



<u>Committee and Date</u>
Cabinet
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Update on Future Swimming Provision in Shrewsbury

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1. Summary

At its meeting of 28th September 2016, Cabinet confirmed that the Council's preferred location for swimming provision in Shrewsbury was the Shrewsbury Sports Village.

However, in view of the public interest in the retention of a town centre location Cabinet confirmed that any interested organisations who wishes to do so, is given the opportunity to develop alternative business case proposals to retain swimming provision at the Quarry or other town centre location.

Detailed Terms of Reference describe the process for Interested Organisations to submit business cases, the evaluation criteria and the evaluation methodology. The deadline for the return of Full Business Cases is the 27th October 2017.

Two Strategic Outline Business Cases have been received, including the Council's business case for the Shrewsbury Sports Village.

Following the recent change of Council administration the Council intends to carry out a review of the different location options for the future provision of swimming in the town centre of Shrewsbury.

It is proposed that, pending the outcomes of this review, the current process for the submission of Full Business Cases is stopped and that Interested Organisations are alerted accordingly.

A final recommendation on the preferred location for future swimming provision in Shrewsbury will be subject to a further Cabinet report in due course.

2. Recommendations

- A. That a review is carried out of the different location options for swimming provision in Shrewsbury town centre.
- B. That the current Terms of Reference for the submission of Full Business Cases is stopped until the outcomes of this review are concluded.
- C. That a report on the outcome of the review will be brought back to Cabinet in due course for a recommendation on the preferred location for public

swimming in Shrewsbury.

- D. That the detailed implementation of all aspects of the recommendations made within this report is delegated to the Director of Place and Enterprise in consultation with the Portfolio Holder for Culture and Leisure.

REPORT

1.0 Risk Assessment and Opportunities Appraisal

A number of issues related to the successful implementation of the long-standing project to develop improved swimming provision in Shrewsbury have been previously identified and reported.

The main risk, in the context of the recommendations made within this report, results from the on-going uncertainty and delay to taking a final decision on future swimming provision in Shrewsbury. Specific risks include:

- Risk of catastrophic failure and / or significant building costs to the Quarry.
- Building costs will increase compromising the future affordability of new or improved swimming provision and the potential availability of funding.

This project has already experienced significant delay and the continuation of uncertainty will almost certainly influence the affordability and feasibility of new pool options. This risk cannot be wholly mitigated.

Conversely, this project provides the potential to secure “fit for purpose” and “affordable” swimming provision for Shrewsbury and beyond for at least the next 25 years.

2.0 Financial implications

The current controllable revenue budget for the Quarry Pool of £299,820, including a repair & maintenance budget of £30,000, has been identified as a possible saving requirement within the Shropshire Council Financial Strategy 2016-2019.

At its meeting on 28th September 2016, Cabinet confirmed that its preferred location for improved swimming provision in Shrewsbury is the Shrewsbury Sports Village. The 13th July 2016 Cabinet report indicted an additional ongoing revenue liability over and above current costs for the Council for a 25-year period of £0.149m, which was the lowest deficit from all of the options. This figure is based on the full cost of borrowing, debt repayment and interest, less the expected management fee reduction and maintenance saving.

This report is written in the context of the Council’s recently approved Indoor Leisure Facilities Strategy and on the assumption that the Council wishes to support the continuing availability of public swimming in Shrewsbury for the benefit of the community, but that given financial constraints, that it must be provided and operated as efficiently and effectively as possible.

3.0 Background

The Cabinet report of 28th September 2016 can be viewed on the Council's web site at: <http://shropshire.gov.uk/committee-services/ieListDocuments.aspx?CId=130&MIId=3256&Ver=4>

A range of relevant supporting material and reports can be viewed on the Council's web site at: <http://shropshire.gov.uk/swimming-provision-in-shrewsbury>

The Council's Indoor Leisure Facilities Strategy, 2017 – 2022, can be viewed at: <http://new.shropshire.gov.uk/leisure-services/indoor-leisure-facilities-strategy/>

3.1 The need for improved swimming provision in Shrewsbury

The Quarry Swimming and Fitness Centre in Shrewsbury is a well-used pool that has been in operation for over 100 years. As a result of the pool's age and condition, the facility is costly to keep repairing, is not energy efficient and cost effective to run, the site layout is restrictive, and the quality of customer provision and experience is not as good as it would be for a more modern facility.

