



FEASIBILITY STUDY FOR NEW LEISURE FACILITIES IN KESWICK



A REPORT

BY

FMG CONSULTING LTD

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Table of Contents

1.	Introduction	1
2.	Local Context – Outcomes	4
3.	Facility Performance - Insight.....	18
4.	Consultation - Insight.....	20
5.	Market Gap Analysis - Insight.....	25
6.	Facility Options - Interventions.....	31
7.	Site Options - Interventions.....	33
8.	Capital Costs - Interventions	38
9.	Business Plan - Interventions.....	39
10.	Summary	44

Appendices

Appendix A – National and Local Strategies

Appendix B – Market Gap Analysis

Appendix C – Capital Cost Estimates

Appendix D – Site Options Analysis

Appendix E – Business Plan - Option A

Basis of Information

It is not possible to guarantee the fulfilment of any estimates or forecasts contained within this report, although they have been conscientiously prepared on the basis of our research and information made available to us at the time of the study. Neither FMG as a company, nor the authors, will be held liable to any party for any direct or indirect losses, financial or otherwise, associated with any contents of this report. We have relied in a number of areas on information provided by the client and have not undertaken additional independent verification of this data.

1. Introduction

Introduction

- 1.1 Allerdale Borough Council ('the Council') has appointed FMG Consulting Ltd ('FMG') to conduct a feasibility study and an eventual outline business case for the development of new community leisure facilities in the town of Keswick, Cumbria.
- 1.2 This study builds upon strategic planning work undertaken by the Council over a number of years and includes the publication of the following reports:
 - Indoor Built Facilities Strategy October 2014
 - Playing Pitch and Outdoor Sports Strategy September 2021
- 1.3 In addition, the project has been informed by a recent public consultation exercise undertaken by Strategic Leisure Ltd (SLL) that culminated in the production of **The Need for Leisure Facilities in Keswick**, report in March 2022. The report included the findings of extensive consultation with residents and local stakeholders.
- 1.4 We have sought to test the robustness of the findings of the reports with further analysis, independent research and local discussions to ensure the recommendations set out in this report are well evidenced and are safe to implement. In this respect, we have drawn on the Strategic Outcomes and Planning Guidance (SOPG) issued by Sport England as the basis of our work¹. The framework of that approach is re-produced here for information.

Figure 1.1 – Shaping the Environment



¹ [Strategic outcomes planning and leisure services delivery | Sport England](#)

Leisure Provision within Keswick

- 1.5 The existing Keswick Pool closed as a result of the Covid-19 restrictions but has not re-opened. In order to access a public swimming pool, residents face a 20-30 minute journey time by car to the nearest alternative at Cockermouth. This journey time can be affected by the volume of traffic in and around the area particularly in the peak tourist months.
- 1.6 The Council recognise that there is local frustration that a local swimming facility has closed. It is now keen to understand how feasible it would be to provide a more appropriate local solution for residents as well as optimising on any potential revenues from the ever popular tourist market.
- 1.7 This report includes a performance benchmarking assessment of the current facility. This performance assessment, involving in depth discussions with the incumbent operator GLL and the site manager at Keswick Pool, have been used in to understand future need at the local level, and to inform the potential mix of facility options for inclusion in any future development.
- 1.8 In terms of potential locations for development, a total of six sites have been identified. In determining their suitability, discussions have taken place with planning officers at Lake District National Park (LDNP). Specialist sports architect, Pozzoni Architecture visited each site to undertake a site evaluation and assessment.
- 1.9 In evaluating the potential sites for development, conversations have taken place with officers at Allerdale Borough Council and with those involved in planning at LDNP.
- 1.10 Finally, to provide up to date estimates of capital costs, specialist support has been provided by Pozzoni Architects and Abacus Cost Management.

Making the Case for Investment

- 1.11 Investing in public sport and leisure services is an investment in ill-health prevention. Findings by Sheffield Hallam University show how physical activity plays an important role in preventing a number of serious physical and mental health conditions and provides the economy with £9.5 billion in value. The breadth and depth of the public leisure offer is significantly different to the private sector, which chooses not to operate and deliver public infrastructure such as large scale community swimming facilities.
- 1.12 There is no denying that the timing of this project has come at a time when local authorities are facing a perfect storm. Rising energy prices, inflation and national wage pressures are set to add unforeseen extra cost pressures onto Council budgets in the future. Increasing demand for statutory services like social care is adding to the burden.
- 1.13 The Council has a key role to play in the health and wellbeing of people who live in the area, particularly in relation to school swimming programmes, being the only provider of community accessible swimming facilities in the Borough. The Council recognise the linked agendas from providing leisure and sport services such as place making, promoting healthy lives, supporting wider investment including the sensitive nature of the national park, and the development and potential partnerships with health providers through co-location.

Structure of Report

1.14 To meet the Council's requirements for the study the remainder of this report is set out with the following headings and alignment to the stage of the SPOG shown as text in brackets:

- Section 2 Local Context (Outcomes)
- Section 3 Performance Benchmarking (Insight)
- Section 4 Findings from Consultation (Insight)
- Section 5 Market Gap Analysis (Insight)
- Section 6 Project Options (Interventions)
- Section 7 Capital Costs (Interventions)
- Section 8 Financial Implications (Interventions)
- Section 9. Key Risks (Interventions)
- Section 10. Summary and Conclusions

Contact

1.15 Any queries relating to this paper should be made to Kevin Godden, Managing Director, FMG Consulting Ltd on kevingodden@fmgconsulting.co.uk or 07710710847.

2. Local Context – Outcomes

Local Context

- 2.1 The following section sets out the characteristics of Allerdale and Keswick being the areas covered in this section include:
- Local Government Re-organisation
 - Policy Alignment
 - Population;
 - Market segmentation;
 - Health profile;
 - Consultation; and
 - Service performance (Pre and Post Covid).
- 2.2 This analysis helps to build an understanding of the local area and Council run services to inform local need and identify appropriate interventions that improve physical and mental wellbeing.

Borough of Allerdale

- 2.3 Allerdale is a non-metropolitan district of Cumbria, England. It was formed under the Local Government Act 1972, on 1 April 1974 by the merger of the municipal borough of Workington, the urban districts of Maryport, Cockermouth and Keswick; and the rural districts of Cockermouth and Wigton, all of which were within the administrative county of Cumberland. In 1995 Allerdale was granted borough status. It is a scenic district in West Cumbria, bordered by the Solway Firth and Irish Sea and the Cumbrian Mountains. The southeast part of the Borough is covered by the Lake District National Park.
- 2.4 The borough covers an area of 480 square miles and has a population of 96,100 in 2021 (ONS Census 2021) which has decreased 0.3% since 2011. Allerdale ranked 252nd for total population out of 309 local authority areas in England and is the third least densely populated of the North West's local authority areas.

Local Government Re-organisation

- 2.5 In July 2021, the Ministry of Housing, Communities and Local Government announced that in April 2023, Cumbria will be reorganised into two unitary authorities. Allerdale Borough Council is to be abolished and its functions transferred to a new authority,
- 2.6 The current six boroughs, city and district councils, along with Cumbria County Council, will be replaced by two new 'unitary' councils. In the area currently covered by Allerdale Borough Council, Carlisle City Council and Copeland Borough Council a new authority, Cumberland Council, will be created. A similar process will take place in the areas currently covered by Barrow Borough Council,

Eden District Council and South Lakeland District Council. The new council there will be called Westmorland and Furness.

