



Scrutiny

Environment & Services
Scrutiny

13 June 2016

Item

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Public

Shrewsbury Swimming Pool - update

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1. Summary

This report provides an update on work carried out on the development of future swimming provision within Shrewsbury since the report provided to Scrutiny on 30th November 2015.

A number of site options were consulted on in 2015 – refurbishment of existing Quarry Pool; renovation of existing Quarry Pool; new build on site of the existing Quarry Pool; new build at Clayton Way; new build on land at Ellesmere Road; new build on land at the Shrewsbury Sports Village; and new build on land at Shrewsbury College.

Detailed analysis of the 1,900 responses from the consultation and comments made by a number of stakeholders including Shrewsbury Town Council, the Quarry Swimming & Fitness Forum, the Shrewsbury Business Improvement District and the Shropshire Disability Network were analysed by leisure consultants, 4Gobal.

Leisure experts, Strategic Leisure Ltd., are currently carrying out detailed work in response to comments made during the consultation to help inform a recommendation to Cabinet for a preferred location and facility mix for swimming provision in Shrewsbury on the 13th July 2016, which will then be subject to further detailed investigation. In determining which option best meets the Council's vision two considerations will be paramount:

1. Which options are the most affordable and sustainable?
2. Which options best meet the Council's vision and strategy for swimming provision?

Assuming a Cabinet recommendation on location and facility mix, it is proposed that a detailed feasibility assessment is carried out so that the viability of the project can be assessed. It is proposed that a Cabinet decision is then taken on whether to go ahead with the project, considering the viability in light of funding opportunities and the council's financial strategy.

2. Recommendation

Members of Environment Services Scrutiny are asked to scrutinise the work done to date and to provide additional comments that can be reflected in the Cabinet report on 13th July 2016.

REPORT

1. Risk Assessment and Opportunities Appraisal

- Future swimming provision continues to create huge public interest. A petition with over 3000 signatures was received by Council in April 2014. The Quarry Swimming and Fitness Centre (QSFC) was registered as an Asset of Community Value on the 19th August 2014; this creates a requirement for the Council, should it wish to sell the site, to delay the disposal for a minimum of six weeks to give the nominating organisation or other qualifying community body time to confirm whether they wish to make a bid; if during the six weeks a request to bid is made, the Council can't dispose of the asset (other than to a community interest group) until the end of a six-month period.
- A five month public consultation has been undertaken and a range of stakeholders have been involved and contributed ideas including the Quarry Swimming Pool Forum, Shrewsbury Town Council, the Shrewsbury BID and the Disability Forum. A strong preference has been made for a town centre location.
- Key stakeholders have recently indicated that, should Shropshire Council no longer wish to provide swimming at the Quarry, they would like to be given the opportunity to run the Quarry pool as a community enterprise and / or be given the opportunity to develop an outline business plan to show how the Quarry site could be run sustainably in the future.
- The choice that is made on future swimming provision will influence swimming participation across the whole community beyond the next 25 years. A range of specialist work has been completed to help inform the development of a detailed options analysis and subsequent public consultation. Further detailed work in support of a recommendation for future swimming provision in Shrewsbury is currently being undertaken.
- A detailed Equality and Social Inclusion Impact Assessment has been prepared and will continue to be kept under review alongside further detailed stakeholder engagement.
- Since work on options for future swimming provision started the pressure on the public finance has been accentuated to such a degree that all leisure provision is identified as at risk beyond April 2017. This brings the need to develop a sustainable business model that minimises the drain on the public purse into sharp focus.
- This is a significant project with the risk of potential overspend and project creep. The project is being developed by a Project Board chaired by the Director of Commissioning and including relevant internal officers and external representation from Sport England, the Amateur Swimming Association (ASA) and the County Sports Partnership, Energize. Further work will be undertaken to develop and confirm a detailed funding strategy and work will only proceed beyond key milestones when a full understanding of the potential risks is made.

2. Financial implications

Shropshire Council is projected to have a funding shortfall of £77m by 2018/19, resulting in discretionary services such as leisure, libraries, museums, public open spaces and support for youth activities facing significant cutbacks or in the worst case scenario - closure.

