

DECISION ITEM

REPORT OF	MEETING	DATE	ITEM NO
HEAD OF CORPORATE SERVICES	EXECUTIVE COMMITTEE	25 APRIL 2024	15

ST ANNES POOL – SPORT ENGLAND FUNDING AND CAPITAL WORKS

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

RELEVANT LEAD MEMBER
This item is within the remit of Lead Member for Tourism, Leisure, and Culture (Councillor Jayne Nixon).

PURPOSE OF THE REPORT
<p>To provide details of capital work required to the plant & equipment at St Annes pool including the use of the grant of £220,000 capital funding from the Sport England Swimming Pool Support Fund for the St Annes Pool.</p> <p>To provide the latest position regarding surveys and investigations on the building and infrastructure at St Annes pool identified from a condition survey as well as test and assessment of the condensation and humidity experienced over recent months.</p> <p>To outline the process and resource implications of the procurement process for the operation of the pool and leisure facility from August 2025.</p> <p>To highlight the current strategic high-risk status of St Annes pool and the actions required to mitigate the risk.</p>

RECOVERABILITY
This decision is recoverable under section 7 of part 3 of the constitution.

RECOMMENDATIONS
<ol style="list-style-type: none"> That the Executive Committee note the current risk status of the St Annes pool infrastructure and equipment. That the sum of £220,000 from the Sport England Swimming Pool Fund is drawn down from the capital programme to deliver the works to fund the solar panels and replacement boiler system. To note that the Major Repairs Reserve held by the YMCA (latest balance £76,249) will be used to fund the cost of work to the roof of the pool in preparation for the solar panels and any electrical upgrade required to accommodate the boiler and the panels. That a programme of work for St Annes pool facility is developed based on the findings from reports, surveys, and investigations and brought before the Executive Committee for approval. That the committee note the decision made by the Chief Executive, in consultation with the Lead Member for Tourism, Leisure and Culture, and the Leader of the Council, to use urgent delegated powers to approve £23,200 for the services of the leisure consultant to support the procurement process for the operation of St Annes pool from August 2025, fully funded from the unspent COVID support grant budget.

REPORT

BACKGROUND

1. The St Annes pool facility was constructed in 1986 during a period in local government when public swimming facilities were being constructed nationwide. The operational life expectancy of the facility based on the construction and materials was 25 years (as per warranty from construction standards) the pool has operated for 38 years.
2. From 1986 through to 2010 the council operated the facility employing a team of staff as well as leisure management responsible for the St Annes pool and Kirkham pool. In response to financial challenges in 2009, and following a competitive tendering exercise, YMCA was commissioned to operate the St Annes facility under a contract with the council retaining ownership of the asset. Included in the agreement, YMCA are required to make annual contributions into a Major Repairs Reserve for maintenance and major repairs.
3. Under the terms of the contract, responsibility for maintenance and management of the plant and equipment was principally the YMCA'S however, if the cost of replacement was over £5,000 then this was classed as a major repair which was funded from the YMCA'S Major Repairs Reserve budget. If at the end of any financial year, there was an excess of expenditure the YMCA could seek a further subsidy from the Council that would be offset against surpluses from previous years.
4. The facility has already exceeded the operational life expectancy by 12 years and the need for investment has been highlighted in recent months with issues relating to condensation, ventilation, roof damage, and other operational factors, the issues experienced in the operational areas of the facility resulted in limited closure of the pool on several occasions.
5. Urgent work required to the pool plant and equipment because of condensation and associated electrical faults as well as system management has been carried out and funded from the Major Repairs Reserve budget for maintenance and repair. The budget is also being used to address the condensation in the operational environment with the introduction of humidifiers whilst further assessment of the heating and ventilation systems are carried out.
6. The boiler is energy inefficient, outdated, and not fit for purpose, this had a significant impact when the energy cost increased, the need for a replacement was highlighted. In response to this a bid for grant funding was submitted to Sport England Swimming Pool Fund to replace the boiler and fund energy efficiency measures.
7. Over the last few months, the council has commissioned surveys, investigations, and inspections to establish the condition of the building and the internal fixtures, systems, and facilities, to identify the works required to address immediate issues regarding condensation, ventilation, roof damage, and humidity as well as all works necessary to maintain the asset and extend the operational life. The information from the surveys and inspections will also be used to inform the development of a longer-term works programme.
8. In response to the issues that have been identified to date the potential impact on the facility and the services provided are significant, it has been necessary to record this on the strategic risk register with associated actions to mitigate the risk. The recommendations included in this report are actions that will mitigate the risk to the asset and the service. Members are asked to note the current risk status of the St Annes pool infrastructure and equipment.
9. In June 2023 the Government announced a Swimming Pool Support Fund (SPSF) of £60 million to support public leisure facilities with swimming pools, it was split into two phases.
 - Phase I – Revenue £20m was made available to support facilities with swimming pools with increased cost pressures.
 - Phase II – Capital £40m was made available for capital investment to improve energy efficiency of public facilities with pools in the medium to long term.
10. Fylde Council applied for both Phase I and II and have been successfully awarded funds from both schemes. The funding has been awarded to St Annes Pool because it was the only council owned facility that was operational at the time grant was available. Fylde's SPSF grants are:
 - Phase I – Revenue – an application for £59,189 was submitted and awarded in full in September 2023.