Policy Alignment

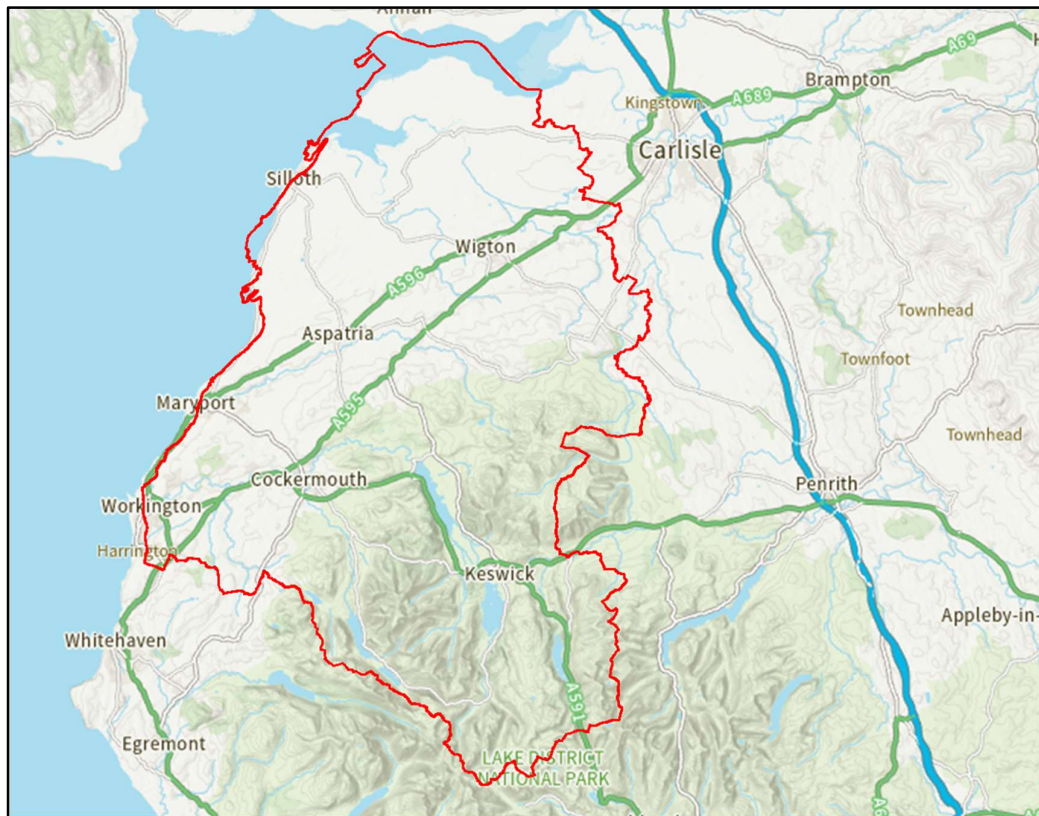
- 2.7 For context, we have included a number of national and local plans and strategies that provide background context for this piece of work and these are shown in Appendix A.

Population

- 2.8 Allerdale is predominantly rural in nature. In the north settlements are small and dispersed, whilst the south contains the larger urban centres. Approximately two thirds of the population live in seven towns - Workington, Keswick, Cockermouth, Maryport, Wigton, Aspatria and Silloth. The two most populated centres of the district Workington (population c 32,000) and Maryport (population c.10,000) lie on the coast to the north and west and have for a long time association with mining. The old stone built parish of Keswick, with a resident population of around 6,000 is the principal tourist centre of the Lake District.
- 2.9 In the last decade Allerdale has seen an increase of 18.8% in people aged 65 years and over, a decrease of 5.9% in people aged 15-64 years and a decrease of 2.6% in children aged under 15 years. In terms of housing growth, the Council's estimate is that Allerdale will require 175 new affordable homes per annum to meet changing patterns of demand² The Council recognise that there is a limit to the amount of land available in high demand/high value areas.

² [final refreshed housing strategy 2016-2021 - signed off 27 nov 19.pdf\(allerdale.gov.uk\)](#)

Map 2.1: Allerdale Borough with main settlements



Population Projections

2.10 The most recent ONS projections indicate an increase of 0.9% (869 persons) in Allerdale's population over the 21 years from 2022 to 2043. Over this extended timeframe fluctuations occur at different points across the majority of age groups. Several key points for Allerdale are outlined below.

- There will be a marginal overall increase in population (1%, 869 persons) between 2022 and 2043.
- Estimates predict a change in the age structure of the population with those aged over 65 making up 25% of the population in 2022 and rising to 31% of the population by 2043.
- A steady decrease in those aged 55-64 over the period.
- A decline in those aged 0-15 year olds, falling by -1,155 (-8%) by 2033 before recovering to finish -6% (-868) lower by 2043.
- A 6% increase in those aged 35-44 to 2033 before dropping back 4% in the next ten years to 2043.

Table 2.1 Strategic planning: Change over 25 years (2018 to 2043)³

AGE (years)	2022			Population			% of Total population			Change 2022-2043		
		2033	2043	2022	2033	2043	2022	2033	2043	2022	2033	2043
0-15	15,215	14,060	14,347	15%	14%	14%	Base	-8%	-6%			
16-24	9,043	9,756	8,879	9%	10%	9%	Base	8%	-2%			
25-34	10,425	9,272	10,137	11%	9%	10%	Base	-11%	-3%			
35-44	10,496	11,075	10,031	11%	11%	10%	Base	6%	-4%			
45-54	12,879	11,817	12,222	13%	12%	12%	Base	-8%	-5%			
55-64	15,285	13,205	12,787	16%	13%	13%	Base	-14%	-16%			
65+	24,947	29,727	30,756	25%	30%	31%	Base	19%	23%			
All Ages	98,289	98,912	99,158	100%	100%	100%	Base	1%	1%			

Source – Office of National Statistics Subnational Population Projections 2018

2.11 The results of Census 2021 are still being compiled so we advise some caution with the estimates presented above. The Census 21 data released 22 June 2022⁴, has been published and shows a total of 96,100⁵ persons resident in Allerdale across 44,000 households. This represents a slight decrease in the numbers presented in estimates above.

Keswick Population Data⁶

2.12 Keswick has a population of circa 5,973 (ONS 2018 Mid-year estimates). Some 13% of the population are aged under 15 years (900 persons); 58% of the population are of working age (16-64 years, 3,460 persons) and 29% are aged over 65 years (1,730 persons).

Table 2.2 Keswick Population

Group	Keswick	Cumbria	England
Persons age group 0 - 15	758	81,886	10,852,240
Persons age group 0 - 15 %	12.7	16.4	19.2
Persons age group 16 - 64	3,479	294,473	35,233,879
Persons age group 16 - 64 %	58.3	58.9	62.3
Persons age group 65+	1,736	123,422	10,464,019
Persons age group 65+ %	29.1	24.7	18.5

(Source: The Cumbria Observatory)

2.13 The population breakdown shows a significant variation from the national population profile. There are significantly less people aged under 45 compared to England as a whole and higher overall number aged 50 or more.

³ ONS Population estimates for England and Wales: mid-2018 Table 2a.

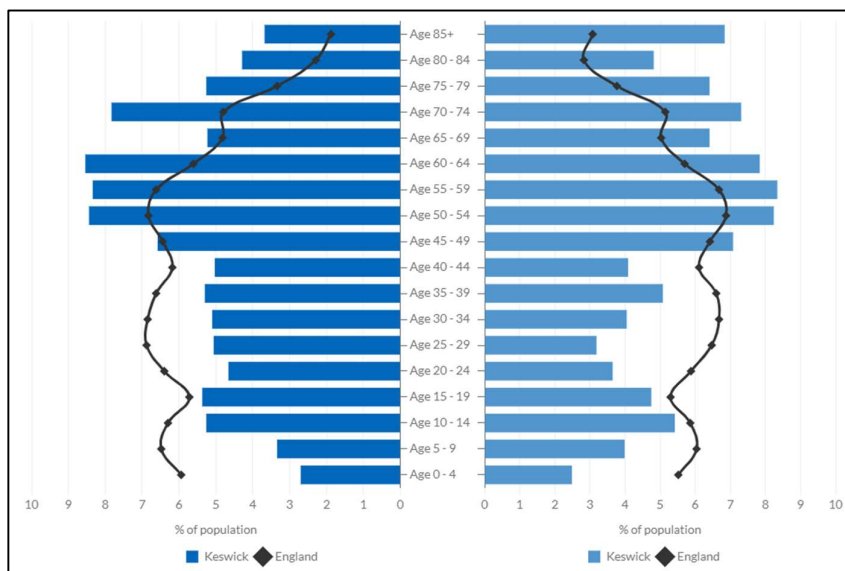
⁴ [Population and household estimates, England and Wales: Census 2021 - Office for National Statistics \(ons.gov.uk\)](https://www.ons.gov.uk/population-and-household-estimates/england-and-wales/census-2021)

⁵ [Population and household estimates, England and Wales: Census 2021 - Office for National Statistics \(ons.gov.uk\)](https://www.ons.gov.uk/population-and-household-estimates/england-and-wales/census-2021)

⁶ [Population - Ward | Keswick | InstantAtlas Reports \(cumbriaobservatory.org.uk\)](https://www.cumbriaobservatory.org.uk/population-ward-keswick)

2.14 In terms of composition, there are more females in the older age groups than males although males are more prominent in the younger age groups.

Figure 2.1 Population estimates Keswick (males (left) and females (right) (2020))



Housing Developments

2.15 The Council’s Housing Strategy⁷ (2019) sets out a target of 175 additional affordable homes per annum by 2021. To date 266 have been provided and the Council recognises that there is a limit to the amount of suitable land available for development.

2.16 The Council continues to work with the LDNP on identifying the strategic sites across the borough on which to deliver its homes targets.

