

Huish Episcopi Academy Swimming Pool Project Funding Decision (Executive Decision)

Assistant Director
Service Manager
Lead Officers:
Contact Details:

Steve Joel, Assistant Director (Health and Well-Being)
Lynda Pincombe, Community Health and Leisure Manager
Steve Joel, Assistant Director (Health and Well-Being)
steve.joel@southsomerset.gov.uk (01935 462278)

Purpose of the Report

1. To seek approval for a £25,000 capital grant award to Huish Episcopi Academy (HEA) 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 need to secure additional funding to enable this important project to be delivered. The report comes following completion of the tender evaluation process for the project. The project has been awarded a Sport England Improvement Fund Grant of £481,600 and an SSDC capital and S106 grant of £353,322 to HEA towards retiling the existing pool, adding a traditional structure enclosure alongside new community changing, lighting, heating, air handling, and disability access. The project 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 11th 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.
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. In April 2016 the SSDC District Executive 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 £353,322, consisting of:
 - £200,038 capital grant.
 - £105,837 of section 106 contributions that have been paid to the Council.
 - £46,847 of section 106 contributions which have not been received by the Council.
12. It also agreed 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.
13. SE confirmed their grant award towards the project to HEA in April 2016. HEA has subsequently appointed its design team, completed the detailed design process with all stakeholders in September, secured planning permission in December 2016, and completed Stage 2 of the two stage Tender process for the works.
14. The tender process has demonstrated that additional funding will be required to enable the project to proceed. This report asks the Area North Committee to consider providing a grant of £25K to assist HEA to bridge this funding gap and enable this strategically important project to proceed.

Recommendation

15. That Area North Committee 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 £25,000 towards the enclosure of the existing outdoor pool to provide indoor swimming for school and community use.

Background

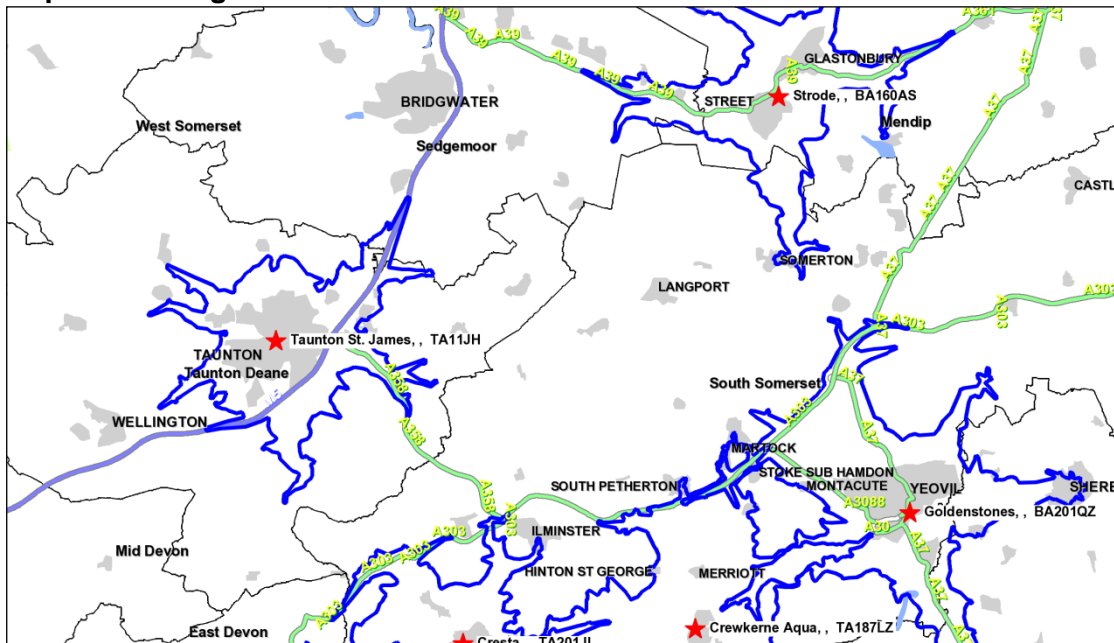
16. The strategic need for this project is underpinned by the South Somerset District Council's swimming pool assessment which indicates both district wide and local catchment deficiencies, and sets out a Strategic Policy SP1 to address this deficiency through "upgrading the existing Huish Episcopi Lido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

17. 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)

18. 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



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19. 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)

20. 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

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

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

22. 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.