A new pool, rather than a refurbishment of the existing pool, has the potential to make ongoing revenue savings when compared with current costs. Key elements of this include:

- Energy savings being incurred by the contractor, based on significantly less water area and a building design that meets best modern practice, helping to reduce the current Shropshire Council subsidy
- Repairs and maintenance savings reflecting a smaller, simpler and modern building that the contractor would be likely to have the responsibility to maintain
- Improved income based on the provision of a new modern fitness suite, studio availability for exercise classes etc., on-going increased uptake of Learn to Swim classes, etc., again having the impact of reducing the current Shropshire Council subsidy

Detailed specialist work is being carried out to understand:

- The potential capital costs of different locations and options for swimming provision in Shrewsbury
- Potential sources of funding in support of the construction of a new pool
- The potential revenue impact for the contractor in terms of different pool locations
- The resulting revenue implications for Shropshire Council, in terms of the current Quarry Swimming Pool subsidy and in terms of the wider implications on the cost of the Serco contract as a whole
- The “affordability” of different pool options based on the capital costs, revenue consequences and different strategies for funding building works

This work around the finances will help Shropshire Council understand the “affordability” of different pool options based on:

- Capital cost estimates and potential funding sources. The total available funding will be subtracted from the capital cost to determine the prudential borrowing requirement (i.e. the funding shortfall).
- The “Whole Project Life Cycle Costs”. Assuming a 25 year project life cycle the expected revenue savings to Shropshire Council will be deducted from the full cost of borrowing and debt repayment over the 25 year period to give an “affordability ranking”.

All of the proposed swimming options have a potential significant capital funding requirements. A number of funding opportunities are available to the Council including:

- Capital Receipts (sale of assets)
- Community Infrastructure Levy (CIL)
- Sport England funding
- Public Sector Grant Funding
- Private Sector Investment including
- Prudential Borrowing

Further investigation, including the possibility of additional external funding sources, will be carried out as part of the detailed feasibility work prior to being updated within a further report to Cabinet.

Within the cabinet report the different options will be analysed to reflect an assumed 25 year project life cycle. For each option a comparison will be made between the full cost of borrowing, debt repayment and interest, over a 25 year period, less the

expected operational subsidy reduction saving over the same period to provide an assessment of the “affordability of each option.

3. Background

While the existing Quarry Swimming and Fitness Centre offers a diverse range of facilities – 4 pools providing 898 sq m of water, 37 station fitness suite, health suite, café, training room, etc. - it is generally accepted that the condition of the Quarry Swimming and Fitness Centre and the user experience it offers has declined in recent years.

There are also huge on-going strains on the public purse and the running costs of the current facility will become a growing challenge.

Demand for swimming in Shrewsbury is significant with over 200,000 swims in the Quarry in 2015/16.

In developing options for future swimming provision in Shrewsbury the Council has developed a vision and this was used to support the public consultation. In summary the vision says that the Shrewsbury swimming facility should:

- increase participation in swimming and physical activity, and in so doing improve the wider health and wellbeing of the community
- provide a long-term swimming facility that's affordable to run both now and in the future
- be complementary to other leisure and recreational provision in the town

To take this vision forward, and based on a range of evidence, recommendations for the minimum facilities to be provided by a new swimming facility were developed:

- a 25m x 20m eight lane main pool, 500 sq m
- a 20m x 10m four-lane learner pool with full moveable floor, 200 sq m
- facilities to introduce people to water (to aid water confidence), 60 – 100 sq m
- fitness facilities, at least 50 stations
- spectator seating for 250 people

This would provide a total of 700 sq m of water compared with the current 898 sq m within the Quarry.

Swimming provision is well positioned to make a significant contribution to several key national and local agendas including supporting a healthy society, personalisation and helping children to reach their full potential.

The Local Sports Profile for Shropshire shows that swimming (along with the gym, cycling and athletics) is one of the most popular sport with 9.3%4 of adults over 16 years old participating at least once a month. It is also the sport that adults most want to do.