Over 250,000 visits were made to the Quarry Swimming and Fitness Centre in 2015/16 a decline from a recent peak of over 350,000 visits in 2009/10. The quality of the facilities and competition, particularly from "high street gym providers, are both implicated in the decline.

3.2 Indoor Leisure Facilities Strategy, 2017 - 2022

Cabinet confirmed a new Indoor Leisure Facilities Strategy for Shropshire at its meeting on 21 June 2017 following a period of public consultation and stakeholder engagement. In summary the Strategy is firmly embedded within a range of opportunities that increase physical activity levels, and use physical activity and sport to raise aspirations, support health improvements, tackle inequality in communities, grow the economy, create more jobs and underpin the continued social, physical and economic regeneration of neighbourhoods.

The Strategy sets out a vision in which the provision of indoor leisure facilities will support a wider vision in which "Shropshire will be a county where healthier, active lifestyles are encouraged, supported and facilitated for everyone".

The Strategy sets out a hierarchy of leisure facility provision and describes, based on an assessment of need, how the Council will meet the recreational and sporting needs of Shropshire residents by supporting:

- Six Tier 1 Leisure Hubs – "destination" facilities within Shropshire's larger market towns that provide a wide range of facilities and leisure opportunities
- Four Tier 2 Community Leisure Centres – "local" facilities within smaller towns and settlements potentially providing a more limited range of leisure opportunities

89% of Shropshire residents will be able to access leisure facilities within one of these ten locations within a 20-minute drive time.

Shrewsbury is in Tier 1 leisure facility provision. The Strategy does not make any specific recommendation for the future location of swimming in Shrewsbury, but does set out some headline considerations for its future management and Council support:

- Fully staffed
- Managed by third parties
- Ongoing revenue funding support with the aim to be profitable with no public subsidy required over an agreed timeframe
- Opportunity for Community Asset Transfers to suitable local groups in support of social, economic or environmental benefit, dependent on local circumstances.

3.3 Current contractual arrangements with Shropshire Community Leisure Trust

From 1st August 2012 the Shropshire Community Leisure Trust, with Serco Leisure Ltd acting as their managing agent, has operated five of the Council’s leisure centres, including the Quarry Pool. They are the operators under a 10-year contract, which includes an opportunity for the Council to agree a 5-year extension. The contract and associated leases were entered into with the current operator following an open market competitive process carried out during 2011/2012. A subsequent Contract Variation enables the Council to vary the current arrangements to implement the approved option for future pool provision in Shrewsbury.

3.4 Development of Business Cases for new or improved swimming provision in Shrewsbury

Based on a thorough options analysis the Council previously confirmed at its Cabinet meeting on the 13th July and the 28th September 2016 that its preferred location for improved swimming provision in Shrewsbury is the Shrewsbury Sports Village.

Subsequently at its meeting on the 28th September 2016, Cabinet confirmed that, in view of the strong public interest in the retention of a town centre location, interested organisations should be given the opportunity to develop business case proposals to retain swimming provision at the Quarry or other town centre location.

Detailed Terms of Reference were confirmed and these describe the process for Interested Organisations to submit business cases, the evaluation criteria and the evaluation methodology.

Two Strategic Outline Business Cases have been received, one for the Shrewsbury Sports Village and one for the existing Quarry site. The deadline for the return of Full Business Cases is the 27th October 2017.

3.5 Brief chronology of events

The table below describes notable work carried out in recent years in support of the development of improved swimming provision in Shrewsbury.