- Phase II – Capital – an application for £660,000 was submitted and £220,000 awarded in February 2024.
11. The Phase II bid included energy efficient interventions but given the demand on the grant only two interventions in the application submitted by Fylde were approved. A grant of £220,000 was awarded for: the photo voltaic (PV) panels (solar panels) for £110,000, and the replacement of the boiler system for £110,000.
 12. At the Executive Committee meeting on March 5th, 2024, the fully funded sum of £220,000 was included in the capital programme. The report included full details of the grant including the list of works in the £660,000 bid.

ST ANNES POOL CONDITION SURVEYS

13. In December 2023 there was a report from YMCA who operate St Annes pool regarding issues with ceiling damage, roof leaks, condensation, and the electrics, there was a significant risk of the facility having to be closed for a period. After inspection and remedial work, the facility was able to operate reduced hours for a period and immediate works were carried out to rectify the issue. However, it was clear that there are works required to the building infrastructure to prevent further damage or risk that the premises cannot remain operational.
14. Several surveys and investigations have been commissioned to identify the full list of works required to extend the operational life of the facility. Mechanical and electrical surveys are being carried out on the plant and equipment required to operate the facility for public swimming, a dry side gym, and café offer. A building condition survey is being carried out to determine all work required to the infrastructure including brick work, roof, windows etc. The list of condition surveys and assessment work is included in Table 1 below.

Table 1: Condition Surveys and Assessment for St Annes Pool

Survey / Assessment	Current Timescale	Comments
Building Condition report.	Complete by April 15 th	Most work completed, awaiting condensation risk assessment to include in report. The requirements from the report will be costed and included in a programme of works.
Mechanical work	Works package has been detailed up and priced.	Already priced including fees The SPSF elements are included in the scope of the Mechanical work.
Electrical survey	Discussing scheduling in the electrical test with Blackpool Council in the next 2 -3 weeks	Blackpool Council have recommended a full electrical test of the pool. We need to ensure the electrics can deal with new mechanical installation and comply with current legislation. The electrical work needs to be costed for the report.
Interior refurbishment	To be completed May 24	The work needs to be detailed and priced up.