The Council carried out a range of work in support of the development of a number of detailed options and to inform a public consultation in 2015 including:

- A building condition survey of the existing pool
- Visits to other local authority areas who have recently built public swimming pools
- A detailed study undertaken by independent leisure specialists, Strategic Leisure, to consider the following options for swimming provision:
 - 1A. Refurbishment of existing Quarry Pool

- 1B. Renovation of existing Quarry Pool
- 2. New build on site of existing Quarry Pool
- 3A. New build at Clayton Way
- 3B. New build on land at Ellesmere Road
- 3C. New build on land at the Shrewsbury Sports Village
- 3D. New build on land at Shrewsbury College

4. Key findings from the public consultation

A four month public consultation was launched on the 28th May 2015. In response to feedback received during the consultation and the availability of 2014/15 operational revenue figures for the Quarry the consultation period was subsequently extended by a month until the 30th October.

Over 1,900 people took part in the online survey. Alongside this a range of meetings and conversations continue to take place with key groups and organisations including Shrewsbury Town Council, the Shrewsbury Business Improvement District, the Quarry Swimming & Fitness Forum and the Shropshire Disability Network.

Shrewsbury Pool Consultation Analysis

WHO WAS CONSULTED ?



1924 Survey respondents
From 12 postcodes



14.3% of respondents are members of a swimming club
57% of respondents swim regularly

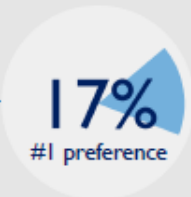
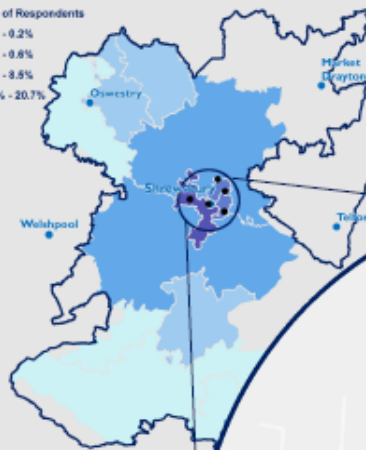
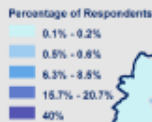


55% Female and 42% Male respondents
3% either preferred not to say or were transgender

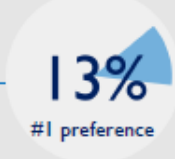
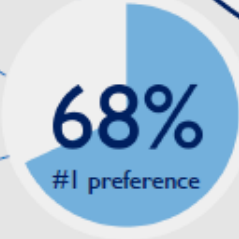
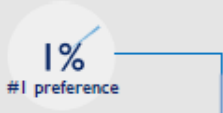


Consultations were also undertaken with key stakeholders and groups

WHAT DID THEY SAY ?



✓ Learn to swim facilities and ✓ A varied swimming timetable were identified as the most important factors for facility mix within the leisure centre



Independent detailed analysis of the consultation was carried out by industry experts, 4global and this is summarised above and reported in full at:
http://new.shropshire.gov.uk/media1/2501/shrewsbury-swimming-pool-consultation-analysis-full-report_13-04-16.pdf

4global concluded that the consultation process fulfilled research standards sufficiently to support robust findings. First preferences were:

Option	% of most preferred
Refurbishment of the Quarry	23.50%
New build on the Quarry site	22.89%
Upgrade of the Quarry	21.67%
New build on Shrewsbury Sports Village	16.54%
New build on Shrewsbury College London Road	13.17%
New build on Clayton Way	1.42%
New build on land at Ellesmere Road	0.81%

Combined, the Quarry options represent 68.06% of the most preferred responses with respondents' citing central location, accessibility, economic impact on the town centre and convenience as the main reasons for the Quarry preference

Learn to swim provision is the most important element of a swimming facility with proximity to public transport links and a timetable that caters for all also seen as important.

