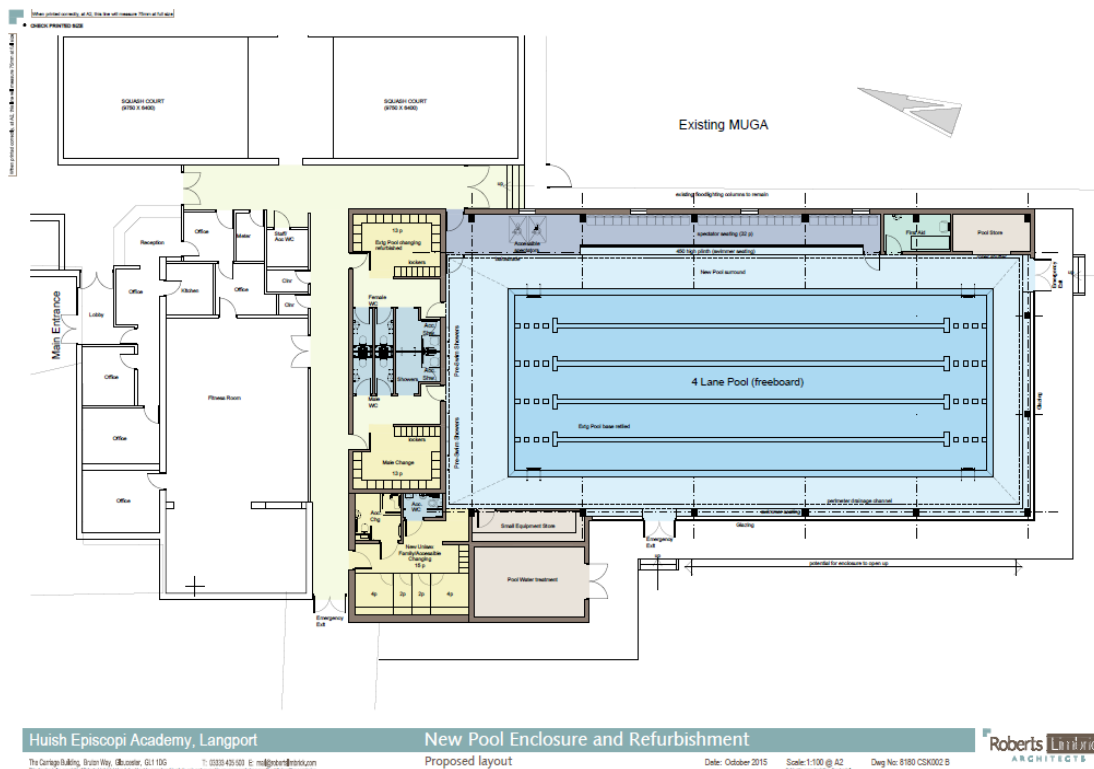
USAGE	CURRENT	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
<b>Casual and Family swimming</b>						
Users	550	1000	1050	1103	1158	1216
Visits	7924	15848	16640	17472	18346	18346
Exercise Class Visits	322	830	871	915	960	960
	<b>8246</b>	<b>16678</b>	<b>17511</b>	<b>18387</b>	<b>19306</b>	<b>19306</b>
<b>School Swimming</b>						
Users	378	1840	1840	1840	1840	1840
Visits	<b>9450</b>	<b>30,912</b>	<b>30,912</b>	<b>30,912</b>	<b>30,912</b>	<b>30,912</b>
<b>Swimming Lessons</b>						
Users	178	360	432	468	468	468
Visits	890	2340	2808	3042	3042	3042
Casual Visits	16	32	35	37	37	37
	<b>906</b>	<b>2372</b>	<b>2843</b>	<b>3079</b>	<b>3079</b>	<b>3079</b>
<b>Aqua Fit</b>						
Users	1279	2558	2686	2820	2961	2961
Visits	1067	2134	2241	2353	2471	2471
Casual Visits	212	424	445	468	491	491
	<b>1279</b>	<b>2558</b>	<b>2686</b>	<b>2821</b>	<b>2962</b>	<b>2962</b>
<b>Tri Training</b>						
Users	15	30	32	34	36	36

