

Notice of KEY Executive Decision

Subject Heading:	Swimming Pool Support Fund - Acceptance of Grants
Decision Maker:	Barbara Nicholls – Strategic Director People
Cabinet Member:	Councillor Gillian Ford
ELT Lead:	Patrick Odling-Smee, Director of Living Well
Report Author and contact details:	Guy Selfe, 01708 433866, guy.selfe@havering.gov.uk
Policy context:	People – things that matter for residents
Financial summary:	A revenue grant award offer of £316,809 and a capital grant award offer of £700,000 have been made to the Council, with grant agreements having been signed.
Reason decision is Key	(a) Expenditure or saving (including anticipated income) of £500,000 or more
Date notice given of intended decision:	5 August 2024

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Relevant Overview & Scrutiny Committee:	Overview and Scrutiny Board
Is it an urgent decision?	Yes
Is this decision exempt from being called-in?	With permission of the Chairman of the Overview & Scrutiny Board, Call-in has been waived in order to meet the deadline and enter into the funding agreements.

The subject matter of this report deals with the following Council Objectives

People - Supporting our residents to stay safe and well X

Place - A great place to live, work and enjoy

Resources - Enabling a resident-focused and resilient Council

Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

To Note:

1. acceptance by the Council of :
 - a. a revenue grant of £316,809 for the delivery of Phase 1 of the Swimming Pool Support Fund; and
 - b. a capital grant of £700,000 for the delivery of Phase 2 of the Swimming Pool Support Fund.
2. To agree to enter into grant adherence agreements with Sports and Leisure Management Ltd. (SLM) relating to each grant.
3. Payment to SLM of the revenue grant.

AUTHORITY UNDER WHICH DECISION IS MADE

Scheme 3.3.3 Powers common to all Strategic Directors

1. General

1.1 To take any steps, and take any decisions, necessary for the proper management and administration of their allocated directorate, in accordance with applicable Council policies and procedures.

5. Grants

5.1 To apply for, accept and thereafter spend / allocate any grant funding connected with their directorate provided that any match funding or residual liabilities can be met from the existing budget of the directorate. For the avoidance of doubt this delegation shall allow the acceptance of any grant offered / allocated to the Council without any application.

5.2 Where any match funding or residual liabilities cannot be met from the existing budget of the directorate, the consent of the Strategic Director of Resources must be obtained but provided that shall only be entitled to authorise such match funding or residual liabilities up to a value of £1,000,000 and further provided that they can be met within the Council's budgetary framework.

STATEMENT OF THE REASONS FOR THE DECISION

Background

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1. The Government announced the Swimming Pool Support Fund (SPSF) to support swimming pool operators with the increased costs due to utility and chemical prices. The SPSF was set up to prevent the number of swimming pools that could end up being closed due to increasing costs to operate them.
2. There are two elements to the SPSF, a revenue fund of £20m to support costs incurred for utilities and chemicals in 2023/24, and a capital fund of £40m to make improvements to swimming pools that will reduce the ongoing revenue costs relating to utilities and chemicals.
3. The SPSF is administered by Sport England on behalf of the Government.

Phase 1 of the SPSF for revenue projects aims to assist swimming pools to remain open due to the pressure envisaged to the increased utility costs and the impact of the pandemic.

4. Phase II of the SPSF for capital projects aims to make improvements to the leisure centres that will assist in reducing ongoing revenue costs. This includes in particular improvements that will reduce utility costs as well as reducing pool chemical costs. The objectives of the Phase II funding are:
 - Reduce the energy consumption level of facilities in receipt of funding, compared to baseline, and support the leisure sector to transition to a position of environmental and financial sustainability.
 - Minimise the closure of swimming pool provision, where funding has been provided, to a site to prevent gaps in public leisure provision emerging.
 - Reduce the carbon output of facilities in receipt of funding, compared to baseline, in line with the government's Net Zero by 2050 objectives.
 - Prioritise support in those areas of greatest socio-economic need (as evidenced by IMD level), where all other factors are equal.

Current Situation

1. The Council's application to Phase I of the SPSF was partially successful with an offer of grant award of £316,809.
2. The Council was also successful with its Phase II capital fund application with an offer of grant award of £700,000 for Photo Voltaic (PV) panels at Central Park Leisure Centre. These will be subject to a planning application being submitted and approved.
3. The Terms and Conditions of the Phase 1 grant offer include the following:

'The Applicant may only use the Revenue Grant to directly fund items of Eligible Expenditure that are set out in the Approved Application. This includes Eligible Expenditure incurred between 1 April 2023 and 31 March 2024. To the extent that an Operator incurs the Eligible Expenditure then the Applicant must pay the relevant part of the Revenue Grant to the Operator rather than retaining it for itself, although the Applicant may retain the Revenue Grant to the extent

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needed to cover payments already made to the Operator specifically in respect of Eligible Expenditure incurred between 1 April 2023 and 31 March 2024.'