5.0 Further work in support of the development of a preferred approach to future swimming provision within Shrewsbury

It is possible to identify a number of key areas raised during the public consultation and these fall into the following broad areas:

- a. Proposed facilities mix - the capacity of the proposed two pools and whether this will meet future increases in demand, as well as the impact of moving swimming provision to an out of town location and how many people will go there and use the facilities on offer.
- b. Detailed revenue modelling - further work on the detailed financial modelling including the refurbishment and renovation options
- c. Town centre versus an edge of town facility - consideration of the economic, social and community impact of different locations.
- d. Accessibility, parking, transport and environmental impact - the impact of the location on accessibility and CO2 admissions and detailed consideration of parking availability and pricing in the different locations.
- e. What will happen to the Quarry Pool site if it is vacated - comments were raised about possible alternative uses for the site.
- f. Alternative town centre sites and delivery models - comments were raised about the availability of other site options and consideration of alternative financing options.

These are currently the subject of further detailed work being carried out by independent leisure consultants, Strategic Leisure Ltd, and will be reported to Cabinet alongside considerations on affordability

Strategic Leisure are also refreshing the Indoor Facility Strategy for Shropshire, which will provide further context for future support on public swimming provision in Shrewsbury within the wider context of Shropshire.

6.0 “Alternative” approaches to swimming provision

In recent weeks the Council has received independent requests from the Shrewsbury BID and the QSFF to be given time to develop management and business options that would allow on-going swimming provision from the existing Quarry site. Subject to the recommendations made to Cabinet on the 13th July the Council is proposing to allow time, to no later than the end of September 2016, for alternatives approaches to be developed before confirming a final approach. All alternative options will be subject to the same evaluation.

7.0 Confirmation of preferred location and facility mix for future swimming provision within Shrewsbury

In determining which option, including any independently developed approaches, best meets the Council's vision it is proposed that a detailed evaluation is carried out based on all the available information and in particular on the basis of three questions:

1. Which options are deliverable and are the most affordable and sustainable?
2. Which options best meet the Council's vision and strategy for swimming provision?
3. What are the social, environmental and economic impact and implications of the different options?

Each option will also be considered on the basis of its achievability with respect to for example land purchase, planning permission, etc.

8.0 Next steps

It is proposed to make a recommendation to Cabinet on the 13th July 2016 for a preferred location and facility mix for future swimming provision in Shrewsbury.

If Cabinet confirms a recommendation and before finally determining a decision to go ahead with the project, it is proposed that a further report is taken to Cabinet with:

- A detailed feasibility assessment of the preferred approach
- A review of the investment options and revenue implications for Shropshire Council, and the viability of the project in the context of the council's financial strategy
- The detailed procurement approach

During the detailed design stage that would follow any final decision to go ahead with the project, there would be opportunities for further consultation with stakeholders on detailed aspects of building design.

Construction would take a minimum of 18 months and the opening of any new facility would be unlikely before mid-2019.

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)

Indoor Leisure Facilities Strategy 2009 - 2019 and Playing Pitch Strategy 2010 – 2020, Cabinet, 29 June 2011

New pool for Shrewsbury, Cabinet, 30 July 2014

Shrewsbury Swimming and Fitness Options Report, Strategic Leisure, June 2015

Shrewsbury Swimming Pool update, Environment & Services Scrutiny, 22 June 2015

Shrewsbury Swimming Pool Consultation Analysis, 4global, March 2016

Shrewsbury Swimming Pool update, Environment & Services Scrutiny, 30 November 2015

ESIA, April 2016

Cabinet Member:

Cllr Stuart West, Portfolio Holder for Leisure, Libraries and Culture

Local Members:

Cllr Andrew Bannerman, Cllr Peter Adams, Cllr Vernon Bushell, Cllr Ted Clarke, Cllr Anne Chebsey, Cllr Hannah Fraser, Cllr Miles Kenny, Cllr Jane Mackenzie, Cllr Peter Nutting, Cllr Alan Mosley, Cllr Pam Moseley, Cllr Mike Owen, Cllr Kevin Pardy, Cllr Mal Price, Cllr Keith Roberts, Cllr John Tandy, Cllr Dean Carroll & Cllr Amy Leibich

Appendices: