

		Executive – 3 rd September 2008	Agenda Item No.
Title		Free Swimming Programme	
For further information about this report please contact		Rose Winship	
Service Area		Cultural Services	
Wards of the District directly affected		All	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006		No	
Date and meeting when issue was last considered and relevant minute number		N/A	
Background Papers		None	

Contrary to the policy framework:	No
Contrary to the budgetary framework:	Yes
Key Decision?	Yes
Included within the Forward Plan? (If yes include reference number)	No

Officer/Councillor Approval		
With regard to officer approval all reports <u>must</u> be approved by the report authors relevant director, Finance, Legal Services and the relevant Portfolio Holder(s).		
Officer Approval	Date	Name
Relevant Director	15 Aug 08	Mary Hawkins
Chief Executive	15 th Aug 08	
CMT		
Section 151 Officer	15 Aug 08	Mary Hawkins
Legal	15 Aug 08	Simon Best
Finance	15 th Aug 08	Mike Snow
Portfolio Holder(s)	15 th Aug 08	Chris White & Michael Doody
Consultation Undertaken		
Please insert details of any consultation undertaken with regard to this report.		
Final Decision?		No
Suggested next steps (if not final decision please set out below)		
A further decision will be required when the details are known on the level of subsidy being offered to support the free swimming programme for under 16's. It has been indicated that this information will be received by authorities in early October and a final decision will be required by 15 th October 2008.		
Should we choose to pursue the capital funding opportunities within this package, further discussion will be necessary to confirm details of the projects we choose to undertake.		

1. SUMMARY

- 1.1 The report outlines details of central government's initiative to provide free swimming for over 60's and under 16's which also includes a capital programme element to fund modernisation of pool facilities. The Government is keen to encourage local authorities to participate in the initiative, making swimming a more popular activity and a major contributor to achieving the target of getting 2 million more people active by 2012. The initiative will also help authorities achieve national indicators (including NI 8; NI 55; NI 56; NI 110 and NI 137).
- 1.2 This report outlines the financial implications of taking up the three elements of the offer and the key dates by which decisions need to be made. In addition to the financial considerations, there are also some operational and practical issues that will need to be addressed should we choose to be part of the scheme; reference is made to these in the report with some indications of how they could be addressed given the timescales involved.

2. RECOMMENDATIONS

- 2.1 Warwick District Council applies for funding to allow us to offer free swimming and swimming lessons to those aged 60 or over.
- 2.2 Warwick District Council applies for funding to allow us to offer free swimming to those aged under 16 years excluding free swimming lessons, making clear that we will only be able to accept this if there are additional funds to ensure there is no significant detrimental effect on the revenue budget.
- 2.3 Subject to meeting the eligibility criteria WDC makes an application for capital funding to allow the modernisation of the swimming pool changing areas at Newbold Comyn and Abbey Fields swimming pools.
- 2.4 The Head of Culture and Chief Finance Officer be given delegated authority to accept funding offers in consultation with the Culture and Corporate and Strategic Leadership Portfolio Holders, subject to there be no net significant ongoing impact on the Council's revenue budget.

3. REASONS FOR THE RECOMMENDATION

- 3.1 National participation in swimming activities has experienced a steady decline during the last decade as other sports have grown and the demands on peoples leisure time have diversified. This pattern has been reflected locally in Warwick district as swimming has declined in the same period.
- 3.2 Whilst the authority was rated as the 3rd most active in England and the 2nd most active in the West Midlands in 2007/08 (Sport England Active People Survey), there is a stated objective of increasing these figures in future years, with particular reference being made in the Corporate Strategy to increasing levels of participation in young people and older people. Participation in a high profile national campaign to get young and old people swimming regularly can only support these local objectives and demonstrate to local residents how important we consider an active lifestyle to be.

4. **ALTERNATIVE OPTION CONSIDERED**

- 4.1 The authority could chose not to apply for any or some of the elements of the national initiative and continue to apply fees and charges as agreed annually by members. The opportunity to raise the profile of swimming as a good form of exercise would be lost, as would the potential to obtain capital funding to improve our leisure facilities.
- 4.2 The authority could choose not to make over 60's lessons free and so not forgo an estimated £5,600 of income at 09/10 prices.

5. **BUDGETARY FRAMEWORK**

- 5.1 In summary the Governments proposal is to give the Council money to make free swimming for the over 60's cost neutral. Should the Council apply for this then it is eligible for a share of money which it would appear would only partially offset the cost of giving free swimming to the under 16's. Only if the Council agrees to accept both of the funds above and introduces free swimming for both over 60's and under 16's can it access any of the £60 million available nationally for capital. However although it would get an automatic share of £10 million in 08/09, it is not at all certain that we would be successful in any bids for the remaining £50 million in 09/10 an 10/11. The position regarding additional costs is set out in Para 7.3.1.
- 5.2 The revenue financial effects at 09/10 prices, assuming a 4% increase in fees, are as follows:-

Over 60's

	Income Lost £'000	Government Grant £'000	Net cost £'000	Council Tax effect (p)	C Tax (%)
Admissions	38.2				
Lessons	5.6			11	0.08
TOTAL	43.8	40.2	3.6	7	0.05

Under 16's

	Income Lost £'000	Government Grant £'000	Net cost £'000	Council Tax effect (p)	CTax (%)
Admissions (est)	106				
Lessons	Not proposed				
TOTAL	106	59 (Minimum – see Para 7.2.3	47 and possibly less	90	0.65

- 5.3 In summary, there is a negligible effect on the Council accepting the offer of funds for free swimming for over 60's. However the annual loss of extending this to under16's would indicate a loss of up to £47,000 per year only offset by guaranteed one-off capital grant of £26,000, with the potential for more depending on the outcome of our bids. It would appear that free swimming for the under 16's will only be financially viable given the councils financial situation if other authorities do not

proceed with the offer and the Council can access more of the £25million pot available. This will not be known until allocations are announced at the beginning of October. There is no clarity about continuation of funding and the Council could find itself in the position of having to re-introduce charges if funding is not continued, given the overall financial situation.