2.17 Keswick has a modest requirement of circa 125 new homes as a contribution to the Borough’s requirements. There is unlikely to be a significant impact on the demand for indoor and outdoor sports in future years as a result of housing growth estimates. It is worth mentioning some caveats to these estimates. These include:

- Housebuilding is unpredictable and at the mercy of the economy and the market.
- The Council’s own housebuilding (and demolition) plans are currently subject to change.
- The Government’s minimum requirement is also subject to change.
- The Government setting a minimum does not mean that development up to that minimum will necessarily take place, despite the council’s best efforts to promote it – it has fallen short in the last few years.

⁷ [final refreshed housing strategy 2016-2021 - signed off 27 nov 19.pdf\(allerdale.gov.uk\)](#)

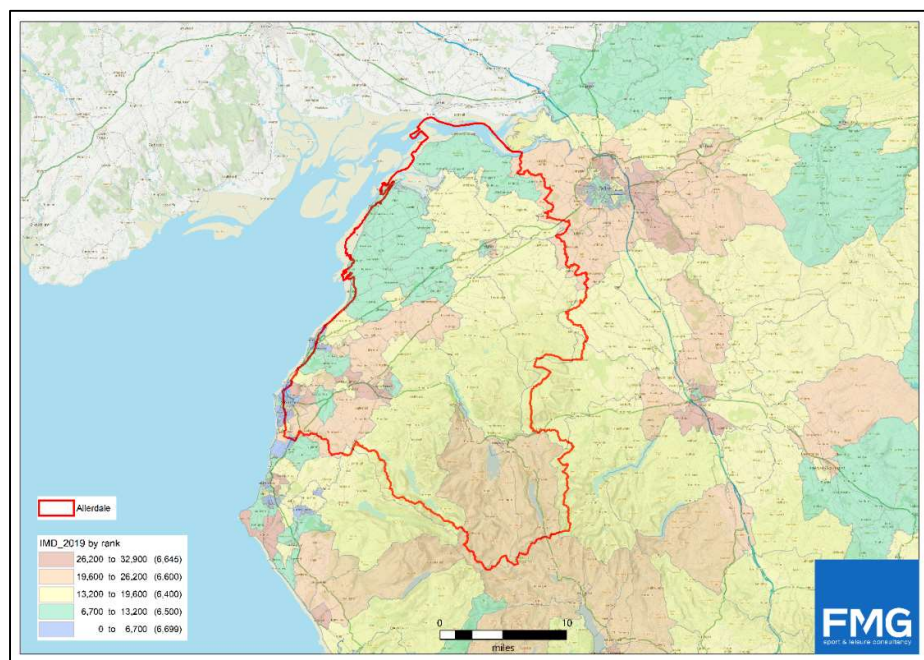
Indices of Deprivation

2.18 Allerdale is ranked 102nd out of 317 authorities in England. Relative to other parts of the country Allerdale experiences average levels of deprivation. Around 12% of Allerdale (Lower Super Output Areas (LSOA's)) are in the most 10% deprived LSOAs in England with 5% being in the top decile for the least deprived areas.

2.19 In terms of summary, where rank 1 is most deprived and 317 is least deprived, Allerdale is ranked:

- 76 out of all 317 authorities in England for the Employment domain
- 70 out of all 317 authorities in England for the Education domain
- 97 out of all 317 authorities in England for the Health domain
- 244 out of all 317 authorities in England for the Crime domain
- 193 out of all 317 authorities in England for the Barriers domain.
- 74 out of all 317 authorities in England for the Living Environment domain.
- 127 out of all 317 authorities in England for the Income domain

Map 2.2 IMD 2019, Overall Score









(Source: adapted MHCLG, 2019)


2.20 In terms of Keswick⁸, the University of Cumbria Research report provides further information on the characteristics of Keswick's 4 LSOA domains of Central East (Allerdale O12B); Northwest (Allerdale

⁸ [IoD-Report--Final.pdf \(cumbria.ac.uk\)](#)

012C); Central West (Allerdale 012D) and South & East (Allerdale 012E). The findings have been summarised in the table below.

Table 2.3 Keswick Deprivation by Domain (2019)

Indicator	Description	Findings
 Income deprivation	Measures the proportion of the population experiencing deprivation relating to low income	All LSOAs rank well with almost all LSOAs being amongst the least 50% deprived in England, apart from on the sub-domain for older people where Allerdale 012C (Keswick: Northwest) is ranked in decile five. This suggests low to moderate levels of income deprivation in Keswick.
 Employment domain	Measures the proportion of the working age population in an area involuntarily excluded from the labour market and includes people who would like to work but are unable to do so due to unemployment, sickness or disability, or caring responsibilities.	All LSOAs in Keswick rank amongst the 50% least employment deprived in England with two in the 10% least deprived. This indicates that there are moderate levels of employment deprivation in Allerdale 012B (Keswick: Central East) and Allerdale 012C (Keswick: Northwest).
 Education, Skills and Training Domain	Measures the lack of attainment and skills in the local population	Residents in Keswick have attained a fair level of education, skill and training. However, the ranks for young people are noticeably lower than for adults; two LSOAs, Allerdale 012B (Keswick: Central East) and Allerdale 012C (Keswick: Northwest), are ranked amongst the 30% most deprived on this domain.
 Health Deprivation and Disability Domain	Measures the risk of premature death and the impairment of quality of life through poor physical or mental health	All LSOAs in Keswick are ranked amongst the 50% least deprived in England; this indicates low to moderate deprivation in terms of health and disability
 Crime Domain	Measures the risk of personal and material victimisation at local level.	Scores on this domain suggest that Keswick is a safe place to live; all LSOAs are ranked the 30% least deprived in England
 Barriers to Housing and Services Domain	Measures the physical and financial accessibility of housing and local services. The indicators fall into two sub-domains: 'geographical barriers,' which relate to the physical proximity of local services, and 'wider barriers' which includes	Most LSOAs in Keswick have good access to housing and services, the exception being Allerdale 012E (Keswick: South & East), which is amongst the 20% most deprived; this LSOA also ranks highly on the Geographical Barriers to Housing and Services sub-domain where it is in decile one, these high rankings

Indicator	Description	Findings
	issues relating to access to housing such as affordability'	are likely due to the fact that this LSOA covers a largely rural location.
Living Environment Deprivation Domain 	Measures the quality of the local environment. The indicators fall into two sub-domains. The 'indoors' living environment measures the quality of housing; while the 'outdoors' living environment contains measures of air quality and road traffic accidents'	Perhaps surprisingly, three LSOAs in Keswick rank highly on the living environment domain, two are in decile three and one in decile two meaning they are amongst the 20-30% most deprived in England. Only Allerdale O12C (Keswick: Northwest) is ranked amongst the 50% least deprived. The ranks are lower still on indoors living environment, all LSOAs are amongst the 40% most deprived; two amongst the 20% most deprived and one, Allerdale O12D (Keswick: Central West), is in the 10% most deprived. This suggests the standard of housing is not good and/or lacking central heating. Nevertheless, all rank highly for outdoors living environment.

The domains detailed above are combined, according to their respective weights, to create the index of multiple deprivation and again rank LSOAs from most deprived to least deprived. The combined index of multiple deprivation indicates that Keswick experiences relatively low levels of multiple deprivation; all LSOAs being amongst the 40% least deprived in England.

Public Health Indicators⁹

2.21 Data from Public Health provides a snapshot of the health of the population. The key indicators have been presented in the table below.

Table 2.4 - Allerdale Local Public Health Indicators

Indicator	Allerdale	Northwest	England
Life Expectancy Male	77.2 years	77.0	78.7
Life Expectancy Female	82.1 years	81.0	82.6
Under 75 mortality rates from cardiovascular diseases	77.8	90.5	73.8
Under 75 mortality rates from cancer	128.6	139.0	125.1
Hip fractures in people aged 65 and over	512	559	529
Estimated diabetes diagnosis rate	81.1%	81.1%	78.0%
Estimates dementia diagnosis rate (aged 65 and over)	58.2%	65.7%	62.0%
Smoking Prevalence (adults)	9.1%	13.4%	12.1%
Percentage of adults (18+) classified as overweight or obese	57.6%	65.9%	63.5%

⁹ [Local Authority Health Profiles - OHID \(phe.org.uk\)](http://localauthorityhealthprofiles.org.uk)

Indicator	Allerdale	Northwest	England
Year 6: Prevalence of obesity (2019/20 data)	22.2%	22.8%	21.0%

- 2.22 Allerdale scores well in all indicators compared to the regional average but falls back when compared to the national picture. Key areas of focus include the relative high mortality rates caused by cardiovascular disease, improving the diagnosis rate for dementia and obesity levels amongst children.
- 2.23 Data produced for the Council, by Knight, Kavanagh and Page in their feasibility study for the Community Pool at Maryport in 2020, reported that the annual cost to the NHS of physical inactivity for the CCG within which Allerdale falls is estimated at £5,543,177. When compared to regional and national costs per 100,000, the costs for the CCG (£1,065,070) are 30.3% above the national average (£817,274) and 20.5% above the regional average (£883,672)