Visits	360	720	756	794	834	834
Casual Visits	203	406	426	447	469	469
	<b>563</b>	<b>1126</b>	<b>1182</b>	<b>1241</b>	<b>1303</b>	<b>1303</b>
<b>Club / School Pool hire</b>						
Users	3	4	4	5	6	6
Visits	30	156	156	195	234	234
Total Attendance	<b>900</b>	<b>4680</b>	<b>4680</b>	<b>5850</b>	<b>7020</b>	<b>7020</b>
<b>Total</b>						
Users	<b>2,430</b>	<b>5,944</b>	<b>6,196</b>	<b>6,460</b>	<b>6,697</b>	<b>6,755</b>
Visits	<b>21,344</b>	<b>58,326</b>	<b>59,814</b>	<b>62,290</b>	<b>64,582</b>	<b>64,582</b>

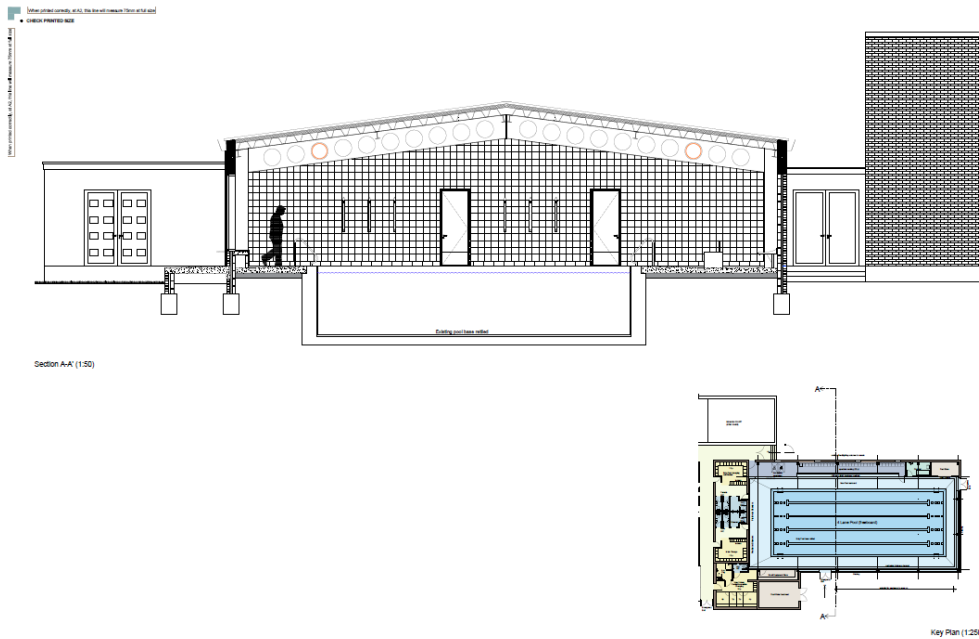
20. The proposed grant and S106 investment will deliver in the order of 1,343,000 visits over the potential 21 year term, delivering excellent VFM in order of 26p per visit over the same period.

## Design

21. A detailed concept design has been prepared by Robert Limbricks Architects. An outline of the proposal is set out below, with a full copy of the design report attached in Appendix 2.



22. The design has built upon a detailed mechanical, electrical and structural condition survey of the pool assessed by KirkhamBoard consultants. Alongside this, the pool plant room and tank has been assessed and confirmed as being in good condition as part of the SE Improvement Fund grant process by both SE and the ASA.



23. A cost plan has been prepared by the QS from KirkhamBoard consultants. Details of the cost plan are attached in Confidential Appendix 3.

### Capital Costs

24. The total project cost is estimated at £954,322.

25. Confirmed Partnership Funding for the project amounts to £601,600. The breakdown is:

Confirmed Partnership Funding Source:	£s	%
Sport England (Allocated In-Principle)	481,600	50.5
Huish Academy (Confirmed)	100,000	9.5%
Community Fundraising (To be raised)	20,000	2.0%
<b>Total Partnership Funding:</b>	<b>601,600</b>	<b>62.0%</b>

26. HEA are seeking a grant from SSDC of £352,722 to secure the grant funding from SE and enable this project to proceed.

27. The Council has been seeking and pooling developers' contributions specifically for this swimming pool project provision. The Council has currently negotiated a total £152,684 of S106 contributions from new housing developments to assist in financing this project.

28. Of the £152,684 of S106 contributions earmarked towards the project, currently £105,837 have been paid to the Council and £46,847 are still subject to the normal trigger clauses applying to the relevant S106 agreements and in particular, to site commencement and new dwellings being sold and occupied.