2007	Major remedial works amounting to approximately £300,000 were carried out by the former Shrewsbury and Atcham Borough Council to make the building safe for public use and to extend the life span of the current swimming pool for a 5-year period and until a replacement facility was built.
2007	Consultation with the public, clubs and schools; existing changing facilities and car parking identified as the major issues
2007	Torkildsen Barclay Leisure Consultants were commissioned to undertake a ‘Shrewsbury Swimming Facility Needs Assessment’. They concluded that, based on the demand and needs assessment, the ideal facility mix to meet the future swimming needs of Shrewsbury would be a 25m x 8 lane pool with longitudinal

	<p>boom and floating floor able to accommodate county competitions and appropriate spectator provision; a diver / learner pool (10m x 10m) with floating floor; a leisure water area; a fitness and aerobic studio; and ancillary accommodation.</p> <p>Reference: Shrewsbury Swimming Facility Needs Assessment, A Report to Shrewsbury and Atcham Borough Council, May 2007, Torkildsen Barclay</p>
2009	<p>Torkildsen Barclay Leisure Consultants undertook a further needs assessment. This confirmed that all of the options proposed within the 2007 study would continue to meet and to satisfy demand within the centre's catchment. The assessment also provided a justification for a 50 station gym and aerobics facility at the replacement pool both in terms of latent demand and capacity.</p> <p>Reference: Shrewsbury Swimming Facility Needs Assessment Update, February 2009, Torkildsen Barclay</p>
2009	<p>Strategic Leisure undertook a countywide assessment of future indoor facility provision within a strategic assessment; this confirmed that a key focus should be on the provision of a new swimming facility in Shrewsbury as identified within the Torkildsen Barclay feasibility study.</p> <p>Reference: Indoor Leisure Facilities Strategy 2009 - 2019 and Playing Pitch Strategy 2010 – 2020, Cabinet, 29 June 2011</p>
2011	<p>A Building Condition survey identified a requirement for a total of £666,609 works and repairs over a five-year period. This includes over £200,000 for roofing repairs and £45,000 for the provision of a new generator. However, the building condition survey did not make a comprehensive assessment of the pool and all the services</p>
2012	<p>Following a procurement exercise the Shropshire Community Leisure Trust through their managing agents, Serco Leisure Ltd, were appointed contractor for the Council's leisure centres for ten years with the potential for a five-year extension.</p>
2014	<p>Public petition with over 1,400 signatures received.</p> <p>22 sites short listed and subsequently further narrowed down to 5 locations.</p> <p>Shropshire Council approved the recommendation to undertake detailed work on different options for swimming provision within Shrewsbury.</p> <p>Reference: New pool for Shrewsbury, Cabinet, 30 July 2014 http://new.shropshire.gov.uk/get-involved/swimming-provision-in-shrewsbury/</p> <p>The Quarry Swimming and Fitness Centre (QSFC) was registered as an Asset of Community Value</p> <p>A further condition survey was commissioned of the Quarry Swimming and Fitness Centre. Various works (amounting to £1,405,295, of which £923,564 were considered to be essential) were identified, including work to ceilings, roof, walls and cladding, furniture and fittings, floors and stairs, mechanical services, and redecoration and sanitary services.</p>
2015	<p>A Variation of the Contract with SCLT to enable the Council to implement the preferred option for future swimming provision in partnership with the current operator.</p> <p>Detailed Options Analysis and Needs Assessment completed by leisure experts, Strategic Leisure</p> <p>Sport England completed an assessment of swimming pool provision in Shrewsbury, using the Facility Planning Model tool.</p> <p>Over 1,900 people responded to a five-month public consultation on seven different pool options. An Independent analysis of the consultation was carried out by industry experts, 4global.</p> <p>Strategic Leisure updated the detailed Needs Assessment</p>
2016	<p>Shropshire Council confirmed that the preferred location for the replacement of existing swimming provision is the Shrewsbury Sports Village.</p> <p>Reference: future Swimming Provision in Shrewsbury, 13th July 2016 http://shropshire.gov.uk/committee-services/ieListDocuments.aspx?CId=130&MId=3358&Ver=4</p> <p>Shropshire Council confirmed detailed Terms of Reference for the preparation of Business Case for the Council's preferred option, the Shrewsbury Sports Village, alongside any alternative business cases put forward by interested organisations who wish to retain swimming provision at the Quarry and / or any other town centre location. It also confirmed again the preferred location as Shrewsbury Sports Village.</p> <p>Reference: Future Swimming Provision in Shrewsbury, 28th September 2016</p>