15. The YMCA hold a Major Repairs Reserve into which they contribute £15,000 per annum under the terms of the agreement with the council. Any urgent work identified through surveys or on-site response to incidents has been carried out and funded from this reserve and the general maintenance and repair budgets held by the council. YMCA confirmed that the reserve should be used to fund identified works for plant and equipment, after the cost of immediate work funded from the reserve there is a balance of £76,249 available for further capital works. Appendix 1 includes a list of the immediate work that has already been undertaken from the Major Repairs Reserve held by YMCA and the maintenance and repair budget retained by Fylde.
16. The work completed to date indicates that the structure of the building is 'sound' however, remedial work is required and a full programme of works over a planned period will need to be agreed to extend the operational life of the facility as well as support the tender process to secure an operator for the facility from August 2025.
17. The list in Appendix 3 includes the works relevant to the criteria for the Swimming Pool Support Fund Phase II capital grants related to energy efficiency and sustainability which were submitted in the bid. Appendix 3 is a list of the works submitted for the SPSF which totalled £660,000, an award was made for the photo voltaic (PV) panels (solar panels) for £110,000, and the replacement of the boiler system for £110,000. The remainder of

the work listed on Appendix 3 that was not included in the bid did not meet the SPSF criteria will be included in the programme of works developed from the findings of the reports included in Table 1.

18. Based on the works identified when submitting the SPSF bid and the emerging outcomes from the work included in Table 1, capital investment will be required at St Annes pool over the next few years, with some works expected to be required in the current financial year, that at present are not budgeted for and there are no current grant opportunities available. A further report will be presented to the committee, in May and / or June with details of a work programme that will include estimated cost and a delivery timeframe.
19. The grant secured from the SPSF has to be spent in the current financial year. The work to replace the boiler and install the solar panels will be commissioned alongside remedial work to the roof where the solar panels will be located, and any identified electrical work required to accommodate the boiler and the panels. The committee is asked to approve the draw down of the £220,000 grant funding that was added to the capital programme for the solar panels and boiler system. Work required to the roof and any electrical work that may be required to facilitate the SPSF schemes will be funded from the Major Repairs Reserve budget held by the YMCA.

ST ANNES POOL PROCUREMENT TO OPERATE THE FACILITY

20. Investment in the facility will be essential to attract potential operators at a competitive price but will also demonstrate the commitment by the council in the building infrastructure that will be significant to interested bidders and the quality of tenders submitted.
21. In 2010 when the YMCA took on the operation of the facilities in St Annes and Kirkham staff employed by Fylde Council were transferred to YMCA. The skill set, knowledge, and experience of operating pool and leisure facilities was not required for the client monitoring function, the council did not retain any leisure facility operational employees. The procurement process necessary to obtain tenders for the operation of St Annes pool from August 2025 requires advice and support from a leisure operations specialist.
22. The timeframe to carry out the tender process is at least six months and could be longer dependent on the procurement process selected. It has been necessary for the council to secure the services of a specialist leisure consultant to support and advise on the procurement process to tender for the operation of St Annes pool from August 2025.
23. Obtaining the widest range of suitable potential operators and ensuring that the specification and terms properly reflect the council's needs and aspirations requires in depth and detailed understanding and knowledge of pool and leisure operations. The council must therefore ensure that the long-term (minimum 10-year) arrangement to operate the facility is commissioned with the appropriate support. The commission for specialist support was tendered in February / March this year with the successful bid awarded at a cost of £23,200.
24. Members are asked to note the decision made by the Chief Executive, in consultation with the Lead Member and Leader of the Council, under delegated powers to approve £23,200 for the services of the leisure consultant. This will provide the necessary support to the procurement process for the operation of St Annes pool from August 2025, fully funded from the unspent COVID support grant budget.

FINANCE

25. The pool will require ongoing investment to maintain the life of the asset, this will be profiled in a revised works programme based on the findings from the works included in Table 1 to this report.

NEXT STEPS

26. The council's Strategic Risk Register will be reported to and reviewed by the Audit and Governance Committee, it identifies the condition of the building and the pool management system as a key strategic risk that officers will continue to monitor.
27. The findings from the survey work included in Table 1 to the report will be used to compile a programme of costed works required to extend the operational life of the pool facility. A report will be brought before the committee to consider the programme.
28. The SPSF grant work will be commissioned alongside any necessary roofing and electrical work to facilitate the installation of solar panels and replacement of the boiler system.