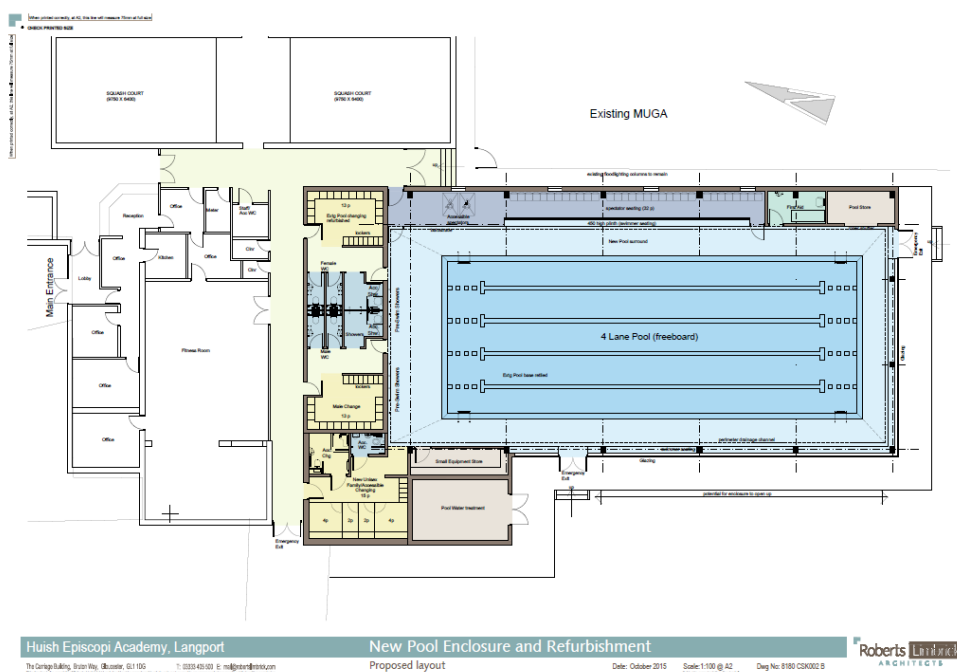
USAGE	CURRENT	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Casual and Family swimming						
Users	550	1000	1050	1103	1158	1216
Visits	7924	15848	16640	17472	18346	18346
Exercise Class Visits	322	830	871	915	960	960
	8246	16678	17511	18387	19306	19306
School Swimming						
Users	378	1840	1840	1840	1840	1840
Visits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

Tri Training						
Users	15	30	32	34	36	36
Visits	360	720	756	794	834	834
Casual Visits	203	406	426	447	469	469
	563	1126	1182	1241	1303	1303
Club / School Pool hire						
Users	3	4	4	5	6	6
Visits	30	156	156	195	234	234
Total Attendance	900	4680	4680	5850	7020	7020
Total						
Users	2,430	5,944	6,196	6,460	6,697	6,755
Visits	21,344	58,326	59,814	62,290	64,582	64,582