4. Given the Council has signed the grant funding agreements, the Council required SLM to sign a grant adherence agreement for both the revenue and capital, whereby they agree to meet the Terms and Conditions of each grant. As per the Terms and Conditions, the revenue amount of the grants, £316,809, has been paid to SLM after completion of the grant adherence agreement.
5. An application was made for Phase II of the SPSF and has been successful. An award of £700,000 has been made for Photo Voltaic (PV) panels at Central Park Leisure Centre. These will be subject to a planning application being submitted and approved.
6. The deadline for acceptance of both grants was 9 October 2023 (Revenue) and 16 February 2024 (capital) On that basis the agreements have already been signed in order that the funding was not lost, and relevant grant adherence agreements entered into with SLM. This report formally notes those decisions.
7. The capital scheme is being managed by the Council as client. Leisure Energy, who have the relevant expertise required have been appointed to advise the Council and assist with managing the project. The Council's procurement team is assisting with identification of the optimum route to market. This is likely to be a mini competition via a suitable framework as the timeline mandated for completion of the project under the grant conditions does not allow sufficient time for a full procurement. Once the best value procurement method has been identified a further report will request agreement from the Strategic Director of People to commence procurement of the works contract for the carport and photovoltaic panels

OTHER OPTIONS CONSIDERED AND REJECTED

1. Do nothing – this would result in no grant award being made from revenue and capital element of the Swimming Pool Support Fund. This has been rejected as an award of grant offer has been made and accepted for Phase 1 and Phase 2 of the Swimming Pool Support Fund.
2. Do not accept the offer of each grant award. This has been rejected as an award of grant offer has been made for Phase 1 and Phase 2 and accepted..
3. Not to have applied for both the revenue and capital elements of the Swimming Pool Support Fund. This has been rejected as by applying, there was the possibility of success that could lead to investment that would reduce ongoing utility and chemical costs for the Council's swimming pools.

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PRE-DECISION CONSULTATION

Once the outcome of the two grant applications were known, the Strategic Director Resources was consulted regarding the signing of the grant agreements.

NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER

Name: Guy Selfe

Designation: Head of Leisure and Culture

Signature:

Date:

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

Section 111 of the Local Government Act 1972 permits the Council to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions. The Council is acting in pursuit of its statutory powers, duties and functions and the recommendations in this report are within its powers.

The Council also has a general power of competence under Section 1 of the Localism Act 2011 to do anything an individual can do, subject to any statutory constraints on the Council's powers. None of the constraints on the Council's s.1 power are engaged by this decision.

The grant adherence agreements referred to in this report provide protection to the Council as they require that SLM adhere to the terms of the grant and thus do not place the Council in breach of the grant terms. SLM has signed each agreement.

It is the responsibility of the Council to comply with the relevant funding conditions under both Grant Agreements. Officers should ensure that they are aware of and comply with the terms and conditions of the Revenue and Capital Grant funding agreements.

FINANCIAL IMPLICATIONS AND RISKS

The grant award for Phase 1 has transferred and SLM has signed the grant adherence agreement following receipt of the funding by the Council from Sport England.

The Phase I (revenue) Grant Award was not conditional on any partnership funding.

The Phase 2 application (Capital) will require some match capital funding. The application for Central Park Leisure Centre includes car ports being installed, subject to planning. The Phase 2 funding would not support the car ports, but would support the PV panels that would sit on the car ports.

The funding for the car ports will be split 50/50 between the Council and SLM. The Council's contribution is proposed to be met from the existing 'lifecycle' capital already within the capital budget. The business case for the installation is strong as it will reduce the future possible revenue implications for the Council contained within the Leisure Management Contract.

The car ports are required so that the PV panels can be placed on top of them. There is not the roof space on the leisure centre to place them so this is an alternative to enable the cost savings and carbon reduction.

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HUMAN RESOURCES IMPLICATIONS AND RISKS (AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)

There are no human resource implications or risks.

EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS

The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have 'due regard' to:

- (i) The need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (ii) The need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;
- (iii) Foster good relations between those who have protected characteristics and those who do not.

Note: 'Protected characteristics' are age, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

The Council is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socio-economics and health determinants.

An EqHIA (Equality and Health Impact Assessment) is usually carried out and on this occasion this is not required.

The Council seeks to ensure equality, inclusion, and dignity for all in all situations.

There are not equalities and social inclusion implications and risks associated with this decision.

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HEALTH AND WELLBEING IMPLICATIONS AND RISKS

By accepting the grant awards it will ensure that swimming pools remain open and available for all, with the associated health benefits that swimming can contribute to. This relates to both physical health and also mental health and wellbeing. Moreover, the swimming pool also provides opportunities for social interaction and community cohesion.

There will also be benefits of swimming pools remaining open for employment, skills retention and economic development for residents and the Council. In addition, the skills taught at the swimming pool could be potentially life-saving.

ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS

There are no environmental and climate change implications from accepting the Phase 1 Revenue grant award.

The Phase II of the Swimming Pool Support Fund, will enable capital improvements designed to reduce consumption of utilities, thereby reducing the carbon footprint of a swimming pool in the borough.

BACKGROUND PAPERS

None

APPENDICES

None

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Part C – Record of decision

I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

Decision

Proposal agreed

Delete as applicable

Details of decision maker

Signed



Name: Barbara Nicholls

Cabinet Portfolio held:

CMT Member title:

Head of Service title

Other manager title:

Strategic Director of People

Date: 13 August 2024

Lodging this notice

The signed decision notice must be delivered to Committee Services, in the Town Hall.

For use by Committee Administration

This notice was lodged with me on _____

Signed _____

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