Employment and Salaries

- 2.24 Data from the Cumbrian Observatory¹⁰ reveals that there are 34,000 jobs in Allerdale which has a working-age (aged 16-65) population of 57,555, according to figures published by the ONS for 2019. The 2019 job density in Allerdale is 0.6, meaning there are 0.6 jobs per member of the Allerdale working-age population.
- 2.25 The average salary in Allerdale is £29,598, according to figures published by the ONS for 2021. Between 2020 and 2021, average salaries fell by £103. Allerdale's average salary is 25.0% lower than England's national average salary of £39,452. Allerdale is the 161st non-metropolitan district in England (of 181 total) when ordered by average salary.
- 2.26 Allerdale's salary growth rate is -0.35% per year based on changes in average salary between 2020 and 2021, which is 2.6% lower than the average salary growth rate in Allerdale over the past 9 years. The average weekly hours worked in Allerdale is currently 38.8 hours. The average male works 39 hours per week and the average female works 37.0 hours per week - a 1.8-hour difference. The average weekly hours for England is 37 hours per week.
- 2.27 Allerdale's unemployment rate of 5.4% is 0.2% higher than the unemployment rate for England (5.2%).

Vehicle Ownership

Car, motorcycle and other private vehicle ownership is an essential part of daily life for many people in Allerdale. As well as being the area's most valuable tourism resource, many of the key tourist destinations and service areas are difficult to access via public transport, placing a high dependency upon private car use¹¹. Journey times in and around Keswick for residents are hampered by a high influx of seasonal visitors attracted by the landscape of the area.

- 2.28 Vehicle ownership data for Quarter 1 2022 is available from the Department of Transport at www.gov.uk¹². Details are summarised in the table below;

¹⁰ [Allerdale Salary | Wages and hours worked \(varbes.com\)](https://www.varbes.com/allerdale-salary-wages-and-hours-worked)

¹¹ [adopted allerdale local plan part 1 - final version 151014.pdf \(mark-jenkinson.co.uk\)](https://www.mark-jenkinson.co.uk/adopted-allerdale-local-plan-part-1-final-version-151014.pdf)

¹² [df_VEH0125: Vehicles at the end of the quarter by licence status, body type and lower super output area \(LSOA\): United Kingdom](https://www.gov.uk/government/statistics/df-veh0125-vehicles-at-the-end-of-the-quarter-by-licence-status-body-type-and-lower-super-output-area-lsoa)

Table 2.5 Vehicle Ownership (Quarter 1 2022)

Licensed Type	Allerdale	Keswick
Car	51,703	2,311
Motorcycle	2,385	164
Other (e.g., van)	13,072	673
Total Vehicles	67,160	3,148
Number of Households	44,000 (ONS 2021)	2,730 ¹³
Access ratio	1.53	1.15

- 2.29 There are a total of 3,148 licensed owners registered to the 4 Keswick LSOA's. Of these 73% (2,311) are licensed cars. If we take the total vehicle ownership population of Allerdale (96,200) and compare it to that of Keswick (5,973), around half (53%) of the population of Keswick have access to a car compared to 69% across the borough as a whole. In the same way, the ratio of cars to households in Keswick (1.15) is significantly lower than that for Allerdale (1.53).
- 2.30 These findings suggest that accessing alternative modes of transport in order to travel to and from places, e.g., public transport, walking or car sharing may be more of a consideration for Keswick residents than for other residents of the borough.

Active Lives Key Performance Indicators

- 2.31 Using a bi-annual Active Lives national survey, Sport England calculate a range of different data sets to measure participation in sport and physical activity. The latest adult data (age 16+) from the Active Lives Survey (November 2020-2021) for Allerdale is presented below.
- 2.32 The data shows that Allerdale is an active borough, with more people doing the recommended 150 minutes of activity per week than the England average.

Table 2.6 Active Lives Data (November 2020-21)

	Inactive (more than 30 minutes per week)		Fairly Active (30-149 minutes per week)		Active (150+ minutes per week)	
England	12,410,000	27.2%	5,248,600	11.5%	28,039,000	61.4%
Northwest	102,000	24.4%	41,800	10.0%	274,100	65.6%
Allerdale	19,200	23.5%	6,600	8.1%	55,900	68.4%
Above regional and national averages		Above one average but not another		Below regional and national averages		

- 2.33 Data for Children's Activity Levels for the full academic year is presented in Figure 2.2. Similar to the adult data, children in Allerdale are more active (53.3%) than their counterparts in both the Northwest (43%) and England as a whole (44.9%) at an average 60 minutes or more per day.

¹³ [Housing - Ward | Keswick | InstantAtlas Reports \(cumbriaobservatory.org.uk\)](https://www.instantatlas.com/reports/cumbriaobservatory.org.uk)

The most popular sports




- 2.34 The Active Lives survey data shows that walking for leisure and structured programme classes are among the most popular and are known to cut across age groups and gender. In Allerdale over half of adults go walking for leisure, on average, at least once a month. The next most popular activity is structured programme classes which adults do on a relatively regular basis.
- 2.35 Data from the 2020-21 survey does not extend to specific information on swimming participation in the Allerdale area, although the findings from the earlier surveys follows regional trends. In 2018-19, prior to the Covid-19 pandemic, around 9% of the adult population participated in swimming on at least a monthly occasion
- 2.36 In terms of swim competency amongst children and young adults, a 75.9% of children in Allerdale reported that they could swim 25m unaided. This was higher than both the regional and national averages.

Market Segments

- 2.37 Mosaic classification data is used to paint a picture of UK consumers in terms of their social-demographics, lifestyles, culture and behaviour. As the mosaic is unlikely to have significantly changed, the table and descriptions of the key mosaic groups, in Allerdale, has been reproduced from the work by KKP in their PPOSS report.
- 2.38 The largest segment profiled for Allerdale is Rural Reality which comprises 28% of the adult population in the area. It is defined as people who live in rural communities and generally own their relatively low-cost homes. Their moderate incomes come mostly from employment with local firms or from running their own small business. A description of the most dominant mosaic groups is provided and gives an indication of their type and key characteristics.

Table 2.7- Mosaic Type (Allerdale)

Mosaic group description	Allerdale		National %
	#	%	
1 - Rural Reality	27,854	28.0%	8.6%
2 - Country Living	20,272	20.4%	4.5%
3 - Municipal Challenge	8,652	8.7%	5.0%
4 - Transient Renters	6,521	6.5%	5.9%
5- Modest Traditions	6,163	6.2%	7.8%

Rural Reality		People who live in rural communities and generally own their relatively low-cost homes. Their moderate incomes come mostly from employment with local firms or from running their own small business.
Country Living		Well-off homeowners who live in the countryside often beyond easy commuting reach of major towns and cities. Some people are landowners or farmers, others run small businesses from home, some are retired, and others commute distances to professional jobs.
Municipal Challenge		Long-term social renters living in low-value multi-storey flats in urban locations, or small terraces on outlying estates. These are challenged neighbourhoods with limited employment options and low household incomes.

(Source: Re-produced from the Cumbria Foundation Maryport Community Pool Feasibility Study. Knight, Kavanagh & Page, 2020)

Travel Times and Catchment Population, Keswick

- 2.39 In calculating potential demand for public leisure facilities in Keswick, it is prudent to expect more frequent visits from those living closest to a facility.
- 2.40 We have used Sport England guidance of 20 minutes as the “sweet spot” to determine the potential catchment size that is likely to travel to any new facility. In making this assumption, we accept that others may choose to travel further depending on the type and nature of the facilities on offer.