29. As there is a risk that the £46,847 still subject to the trigger clauses may not all be payable in the current economic climate. There are a number of variables that could affect these monies being received, for example, some of the contributions listed above are “strategic contributions” which are often the first obligations to be discharged if the developer presents a Discharge of Planning Obligations application and the schemes are proven to be unviable. There is also the potential that small new schemes may not to commence or get built out, and equally that if they do the period of time it might well take for the “trigger” points to be reached on these developments could be some years from now.
30. As HEA is still covering the S106 risk in delivering the new AGP in 2015 (currently circa £90K), they are seeking SSDC to cover these risks for this project.
31. Taking this into account, the grant would be comprised of:

<b>Proposed SSDC Project Finance</b>	<b>Up to £s</b>
SSDC Capital	200,038
S106 Banked Contributions	105,837
<b>S106 Unbanked Contributions (or SSDC Capital if not received)</b>	46,847
<b>Total Partnership Funding:</b>	<b>352,722</b>

## **Business Plan**

32. The summary of all of the business plans in a mature year (4th year of operation) are provided in the Table below. A summary of the full 5 yr business plan is provided in Confidential Appendix 4.

<b>Mature Year Summary</b>	
Income	321,207
Expenditure	255,259
Subsidy / (Surplus)	<b>65,948</b>
Subsidy / (Surplus) Exc Lifecycle Costs	74,899

33. The business plan illustrates based on the assumptions set out within it that the proposed Huish Swimming Pool project (HSP) can operate without a revenue subsidy whilst meeting all planned preventative maintenance costs, and will generate sufficient surplus to finance future lifecycle costs. As such the business plan is viable.

## **Financial Implications**

34. If the recommendations are approved the SSDC capital funding of £200,038 will be funded from useable capital receipts and the loss of £6,300 interest will be added to the 2017/18 Medium Term Financial Plan.

## **Corporate Implications**



35. The project objectives specifically contribute to the delivery of Focus Four, Health and Communities, within the Council Plan 2012 – 2015. The project will specifically help to deliver in the following areas:

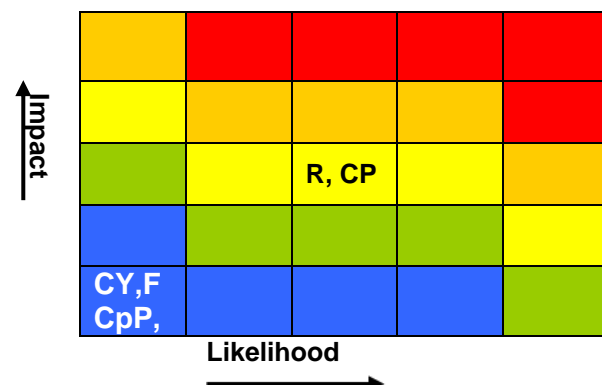
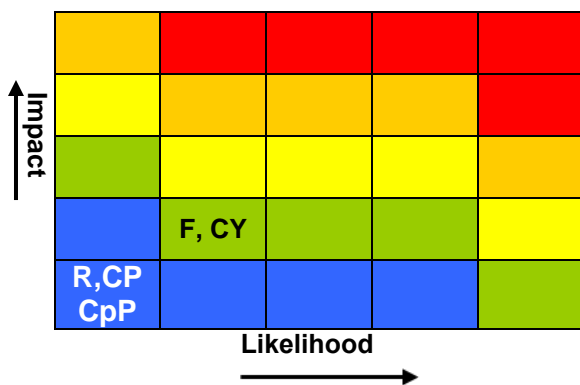
- Maintain and enhance the South Somerset network of leisure and cultural facilities, optimising opportunities for external funding to promote healthy living.

36. The project will also help to address the shortfall of third generation artificial grass pitches identified within the South Somerset Needs Assessment for Swimming Pools. This Needs Assessment was adopted by District Executive committee in March 2012.

### Risk Matrix

The level of risk associated with supporting the recommendations contained in this report

The level of risk associated with not supporting the recommendations contained in this report



### Key

Categories	Colours (for further detail please refer to Risk management strategy)
R = Reputation	Red = High impact and high probability
CpP = Corporate Plan Priorities	Orange = Major impact and major probability
CP = Community Priorities	Yellow = Moderate impact and moderate probability
CY = Capacity	Green = Minor impact and minor probability
F = Financial	Blue = Insignificant impact and insignificant probability

### Carbon Emissions and Climate Change Implications

37. None.

### Equality and Diversity Implications

38. No new implications.

### Background Papers

None