29. The tender process to procure the operator of the pool for a minimum of 10 years from August 2025 will continue with the support of the consultant. A decision on the award of the tender will be presented to the Executive Committee.

CORPORATE PRIORITIES	
Economy – To create a vibrant and healthy economy	✓
Environment – To deliver services customers expect	✓
Efficiency – By spending money in the most efficient way	✓
Tourism – To create a great place to live and visit	✓

IMPLICATIONS	
Finance	The report requests approval of the drawdown of £220,000 in 2024/25 from the capital programme to deliver the works of the solar panels and replacement boiler system fully funded from the Sport England Swimming Pool Fund, and to note that a further report will be presented to the committee at a future date with details of a work programme for further maintenance work at St Annes Pool which will include estimated costs and a delivery timeframe. The report also asks the committee to note the decision made by the Chief Executive, in consultation with the Lead Member for Tourism, Leisure and Culture, and the Leader of the Council, to use urgent delegated powers to approve £23,200 for the services of the leisure consultant to support the procurement process for the operation of St Annes pool from August 2025, fully funded from the unspent COVID support grant budget.
Legal	There are no legal implications arising from the report.
Community Safety	There are no community safety implications arising from the report.
Human Rights and Equalities	There are no human rights or equalities implications arising from the report.
Sustainability and Environmental Impact	There are no sustainability or environmental impact implications arising from the report.
Health & Safety and Risk Management	The condition of the building and the pool management system presents a current risk to the on-going operation of the facility. This is identified as a strategic risk facing the council and a part of the control measures in place is keeping lead members informed of the associated challenges related to this.

SUMMARY OF PREVIOUS DECISIONS
<p>Executive Committee March 5th, 2024.</p> <p>It was RESOLVED.</p> <ol style="list-style-type: none"> 1. That the Executive Committee approve the receipt of £220,000 from the Swimming Pool Support Fund for the installation of solar panels and a replacement boiler system with the commitment that the asset will have at least a 10-year life in accordance with the grant offer; and 2. That a new scheme to the value of £220,000 is included in the capital programme for 2024/25 entitled “Swimming Pool Support Fund – St Anne’s Pool”, fully funded from the grant. <p>Agreement with YMCA to operate St Annes Pool -</p>

Cabinet decision from 28 April 2010 regarding the awarding of the tender to YMCA for the operation of St Annes Pool.

“RESOLVED –

- 1) To note the outcome of the tender evaluation exercise and accept the YMCA as the preferred bidder to operate the pool.
- 2) To appoint the YMCA on the basis of their bid for a 12-year management agreement with lease subject to the heads of terms and costs as detailed in the report.
- 3) To agree a revised revenue budget of £148,785 to operate the pool in 2010/11 (as set out in section 8 of the report) funded by the revenue estimate of £119,000 agreed by Budget Council along with a fully funded addition to the revenue budget of £30,000 of unallocated area-based grant.
- 4) To approve the Capital scheme for the refurbishment and reopening of St Annes pool at the level of £322,000 as detailed in section 8 and appendix 1 of the report.
- 5) To approve the retention and earmarking of the remaining £153,000 of capital to help contribute towards the cost of meeting future replacement/refurbishment needs and liabilities.”

Swimming Pool Support Fund – Addition to capital programme: March 5th, 2024

BACKGROUND PAPERS REVELANT TO THIS ITEM

Name of document	Date	Where available for inspection
Swimming Pool Support Funding from Sports England.	June 2023	https://www.sportengland.org/guidance-and-support/facilities-and-planning/swimming-pool-support-fund
Strategic Risk Register	February 2023	Audit and Governance Committee papers, 1 st February 2023 meeting

LEAD AUTHOR	CONTACT DETAILS	DATE
Gemma Broadley	Gemma.broadley@fylde.gov.uk & Tel 01253 658513	14.04.2024

Appendix 1 – List of the Immediate Works Completed

Appendix 2 – Mechanical Works Package

Appendix 3 – The Swimming Pool Support Fund Capital Works Bid

Appendix 1 - Plant & Equipment work carried out at St Annes Pool

Historical works	
Plant room ventilation	1500
Remedial works to gas train	2500
Co2 PH Correction equipment	1000
PAC System	1000
Reception ventilation system	25000
Water heater	15000
Spray foam insulation	5666
Total	51666

YMCA Major repairs	
New pump St Annes YMCA	4,540
Chemical Dosing Controller and chemical batching unit, replace Pool circulation pumps	19,952
New pool cover	24,980
Total	49,472

Emergency works Nov 23 onwards	Cost
Retrofit cavity trays, remove copings and insert cavity wall insulation approx.	1,495
Inspect swimming pool areas of extreme condensation.	180
Please attend to roof leak on swimming pool rooflight.	160
Sealing works above suspended ceiling tiles.	580
Electrical visual inspection	120
Canopy wall on roof - Seal copings to wall and waterproof	196
Dehumidifier hire for swimming pool 01 Feb to 29 Feb	970
Dehumidifier hire for swimming pool Dec 15 to Jan 2	1,619
Swimming pool brickwork cavity inspection Estimate	98
Total	5,418

Work In Progress	
Full Electrical Test	3,500
Building Condition Survey	5,000
Dehumidifier hire a month £768 6m £4.5k approx.	4,500
Roof and outside repairs and maintenance estimated	12,000
Total	25,000

Appendix 2 - List of all Plant & Equipment Work Identified

Outstanding Works	Cost
Overflow Channel Gratings	£15,000
Reinstate Pool Water Automatic Make Up	£5,000
Pool Water Circulation Pump	£9,000
Back-wash Compressor	£7,500
Pool Pipe Work Valves	£15,000
Variable Speed Pool Pump Inverters	£7,500
Variable Speed Filtration	£15,000
Pool Filter Media Change/Access	£45,000
Pool Tank Clean and Re-grout	£20,000
Plant Room Insulation of Filters and HX	£10,000
Balance Tank Clean and Inspection	£6,000
Reception Ventilation and Air Conditioning	£10,000
Gym Ventilation and Air Conditioning	£15,000
Strip out Redundant Equipment	£10,000
Control Panel C/W Field Equipment	£90,000
Changing Room Air Handling Unit Replacement	£45,000
Pool Hall Air Handling Unit Replacement	£100,000
Duct Cleaning	£15,000
Total	£440,000

Appendix 3 – The Swimming Pool Support Fund Capital Works Bid

<u>Estimated cost of capital intervention</u>	Material costs and labour costs <i>Please enter as the nearest positive whole number with no text or symbols</i>	Directly Associated professional and technical costs <i>Please enter as the nearest positive whole number with no text or symbols</i>
Photo Voltaic (PV) panels	100,000	10,000
Pool Covers	3,000	300
Replace Fluorescent Lighting with LED Lighting	22,000	2,200
Install Combined heat and power (CHP) system;		
Replace gas boilers > 20 years old with new	100,000	10,000
Install additional metering and monitoring software		
Upgrade pool hall windows to triple glazing	20,000	2,000
Heat recovery to air handling units		
Variable speed pumps	5,000	500
Variable speed fans	10,000	1,000
Variable speed filtration	30,000	3,000
Plant room insulation	10,000	1,000
Shower flow restrictors		
Thermostatic radiator valves		
Power factor correction	20,000	2,000
Micro-filtration	220,000	22,000
Other 1 (not on menu of options)	30,000	3,000
Other 2 (not on menu of options)	30,000	3,000
Other 3 (not on menu of options)	5,000	500
Total	605,000	60,500
Total estimated cost of capital intervention	665,500	