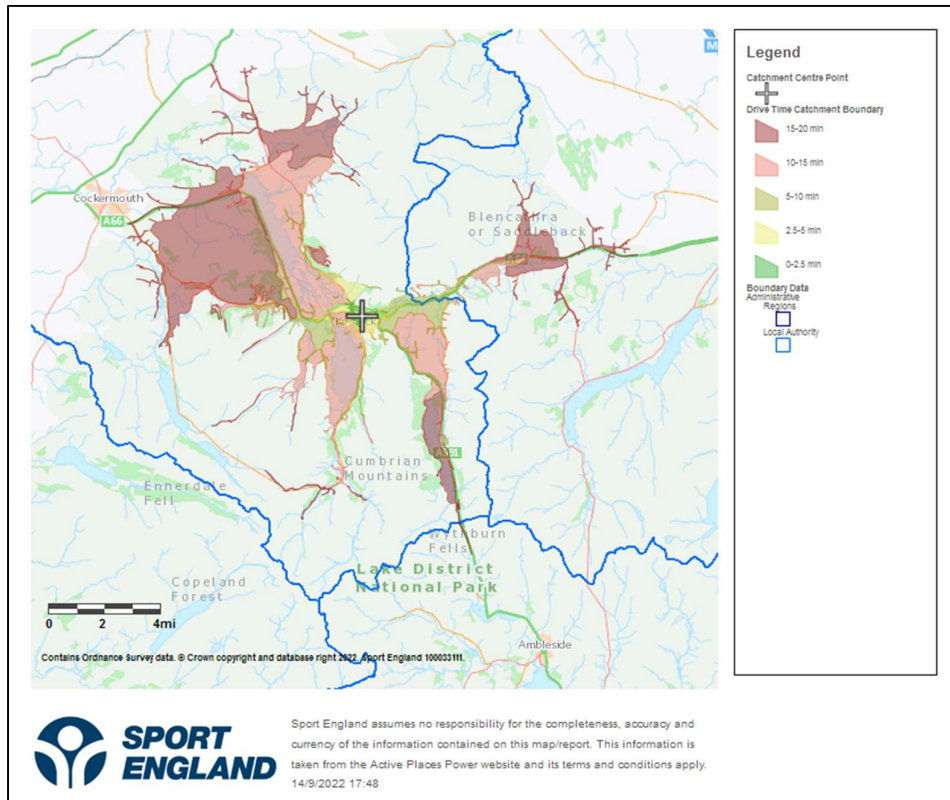
Table 2.8 Population by Age Group (-20 minutes) from Keswick Leisure Centre (CA12 4NE)

Distance (mins)	0-14	15-24	25-39	40-59	60-79	80+	Total
0-2.5	80	74	83	204	222	68	731
2.5-5	591	403	638	1306	1340	484	4762
5-10	198	115	175	401	531	132	1552
10-15	47	48	74	137	160	33	499
15-20	68	58	86	169	264	56	701
Total	984	698	1056	2217	2517	773	8245
%	12%	8%	13%	27%	31%	9%	100%

(Source: Sport England @Active Power Places)

- 2.41 A catchment map is provided below to show the extent of travel. It shows the catchment boundary reaching as far as the outskirts of Cockermouth to the west and the villages of Hutton Moor and Troutbeck to the east, Bassenthwaite, and neighbouring villages to the north and as far as Wythburn to the south. Travel times may vary considerably during the peak periods and particularly in the summer months when the volume of tourist traffic is high.
- 2.42 Resident population density in Allerdale is circa 78 people per km² with travelling times between the main service centres taking longer than the national average. The data suggests the catchment is currently home to circa 8,245 persons. The catchment age is weighted to those over 40 years of age.

Map 2.3 Indicative drive time catchment Keswick Leisure Centre (20 minutes)



Outcomes Summary - What does this mean for Keswick?

“Everything we do as a Council will be aimed at improving the lives of our residents both now and for the future.”

There is a strong link between national and local strategies with the Council providing good evidence of its understanding of local demand and supply related to indoor built facilities and outdoor playing pitch provision. These provide a base on which to plan for the delivery of better outcomes through focussed delivery and investment to improve the health and wellbeing for those that live and work in Keswick.

Population and Health

Overall population density across Allerdale is low and population forecasts predict an only a marginal increase in population (1%, 869 persons) between 2022 and 2043

The population breakdown shows a significant variation from the national population profile. There are significantly less people aged under 45 compared to England as a whole and higher overall number aged 50 or more.

Keswick has a modest requirement of circa 125 new homes as a contribution to the Borough's requirements. There is unlikely to be a significant impact on the demand for indoor and outdoor sports in future years as a result of housing growth estimates.

Relative to other parts of the country Allerdale experiences average levels of deprivation. Around 12% of Allerdale (Lower Super Output Areas (LSOA's)) are in the most 10% deprived LSOAs in England with 5% being in the top decile for the least deprived areas.

The combined index of multiple deprivation indicates that Keswick experiences relatively low levels of multiple deprivation; all LSOAs being amongst the 40% least deprived in England.

In terms of health indicators, Allerdale scores well in all indicators compared to the regional average but lags when compared to the national picture. Key areas of focus include the relative high mortality rates caused by cardiovascular disease, improving the diagnosis rate for dementia and obesity levels amongst children.

Allerdale's average salary is 25.0% lower than England's national average. People work slightly longer per week (38.8 hours) compared to the rest of England (37 hours) and the levels of car ownership are lower in Keswick than the rest of Allerdale.

Allerdale is an active borough, with more people doing the recommended 150 minutes of activity per week than the England average. Children in Allerdale are also more active (53.3%) than their counterparts in both the Northwest (43%) and England as a whole (44.9%) at an average 60 minutes or more per day.

Other than walking for leisure, structured programmes of exercise are the most popular activity with swimming attracting a regular 9% of the population taking part monthly.

Travelling around the area is perceived as being difficult either due to the rural nature of the landscape, the lack of public transport or access to a vehicle. Travelling times are further impacted by high volumes of tourist traffic in the summer months.

3. Facility Performance - Insight

Context

- 3.1 A site visit to the Keswick Leisure Centre was undertaken on 9th September 2022, to gain a better understanding of how the service operates. Performance data was provided by the current operator GLL and covered a period before and after the pandemic. These income and costs are benchmarked against other comparative data.
- 3.2 Benchmarking is undertaken in order to understand how the facilities are performing operationally through a high-level analysis of income, expenditure and performance information. The process includes identification of significant trends and comparison of headline figures against FMG's experience and national benchmarks (KPI's).
- 3.3 Whilst KPI analysis provides a useful comparison between facilities and against national benchmarks, it is not appropriate to make decisions based solely on the KPI outcomes, as the key issue is whether services are being maximised locally, not simply how they compare nationally.
- 3.4 The findings from the benchmarking analysis are presented below. It is recognised that the Keswick facility is unique in terms of size and facility mix which may distort comparative analysis. It must also be noted that the years covered include the period of Covid-19 and the recovery phase.

Figures 3.1 – Keswick Benchmarking Analysis

Key Performance Indicators	Keswick Leisure Centre					FMG Experience Range
	2019	2020	2021	2022 Forecast	2023 Budget	
Income per m2	£231	£52	£38	£57	£67	£250 - £400
Income per visit	£5.77	£9.36	£4.43	£6.20	£6.75	£3.00 - £4.00
Visits per m2	40	6	9	9	10	60 - 90
Income from Fitness (per strn)	£3,938	£1,400	£1,018	£2,077	£2,117	£6,500 - £8,500
Average Members per Station	21	18	7	8	9	20-30
Income per Sports Hall court	N/A	N/A	N/A	N/A	N/A	£15,000 - £20,000
Income from Swimming per m2	£618	£109	N/A	N/A	N/A	£750 - £1000
Marketing as % of income	1.3%	1.2%	1.9%	2.5%	1.9%	2.0% - 2.5%
Cost of Sales	50%	43%	50%	N/A	N/A	50% - 65%
Secondary Income per visit	£0.40	£0.39	£0.14	N/A	N/A	£0.25 - £0.35
Utility Costs per m2	£77	£20	£18	£31	£37	£35 - £45
Maintenance costs per m2	£28	£22	£17	£40	£18	£20 - £30
Staffing Costs as % of income	69%	241%	161%	54%	51%	50% - 75%
Staffing Costs as % of expenditure	48%	54%	36%	21%	20%	50% - 60%

- 3.5 **Income per visit** is well above our benchmarks in 2019 which could be explained by inaccurate admission data or that income was being taken from monthly fitness members and there was a high level of 'sleeping' members.

- 3.6 Total income for 2019 was £375k and this has reduced to £93k by 2022. Forecast data for 2023 is for a total income of £106k. The income per m2 at £231m2 in 2019 was already below our benchmark as was the visits per m2. This suggests a larger building with a possible lack of efficiency in the footprint.
- 3.7 **Fitness income per station** in 2019 was well below expectations and suggests over provision or simply that the facility is not fit for purpose when compared to a modern facility or when compared to alternative local competition. Income from fitness membership has been impacted post covid. Budgeted estimates are for income from fitness to be £61.5K in 2023 down from £87.5K in 2019.
- 3.8 **Swimming income per m2** was just below our benchmark in 2019 at circa £232k and suggested reasonable use given the age of the facility, This income is also distorted by casual sales in the summer months masking the overall general pool use by the local population.
- 3.9 Swimming lesson income and numbers we consider to be very low at 100 (£21k) in 2019. The design of the pool design means that the level of swimming attainment possible within a leisure pool can be restricted. These relative low levels of income performance may also suggest that children were learning to swim at other local pools (hotels and outdoors) or simply not taking part. Any future provision should consider this carefully with greater flexibility to meet the needs of a wide range of age groups / use.
- 3.10 **Secondary spend per visit** was positive in 2019 (£26k) and there may be some lessons to take from the previous arrangements at the site to increase secondary spend.
- 3.11 **Utility costs per m2** have reduced post covid as the pool has closed however pre-pandemic they were very high at £77m2 suggestive of a facility requiring significant lifecycle maintenance intervention such as replacement of plant and other efficiency measures such as insulation.
- 3.12 **Maintenance costs per m2** are considered in line with benchmarks in 2019 and 2020 but do not reflect the underlying maintenance issues which have resulted in the decision to close the pool following the easing of Covid restrictions.
- 3.13 The facility, both pre and post pandemic is efficiently staffed with costs and in line with our benchmarks for both **staff as % of income** and **staff as % of expenditure**.