4.0 Review of options for future swimming provision

Following the recent appointment of a new Council administration, and in the context of the on-going strong public interest in retaining swimming provision within the town centre, the Council intends to carry out a review of the different site options for the future provision of swimming in the town centre of Shrewsbury.

In carrying out the review, key considerations will include:

- Locality of site and ability of users and staff to physically access the site and services (car/public transport/highways/pedestrian/cycle/disabled)
- Car parking
- Land ownership, difficulties with acquisition, title issues and timescale
- Ability of site option to deliver the services identified in the Council's vision for future swimming provision in Shrewsbury
- Site condition, ecological considerations and remediation costs
- Enhancing the public realm, stimulating economic regeneration, contributing to long-term social and community regeneration
- Revenue sustainability of the facility, ability to attract new users, potential to work alongside other leisure, educational, healthcare and community facilities and services in support of increased footfall and usage (co-location), scope for future development
- Energy sustainability
- Planning issues
- Infrastructure requirements including utilities
- Delivery complications and implications

This review will focus on the identification of a suitable town centre location rather than on the development of a full business appraisal and plan.

The implications of this review are that, pending its outcomes, the existing process described within the detailed Terms of Reference is stopped. Organisations that have already shown an interest in submitting full business plans for future swimming provision in Shrewsbury will be alerted.

It should also be noted that whilst the current process is stopped, the original decision on the preferred location is still in place, that being Shrewsbury Sports Village as confirmed by Cabinet in July and September 2016.

Once the review is concluded detailed recommendations on a preferred location, factoring in the original preferred location of Shrewsbury Sports Village will be brought back to Cabinet. Should a final preferred location be identified, a business plan will need to be subsequently developed to show that the preferred option is (1) deliverable, (2) affordable and sustainable, (3) meets the Council's vision and strategy for swimming provision, and (4) provides additional social, environmental and economic benefits. Further public consultation on the preferred approach is also likely to be required.

Ultimately, the decision on whether to go ahead with improved swimming provision in Shrewsbury will be taken in the light of Shropshire Council's financial strategy and Indoor Leisure Facilities Strategy. An assessment will need to be made on the

impact of any decision not just on the current cost to the Council of the Quarry facility but also in the context of wider social value considerations, the impact on the wider costs of the Shropshire Community Leisure Trust contract, and the long-term financial impact of investing in pool replacement.

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

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 update, Environment & Services Scrutiny, 30 November 2015

Shrewsbury Swimming Pool update, Environment & Services Scrutiny, 13 June 2016

New Swimming Pool for Shrewsbury, Cabinet, 13 July 2016

Future Swimming Provision in Shrewsbury, Cabinet, 28th September 2016

Scrutiny call in, Environment & Services Scrutiny, 28 October 2016

Indoor Leisure Facilities Strategy, Strategy, 2017 – 2022, Cabinet 21 June 2017

Cabinet Member:

Cllr Lezley Picton, Portfolio Holder for Culture and Leisure

Local Members:

Cllr Hannah Fraser, Cllr Alexander Phillips, Cllr Dean Carroll, Cllr Harry Taylor, Cllr Ted Clarke, Cllr Jane Mackenzie, Cllr Tony Parsons, Cllr Peter Adams, Cllr Alan Mosley, Cllr Peter Nutting, Cllr Ioan Jones, Cllr Nic Laurens, Cllr Pam Moseley, Cllr Julian Dean, Cllr Nat Green, Cllr Keith Roberts, Cllr Kevin Pardy, Cllr David Vasmer

Appendices: