

Report to the Cabinet

Report reference: C-040-2008/09
Date of meeting: 1 September 2008



Portfolio: Leisure and Young People

Subject: Free swimming for the over 60s and under 16s

Responsible Officer: John Gilbert (01992-564062)
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Democratic Services Officer: Gary Woodhall (01992-564470)

Recommendations/Decisions Required:

- (1) To consider whether to participate in the Department of Culture, Media and Sport's initiative to provide free swimming to those over the age of 60 and the appropriate funding arrangements between the Council and Sports & Leisure Management Ltd (SLM); and**
- (2) Subject to recommendation (1) to inform the Department of Culture, Media and Sport that the Council is interested in the provision of free swimming to those under the age of 16 subject to an assessment of the grant available and financial risk to the Council**

Executive Summary:

The Government is seeking to promote free swimming for those who are over 60 or under 16 years of age. The Government is making funding available for the financial years 2009/10 and 2010/11, split into separate tranches for the over 60s and the under 16s. The funding for the over 60s for this Council is £38,950 ring fenced for this initiative. The funding for the under 16s will only be notified once the level of interest has been determined and will only be available if the funding for the over 60s is accepted. The Council is required to notify the Department of Culture, Media and Sport by 15 September 2008 of:

- (a) its intention to provide free swimming for the over 60s; and
- (b) its interest in providing the same for the under 16s.

There are three pools within the District, which are managed on the Council's behalf by SLM. Officers have discussed the financial consequences of this initiative with SLM who have provided some indicative details of income foregone, which would suggest that the costs could be covered by the grant being offered. The situation with the under 16s is more complex and because of current participation levels, there are concerns that the potential level of grant will not be adequate to meet the income foregone.

The provision of free swimming to these age groups will assist the Council to make a contribution in respect of national performance indicators:

- (a) NI8 - Adult participation in sport;

- (b) NI55 - Reduction of obesity in reception year children;
- (c) NI56 - Reduction of obesity in year 6 children;
- (d) NI110 - Young people's participation in positive activities; and
- (e) NI137 - Healthy life expectancy at age 65.

This is a key decision.

Reasons for Proposed Decision:

If participation is agreed to be able to respond to the Government by the deadline set of 15 September 2008

Other Options for Action:

Since the two initiative are linked, the only options are:

- (i) to reject both initiatives (i.e. free swimming for both the over 60s and under 16s); or
- (ii) to agree to free swimming for the over 60s but reject the initiative for the under 16s before knowing the level of financial support which will be available.

Report:

1. In mid July the Secretary of State for Culture, Media and Sport (DCMS) announced Government's intention to make money available to local authorities to facilitate the provision of free swimming to those over the age of 60 or under the age of 16. This initiative is part of the Government's plans to boost health and fitness and to ensure a lasting sporting legacy from the London 2012 Olympic and Paralympic games. The funding package forms part of a much wider Government initiative on health and fitness.

2. The initiative requires that local authorities commit themselves to the provision of free public swimming for its residents over the age of 60 in return for ring fenced funding, in this Council's case, of £38,950 for each of the years 2009/10 and 2010/11. In respect of those under the age of 16, Councils are only required at this stage to express an interest, with the final funding available being notified at a later date. There is no commitment at this time. We have to inform the DCMS of the Council's intention by 15 September 2008.

3. There are three public swimming pools within the District (Waltham Abbey, Loughton and Ongar) all of which are operated on the Council's behalf by SLM. The free swimming only applies to existing "public sessions" where the public can simply pay to swim. Sessions for swimming training etc are not affected. The Council does have some free (or reduced cost) swimming already, through half price concessions for those over 60, certain centre memberships which include free swimming as part of a package and/or through "New Horizons" where swimming is available at a reduced rate for those over the age of 50.

4. Officers have been in discussion with SLM to determine the potential financial effects of entering into this initiative. Full details are set out in the resource paragraphs below, but in respect of free swimming for those over the age of 60 the ring fenced grant being made available falls with the range of potential income foregone. There can be no absolute certainty over income foregone due to the effects of:

- (a) existing membership packages and concessions;

- (b) creating demand from new users who are not currently swimming; and
- (c) cross border participation (i.e. users of our facilities from outside of the District).

With respect to (c) the current guidance provides no information on how this should be approached, since potential income foregone would be reduced if, for example, the scheme were limited to residents of the District only.

5. Given the clear direction being given by Government in respect of this initiative, it is very likely that residents will have an expectation that the Council will make available free swimming for the over 60s from April next year. In a preliminary response from SLM, they have indicated a wish to participate in the initiative and have suggested two ways in which this could be achieved:

- (a) through the Council passing over the totality of the grant with SLM accepting the risk of this being insufficient; or
- (b) through a payment process where the Council meets SLM's identified and audited costs of income foregone.

In both instances there will need to be extensive monitoring since the conditions attached to the grant enable the Government to seek a wide range of data to support the grant being provided. This will require a formal legal agreement to ensure that these conditions can be met with SLM accepting responsibility for meeting Government requirements, including repayment of and carry forward of moneys if required.

6. However, despite this probable expectation, there are concerns that the Government is not targeting available moneys in the best possible way. As stated above, the over 60s already have access to subsidised swimming and it is difficult to determine whether this initiative will actually encourage more swimmers to start swimming or simply provide additional free swimming to those who are already active. Therefore, in some respects it would have been desirable to allow local authorities to exercise a degree of discretion as to where to target the grant. If it were possible to focus on the lower age groups it would probably have had a greater long-term benefit in terms of encouraging regular participation and combating childhood obesity.

7. The grant in relation to the under 16s is only available to authorities who commit to the over 60s package. Whilst the funding for the under 16 component of this initiative is not yet known, given that at this stage there is no commitment, should the over 60s package be accepted there seems no reason not to express an interest to Government. The Council will then be notified of the grant to be made available by 30 September 2008 and it has then to make its decision by 30 October 2008.

Resource Implications:

Based upon 2007/08 participation records (23,350 users) the potential costs for the over 60s are as follows:

Year	Estimated cost	Govt. grant	Potential shortfall
2009/10	£46,317	£38,950	£7,367
2010/11	£48,355	£38,950	£9,405

As set out in paragraph 5 above, SLM have indicated a willingness to bear the risk of this potential loss.

The potential income loss in respect of the under 16s is more significant, there being around 51,330 swims in 2007/08, resulting in:

Year	Estimated cost	Govt. grant	Potential shortfall
2009/10	£83,242	Unknown	Unknown
2010/11	£86,908	Unknown	Unknown

Although the Government's national allocation for the under 16s is significantly larger than for the over 60s, it cannot be assumed that it will be sufficient to cover these levels of potential costs.

In the event that usage is lower than the projections set out above, and the full grant is not utilised in any one year, it will be possible to carry forward up to 25% of unused grant to the following year, including 2011/12 when the grant may have ceased.

At this stage Government are not indicating what will happen from 2012 onwards, when the two years of funding ceases. In the event that funding did not continue the Council would be faced with either meeting the continued costs of the initiatives either directly or through contractual negotiations or bring the free swimming to an end. The latter would clearly have public relation implications.

Legal and Governance Implications:

The Council does not have to commit to either scheme. However, if it does commit then the authority must account for the expenditure of the grant monies in the full annual accounts by means of a note to the accounts that would be available for inspection by the Secretary of State. The Council will need to provide to the Secretary of State a report setting out progress on the participation in the free swimming programme and any other such information that is required to monitor the projects.

There is some concern around the Secretary of State's ability to require an authority to return the grant if they supply incomplete or inaccurate information. The Secretary of State can ask for any information he considers relevant. This may include some information that SLM or we do not at present collect. There is a note that the scheme will have to be measured but no mention as to what indicators will be used

Safer, Cleaner and Greener Implications:

None.

Consultation Undertaken:

SLM – see information in report.

Other authorities who use as SLM as their provider – information to be provided at the meeting if received.

Background Papers:

DCMS letter to Chief Executive dated 29 July 2008.

Addendum letter to Chief Executive.

Impact Assessments:

There are potential reputational impacts depending on decisions made on this issue. There have been customers already asking about free swimming in the community and because of

the way the scheme has been publicised by the Government there is widespread knowledge and expectation.

Similarly, if the scheme has to cease at the cessation of funding, the Council's reputation could be brought into disrepute.