Key Issues to Consider

- 3.14 A key point to note is the key income driver inputs that are used in the modelling are low with:
- Circa 65,000 visits are made a year.
 - Circa 70% of visits to the existing pool are made during the summer holiday period.
 - 500 gym memberships sold a year.
 - 100 pupils in swimming school
- 3.15 With the removal of summer holiday demand, this will result in low levels of income and sales to support the operational costs of the new facility.

4. Consultation - Insight

Introduction

- 4.1 Allerdale Borough Council has a clear policy of consulting with residents on a regular basis to inform its plans, strategies and important matters. A public consultation exercise took place in late 2021 and early 2022 on the future of leisure provision in Keswick. The findings from Strategic Leisure Limited's report 'The Leisure Needs for Leisure Facilities on Keswick' provided to the Council in March 2022, are summarised below.

Figure 4.1 – Images of the Current Pool Facility



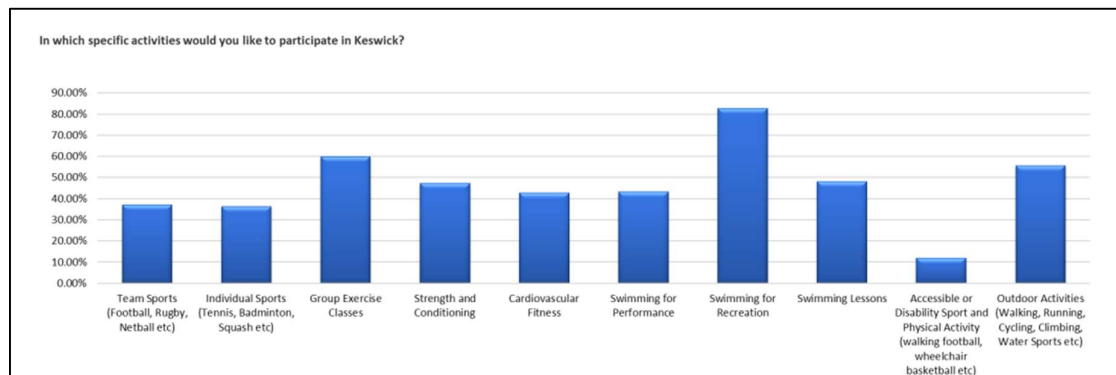
Purpose of the Consultation

- 4.2 The aim of the consultation was to understand what types of leisure facilities local people would like, as well as assess current supply and demand in the context of current guidance and priorities of the major sporting bodies, and relevant Council and partner strategies.
- 4.3 The consultation, run between November and December 2021 aimed to ensure that the needs of residents was considered in the planning and development of any future leisure facilities in Keswick. The consultation methods included a public online questionnaire which was hosted on the Council's website, and which received 1,010 responses; a face-to-face consultation in Keswick Town Centre on market day with 315 consultations; and individual focus groups meetings; telephone and email interviews with key stakeholders, parish councils, local schools, and sports clubs.

Findings from the Residents Survey

- 4.4 The results of the consultation showed that the most popular activities that people were interested in taking part in were **swimming (80+%)**; **group exercise classes (60%)** and **outdoor activities (55+%)** including walking, running, cycling, water sports and climbing.

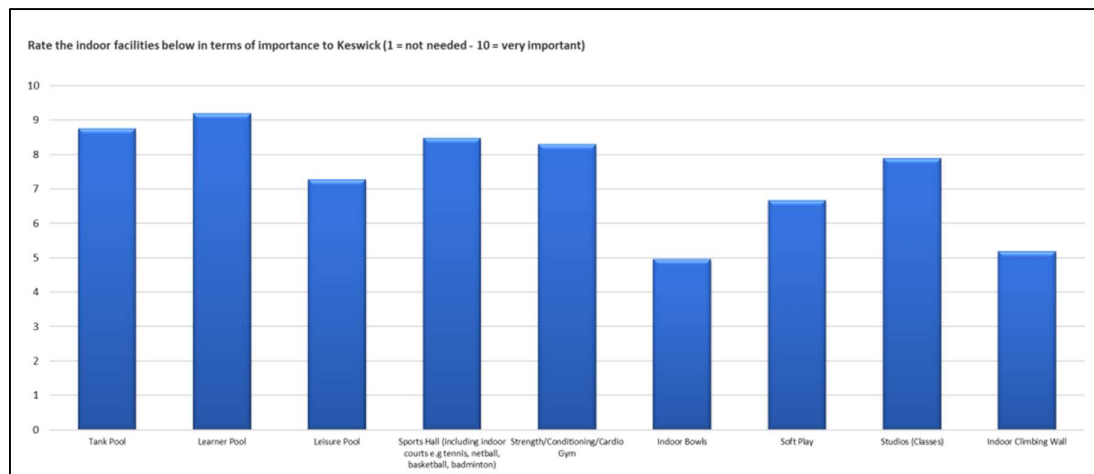
Figure 4.2 Leisure Priorities



- 4.5 The consultation found that the main barriers to take part were a general lack of facilities; the distances needed to travel to be able to take part and the general lack of activities to choose from.

- 4.6 In terms of priorities for investment, respondents to the online survey considered a learner pool as being the most important swimming pool option. This was followed by a sports hall, a gym, and studios. Additional facilities that appeared high on the list included soft play and a café and some social space.

Figure 4.3 Priorities in terms of Importance



- 4.7 It was clear from the resident consultation that there was significant interest to enhance the sport and leisure provision within Keswick, and in developing provision that better meets local need by providing high-quality facilities, services, and activities.

Findings from Sports Clubs

- 4.8 Feedback received from sports clubs showed that there was a distinct **lack of all-weather pitch provision** in the town with many of the grass pitches suffering from flooding and over play. Clubs noted that in Keswick there was a general gap in activities for younger people.
- 4.9 Apart for the lack of swimming facilities, they wanted to see more opportunities gymnastics/trampolining; outdoor soccer/rugby and soft play facilities for residents and tourists.

Findings from Schools

- 4.10 Consultation was undertaken with the secondary school and the primary schools in Keswick and the surrounding villages, November 2021. The schools cited need for more indoor sports hall space and all-weather floodlight artificial pitch.

Findings from the Incumbent Operator – GLL

- 4.11 Their view on the existing pool is that it was not well-used outside of the summer season (when the weather was poor). Except for lessons and school swimming sessions, the operator reported some days there were only six swims sold per day. There is no natural depth, nor width in the existing leisure pool and its operational management is made unnecessarily difficult and expensive because of the location of the plant. To undertake some maintenance the entire pool needs to be drained. The operator's view is that there is demand for swimming water in Keswick but a laned pool would be a better offer for the local community and would still provide a wet weather offer for families visiting the area.

Other Factors to Consider

- 4.12 The report into future leisure needs highlighted a series of other considerations related to future leisure planning. These included:
- Travel times to nearest other facilities - minimum 20-30 minutes
 - Limited (and expensive) public transport or cycling used as a mode of travel.
 - A beautiful landscape, very hilly with many bodies of water, part of a World Heritage site and a National Park therefore making finding alternative site locations difficult
 - Without private transport Keswick can be relatively remote and un-connected
 - The schools have large catchment areas and the travel logistics for individuals mean that there is limited ability to provide or take part in, after school sport and physical activity.
 - The Council's Climate Change Action Plan aims to reduce the need to use private transport wherever possible to reduce carbon emissions.
- 4.13 In addition, during the consultation, the Lake District National Park (LDNP) identified that the Fitz Park, Keswick Museum and the leisure pool are all in the same area of the town but that there is no relationship between them. There is therefore an opportunity to better link these attractions.

Additional Stakeholder Consultation

- 4.14 During the information gathering phase of this feasibility study, we undertook additional consultation with the following stakeholders:
- Cumbria One Public Estate
 - Lake District National Park – Threlkeld to Keswick Trail
- 4.15 It is anticipated that further consultation with relevant stakeholders is undertaken as part of the preparation of the Outline Business Case.

Findings from discussions.

- 4.16 **One Public Estate** have been working with local authorities across Cumbria to address a number of identified themes. There has been a successful programme to re-locate health and leisure services in the new Sand Centre in Carlisle and more recently an initiative with Morecambe Bay Health Trust (MBHT) has seen the successful re-location of the musko-skeletal team (MSK) into new treatment rooms at Kendal Leisure Centre and the subsequent development of a new escape pain programme operating alongside the established GP Referral programme.
- 4.17 The MSK team are expecting to see 4000 patients within their first year of operation. MBHT's Director of Finance has estimated that if only a handful of people no longer need surgery as a result of the preventative treatment delivered at Kendal Leisure Centre, it will save the NHS between £800-900K over the next few years.
- 4.18 Initial feedback from the North Cumbria Integrated Care (NCIC) MSK Transformation Lead, suggests that there is potential to improve community access to public health services through the development of a similar health promotion offer in Keswick. Early indications are that this would require the provision of a number of dedicated treatment rooms for use by non-clinical public health and NHS teams. In terms of priorities, feedback suggests Keswick would be a lower priority location than either Cockermouth or Workington.
- 4.19 Whilst the co-location of other public services is being pursued, the OPE Programme Manager considers that there is a less developed co-location strategy currently in place for libraries which is more heavily impacted by the current Local Government Re-organisation agenda. In their view, this may take a few more years to be fully implemented.
- 4.20 The **Lake District National Park** were contacted to discuss the number of annual visitors using the Threlkeld to Keswick railway trail. The trail starts from just beyond Keswick Leisure Pool close to Fitz Park and runs for 5km to Threlkeld making a 10km out and back route. The trail is a multi-user trail suitable for walkers, runners, wheelchairs, mobility scooters, wheelchairs and cyclists. The trail officially opened in 2020.
- 4.21 The Keswick to Threlkeld Railway trail has been fully reconnected and enhanced, new picnic benches, seats and perches at viewpoints have been installed as well as new comprehensive on-site interpretation to fully tell the national park local history and heritage story of the trail and give information on local wildlife and flora and fauna.
- 4.22 Monitoring data shows that approximately ¾ of all users will pass by the leisure centre. The Keswick end is by far the most popular start / finish point and the leisure centre sits immediately next to the trail head.
- 4.23 For the period December 2020- November 2021, 535,697 journeys were recorded by people counters positioned along the trail route. On average, 72% of users are counted at Keswick. The

monthly total peaked at 64,794 in August 2021 and was lowest in January 2021 with 26,080 passing users.

- 4.24 Given that the start point is close to the site of the existing leisure centre, future design consideration should be given to optimising the space allocated for the café and seating areas in any new design to maximise its appeal to passing trade.

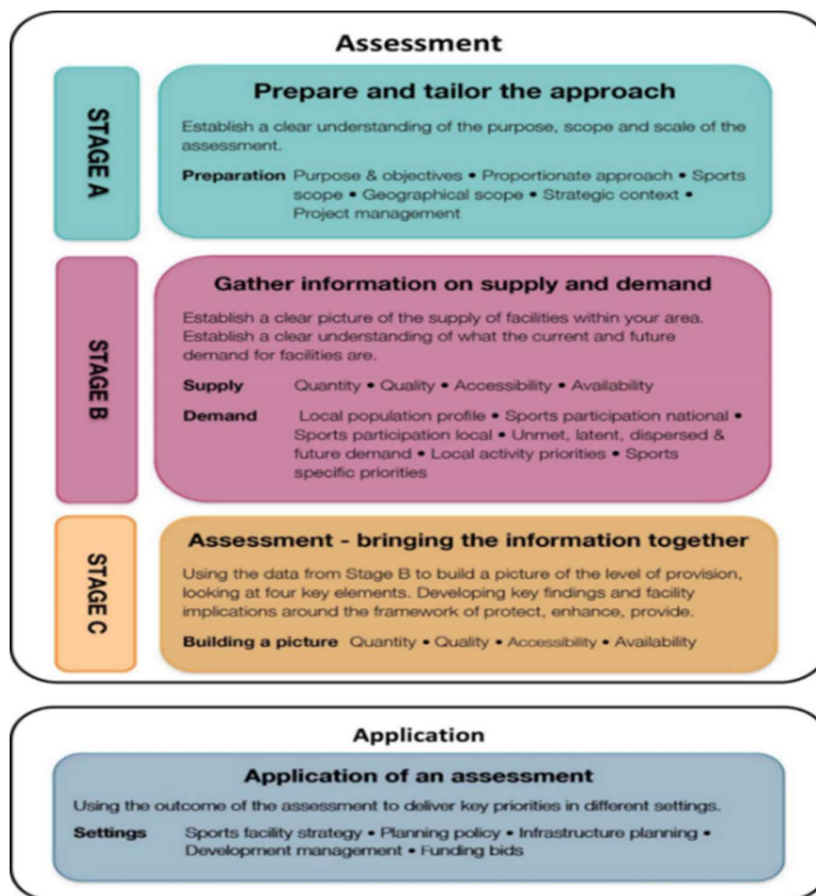
Insight Summary - What does this mean for the project?

- The results of public consultation identified the perceived gaps in local wet and dry leisure provision.
- These gaps demonstrate a qualitative need for a new swimming pool; sports hall and 3G artificial pitch.
- The lack of available public transport and unattractive travel times adversely affects the community's ability to reach other locally available sports and leisure provision.
- There is a successful One Public Estate programme in place that has seen specialist musko-skeletal services co-located in local leisure centres. Preliminary discussions reveal an opportunity to provide similar services for the community in Keswick although other areas within the borough may have more pressing needs. If delivered, this would require specific space requirements being included within any plans for new leisure centre design.
- There is a high annual volume of users on the Keswick to Threlkeld trail. As the start point is close to the existing leisure centre, future design consideration should be given to maximising the appeal of the cafe and seating areas for use by passing trade.
- Plans for further consultation will take place as part of the preparation of the Outline Business Case

5. Market Gap Analysis - Insight

Introduction

- 5.1 In this section we set out the details of net demand for facility types from quantitative data from Sport England, Football Foundation and local competition in the marketplace. This provides the evidence base of market gap analysis which informs a proposed facility mix which is set out in Section 6 of this report. The technical data, detailed analysis and our facility recommendations is included in Appendix B to this report.
- 5.2 The analysis has been conducted using Sports England’s Assessing Needs and Opportunities Guidance¹⁴. A summary of the ANOG process is re-produced here for information.



- 5.3 We have provided a summary of the recommendations arising from the analysis using a RAG rated approach in the table below.

¹⁴ [Planning for sport | Sport England](#)

Table 5.1 - Proposed Facility Mix

Facility Type	Comments	Recommendation
Swimming Pool	<p>The Keswick Pool closed during the Covid-19 restrictions but has not re- opened to the public. The pool which was originally built in 1987 has considerable maintenance issues and is not considered economical to repair.</p> <p>Since the original Sport England’s Facility Planning Model (FPM) report was provided, 218m² of pool water provision has been added at Workington Leisure Centre; with additional supply likely to come from a new regeneration development at Maryport.</p> <p>The FPM found that only 26% of the capacity of the pool water space was being used although it recognised that the overall demand would vary seasonally with the demand fluctuating in line with the volume of visitors to the area.</p> <p>Given that additional pool water that has been provided since the publication of then FPM report, it is reasonable to assume that no additional pool water provision is needed in Keswick.</p> <p>On a quantitative basis, and to alleviate the need for Keswick residents, to travel over 20 minutes to an alternative public pool, a compact community facility could be provided. An evaluation exercise has considered a number of options. The optimum mix is considered to be a community pool with moveable floor.</p>	<p>A community pool 25m or 20m in length, would be able to meet the needs outlined in the public consultation. The pool should be fitted with a modern moveable or floating floor to provide further options for pool programming.</p>
Moving Floor	<p>A moving floor or floating floor provides the flexibility required to support a range of different activities in the pool. It creates better opportunity for different groups of people and usage of the pool.</p> <p>Examples of different activities includes swimming lessons, and children activities including parties, inflatable sessions and activities using projections and lighting as well as the opportunity for fitness lane swimming and perhaps some club training. .</p>	<p>A moving floor is recommended to ensure that the use of the pool is optimised and benefits the range of different users and ages.</p>