6. **POLICY FRAMEWORK**

- 6.1 Participation in the national initiative will support many priorities contained in the Corporate Strategy including increased involvement by older people and younger people and, ensuring culture caters for the whole community. It also supports the Sustainable Community Strategy which has a stated aim of creating opportunities for everyone to participate in sport, the arts and cultural activities; where everyone is able to enjoy a healthy lifestyle and sense of well being.

7. **BACKGROUND**

7.1 **Over 60's**

- 7.1.1 £15 million is available nationally and will be allocated on a formula based on the size of the local over 60's population. The funding will apply to financial years 2009/10 and 2010/11. Expressions of Interest must be submitted by 15th September, 2008.
- 7.1.2 The scheme is aimed at allowing over 60's to swim at any time of the year when they would normally be admitted to the pool for public swimming and in accordance with local programming.
- 7.1.3 Further funding in 2011/12 and subsequent years will be subject to outcomes of the next Spending Review. Evidence from 2009/10 and 2010/11 will be used to inform future funding arrangements. There is no clarity about continuation of funding and the Council could find itself in the position of having to re-introduce charges if funding is not continued, given the overall financial situation.
- 7.1.4 The WDC allocation(of the 15 million) for over 60's is **£40,202**. This compares to current income (2008/09) from over 60's in WDC pools of approximately :
- | | |
|--------------------------------|----------------|
| Senior casual swimming | £24,100 |
| Senior DD swimming memberships | £12,600 |
| Senior lessons | <u>£5,400</u> |
| Total | <u>£42,100</u> |
- Projected income 2009/10 is £43,800 assuming a 4% increase
- 7.1.5 The Council could decide to exclude swimming lessons from charges, but it is felt that, at least for first year, these should be free to encourage attendance.

7.2 **Under 16's**

- 7.2.1 £25 million is available nationally. Allocations will be determined subject to expressions of interest by authorities who have also applied for funding to support over 60's. Funding is available for 2009/2010 and 2010/11 further funding for subject to the outcome of the next Spending Review, and the same comments

made in paragraph 7.1.3 above apply. Expressions of interest are required by 15th September 2008.

- 7.2.2 We currently only have information on under **18s** in WDC pools. For 2008/09 this is approximately:

Junior casual swimming	£107,400
Junior lessons	<u>£170,000</u>
Total	<u>£277,400</u>

Projected income 2009/10 is £288,500 assuming a 4% increase.

- 7.2.3 The 2006 population figures indicate WDC has 22,900 children of 0 -15 years, against a national population of 9.67 million indicating a grant of about £59,000. If we assume that 95% of junior swimmers are under 16 this would indicate £106,000 of potential income in 2009/10. Given the level of income from junior swimming lessons there is no way the Council could afford to make these free.
- 7.2.4 It appears the Government will allocate the £25 million just to those councils who express an interest, there is a possibility that the shortfall would be reduced. Hence it is recommended that an expression of Interest is made, highlighted the financial problem and making it clear that additional resources are required for the Council to take up this offer.
- 7.2.5 Government aim to provide details of prospective allocations by 30th September 2008; authorities will then be asked to confirm by 15th Oct 2008 that they wish to participate in this part of the offer

7.3 **General**

- 7.3.1 The Pool Managers advise that there is generally sufficient spare capacity for new swimmers who might be expected to take advantage of this offer. The only additional capacity that might be required could be for "Splosh" sessions. However, it is anticipated that some additional adult income would be generated by new child attendees, so overall the additional costs might be expected to be covered from additional adult income

7.4 **Capital Programme**

- 7.4.1 £60 million capital is available for projects designed to modernise pool provision which is integrated with providing free swimming on the 2 projects above.
- 7.4.2 £10 million will be available in 2008/09 to those authorities signing up **for both** the above schemes. Authorities will receive pro-rata population based share of the £10 million in 2008/09 and may submit bids for the remaining funding from 2009/10 onwards. Sport England will assess bids in the first instance and will publish a prospectus for bids for funding from 2009/10 onwards.
- 7.4.3 Based on the data used for the grant settlement WDC's total population for 2008/09 is 137,137 with a total English population of 51 million, which would give WDC £26,000 on a pro-rata basis of the £10 million. If WDC were to get some of the remaining £50 million on a pro-rata basis this would be a further £130,000. However, as this will be based on bids many of which can be expected to be multi-million pound bids where authorities have pools much older than ours, it is by no

means certain that we could access any of this additional capital resource, although we have a good case.

- 7.4.4 With the oldest pool in the district being built 25 years ago (St Nicholas Park pool) the authority is in the fortunate position of not having the very old pools of some authorities. However, customer expectations have significantly increased in recent years with the growth of the private sector swimming pools and customers now expect higher standards of changing and ancillary facilities. The capital element of the national initiative could allow us secure capital funding to address these issues at a time when there is little prospect of the authority having its own capital resources. At this early stage and without details of the projects it is not possible to estimate the cost of the improvements to changing areas at Newbold and Abbey Fields