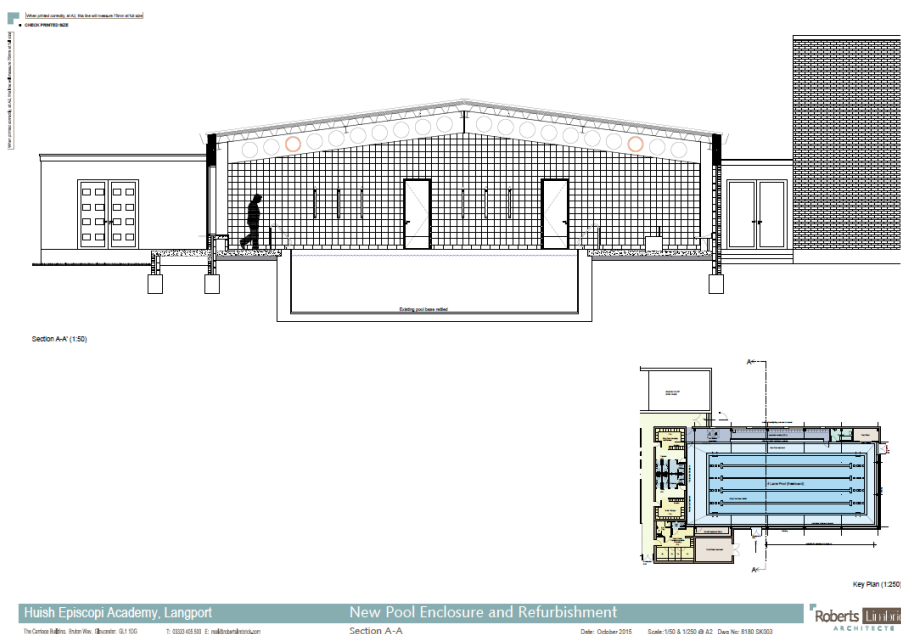
23. The proposed grant will help contribute to the delivery of in the order of 1,343,000 visits over the potential 21 year term, delivering excellent VFM in order of 26p per visit over the same period.

Design

24. Concept designs and detailed designs have 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.



25. 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.



Capital Costs

26. The original total project costs based on the concept design were estimated at £954,322. A cost plan has been prepared by the QS from KirkhamBoard consultants.
27. These costs were used to provide an indicative budget cost framework within which further design development and project risk analysis can be undertaken as no detailed design work had been undertaken. Details of the cost plan related to that stage are attached in Confidential Appendix 3.
28. Confirmed Partnership Funding for the project amounts to £954,322. The breakdown is:

Confirmed Partnership Funding Source:	£s	%
Sport England (Confirmed)	481,600	50.5
SSDC (Confirmed)	200,038	21%
SSDC (S106 Confirmed)	152,684	16%
Huish Academy (Confirmed)	100,000	10.5%
Community Fundraising (To be raised)	20,000	2.0%
Total Partnership Funding:	£954,322	100.0%

29. HEA have subsequently appointed its design team, completed the detailed design process with all stakeholders, secured planning permission in December 2016, and completed a two stage tender process for the works.
30. As at 14th January 2017, the outcome of this work, after consideration of value engineering steps discussed with shortlisted contractors, has increased the total project costs to £1,049,994. A copy of the revised cost plan will follow as Confidential Appendix 4.

Cost Summary	£s
Total Construction Cost , Operator Furniture, Fixtures, Fittings and Fees	963,183
Irrecoverable VAT	86,811
Revised Project Budget	1,049,994
Current Partnership Funding	954,322
Funding Shortfall	95,672

31. In order to bridge this funding gap and enable this strategically important project to proceed, HEA are seeking to fund the shortfall, subject to Area North Committee and HEA Board approval, as follows:

Proposed Funding Plan:	£s
HEA (To Be Confirmed)	44,300
SE Grant Increase (To Be Confirmed)	12,000
SSDC (S106 Confirmed)	9,300
SSDC Area North Capital (To Be Confirmed)	25,000
Additional Community Fundraising	5,072
Total Partnership Funding:	95,672

32. HEA are therefore asking Area North Committee to consider making a grant of £25,000 towards financing the shortfall and enabling this exciting project to proceed.
33. The construction programme is forecast at 24 weeks from contract execution and mobilisation.

Business Plan

34. 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 5.

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

35. 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

36. There is £176,375 unallocated in the Area north Capital Programme. If this recommendation to award £25,000 is approved, a sum of £151,375 will remain for future projects.

Corporate Implications

37. The project objectives specifically contribute to the delivery of the Council Priority - Health and Communities, within the Council Plan 2016 – 2021.

- Help people to live well by enabling quality cultural, leisure, play, sport & healthy lifestyle facilities & activities.

38. 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 DX committee in March 2012.

Carbon Emissions & Adapting to Climate Change Implications

39. None.

Equality and Diversity Implications

40. No new implications.

Background Papers: Report to District Executive, 7th April 2016, agenda item 9.