Facility Type	Comments	Recommendation
Health Suite	<p>There is no demand model for sauna and steam facilities. It is known to support gym or site membership sales which were previously relatively low. Known to be beneficial to aged populations which is where Keswick finds itself (25% over 65 years of age and will continue to grow). Promotes a stronger offer to the market for fitness membership sales and may compete with other hotels etc who offer that private sector feel.</p>	<p>To complement the membership offer, and reflecting the ageing population, a health and wellness facility featuring sauna and steam spaces should be considered.</p>
Sports Hall	<p>The latest Sport England Active Places Power data shows that the number of publicly accessible sports halls with a minimum of 4 courts has remained constant and suggesting that the variable quality observed in Sport England's FPM Report into Sports Hall in 2015, has not significantly changed. The FPM found that there is a borough wide need for an additional 3 badminton courts although this was not restricted to any one particular location.</p> <p>The nearest sports hall facility for residents of Keswick is located at Keswick School. The utilisation rates of the hall are relatively low (31%) although the school recognise that community use is impacted by the school's use of the sports hall for its own requirements.</p> <p>The nearest alternative sports hall space for Keswick residents is at Cockermouth Leisure Centre, a 20 minute commute time from Keswick although this time can be significantly longer in the peak tourist season or in poor weather. Utilisation rates at Cockermouth Leisure Centre were recorded at 90% capacity, with 70% being the threshold at which Sport England consider that sports halls are busy.</p> <p>Alternative provision could be considered that seeks to address the operating constraints of the existing sport hall by the school as well as provide a means to distribute the levels of demand more effectively between Keswick and Cockermouth.</p> <p>We note that the technical evidence does not support the need for increasing the number of sports halls in the area. There is general agreement for the need to improve the local offer for young children and providing appropriate facilities that can help address that should be pursued. This could be formalised through a new Community Use Agreement with the school.</p>	<p>There is no specific evidence of the need for additional sport halls provision in the Keswick area.</p>

Facility Type	Comments	Recommendation
Health and Fitness	<p>Active Places Power data reveals 785 fitness stations across 24 sites. Based on total population estimates, we estimate a degree of over provision of the number of fitness stations across the borough. In terms of Keswick based facilities, local hotel providers all offer a gym as part of their wellness experience. Together these provide a total of 78 fitness stations although our view is that these are most likely to be used by hotel guests and visitors to the area rather than local residents.</p> <p>Based on Keswick population forecasts of 5,973 we estimate the need for a gym space able to accommodate circa 18 - 21 fitness stations together with a separate studio to provide a fitness based class programme. Given the potential for additional use required by visitors and tourists and with the health suite and following consultation with the current operator an increase in stations to 35 - 50 may be reasonable given the higher levels of physical activity in Keswick.</p>	To provide total space in any new development capable of providing a 35 station gym together with separate studio space(s) for class based programme
Children's Play	There are currently two operators offering indoor soft play and climbing activities within 10 minutes' drive time of the Keswick Leisure Centre. The offer is suitable for families.	Not recommended as likely to be insufficient all year demand which may expose the operator to costs.
Outdoor Pitches	The Council's Playing Pitch and Outdoor Sports Strategy sets out recommendations for the number of outdoor pitches across the borough. The strategy found that current and future provision could be addressed through more effective maintenance regimes and quality improvements to the existing pitches to address overall playing capacity, rather than developing new provision.	No action
3G Artificial Grass Pitch	The Playing Pitch and Outdoor Space Strategy found the need for a 0.25 additional match equivalent artificial pitch in Keswick equivalent to small side pitch provision. To achieve this, it was recommended that the Council explore the development of a multi-sports option with Keswick School. The public consultation exercise on the future leisure needs at Keswick identified a desire for new full size 3G pitch provision. Keswick school have indicated that they	The Council could explore the provision of a multi-sports facility option that could accommodate

Facility Type	Comments	Recommendation
	would be interested in working in partnership over the development of any new sports facilities, and particularly a pitch. There is no demand for a full-size artificial pitch.	multiple sports not just football.
Café and meeting room	Suitable café and meeting room space would complement the sporting facilities creating a social gathering space for the town. If the current site is used, it may provide an opportunity to develop a larger café facility to support passing trade on the converted railway line.	A new development should include associated social facilities to host gatherings and meeting.

5.4 We note that the Museum sees an opportunity for it to be an interpretation centre for the World Heritage site and to create better links to the National Park. It is possible for this to be co-located with the wider leisure offer. Feedback from the LDNP highlighted there is a significant opportunity related to better link the Fitz Park, Keswick Museum and leisure facility to create a gateway to the north of the town. There may be opportunities in cycling with regards to partnership agreement with Sustrans and Cycling UK in delivering cycling initiatives locally.

Table 5.2 – Accommodation Options – Keswick Leisure Centre

Option A – Base	Option B – Base Plus	Demand & Rationale
Community Pool 20m x 4 lanes	Community Pool 25m x 5 lanes	Modern/efficient (low cost) swimming pool facility that can accommodate the activities regarded as important to local residents and schools. Under Option B, the size of the pool allows additional investment in inflatables to expand the programme to families and potential visitors. Addresses feedback from public consultation and provides capacity for revenue generation. Estimated swim school pupils are circa 60 based upon current demand.
Moveable floor	Moveable floor	Provides flexibility in programming including swimming lessons and water play with young children.
Health Suite	Health Suite	Sauna and steam on pool side. It provides perceived added value to the overall offer resulting in increased sales of memberships, and also supports older population.
Health and Fitness Suite - 35 stations	Health and Fitness Suite - 50 stations	Current operator suggests 35 station gym. Option B builds in capacity in line with KKP 2014 Report to 50 stations.
Studio #1 – 20 persons	Studio #1 - 30 persons	For exercise classes for young adults and older people (whose numbers are set to increase in future years). Under Option B larger space to be partitionable into two spaces.
	Studio #2	Smaller studio space for indoor spinning and yoga and Pilates. Suggest capacity for 15 bikes maximum. Storage for bikes in case needed for other use.
Meeting Room	Meeting Room	Accommodate max 25 persons. Storage required for tables and chairs when used for other activities. Could double up as use for party room under Option A
	Children's Party Room	Swimming parties will need food area away from current users.
Café	Café	Linked to reception to reduce operating costs, also include vending facilities.
Associated changing village	Associated changing village	Mixed changing village.
Dry Changing Rooms	Dry Changing Rooms	Separate changing space for gym users.

6. Facility Options - Interventions

Summary of Intervention Options for Development

- 6.1 Following on from the analysis of the market opportunities above, the architect has developed these into an accommodation schedule and gross internal floor areas (GIFA) which has been used by the cost consultant to develop the capital cost estimates for the facility options. Details of the GIFA are shown in the table below.

Table 6.1 – Accommodation Schedule

All sq.m	Option A	Option B
Entrance Lobby	10	30
Café / Viewing	91	244
Café wc's	7	7
Reception	23	26
Kitchen		35
Offices		22
Combined Office / Kitchen Area	26	
Community / Meeting Room	73	73
Community / Meeting Room stores /toilets		20
Party Room		55
Health Suite	24	114
Wet Changing Village	166	305
Pool Hall	324	465
First Aid	12	12
Pool Store	22	45
Group Exercise Studio	110	120
Group Exercise Studio Store	25	25
Fitness Suite	175	252
Staff room	10	13
Members Dry Change	73	67
Bin Stores	14	
Circulation	78	115
Plant	135	163
Area schedule total	1398	2208
Total GIFA	1442	2275

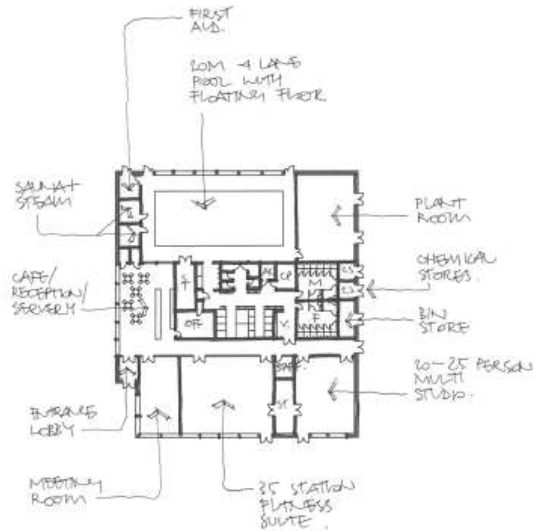
- 6.2 Based upon the above GIFA, the design team have then developed an indicative design for each option. It may be noted that these have, at this stage, been developed for the purpose of costing the works and will be further developed at the Outline Business Case stage.

Design Option A

Design Development Option A

1,442m²

- 20m 4 lane pool + floating floor
- Meeting / Community Room
- 35 Station Fitness Suite
- 20 - 25 Person Studio
- Sauna / Steam Room
- Wet Changing Village
- Members Dry Change

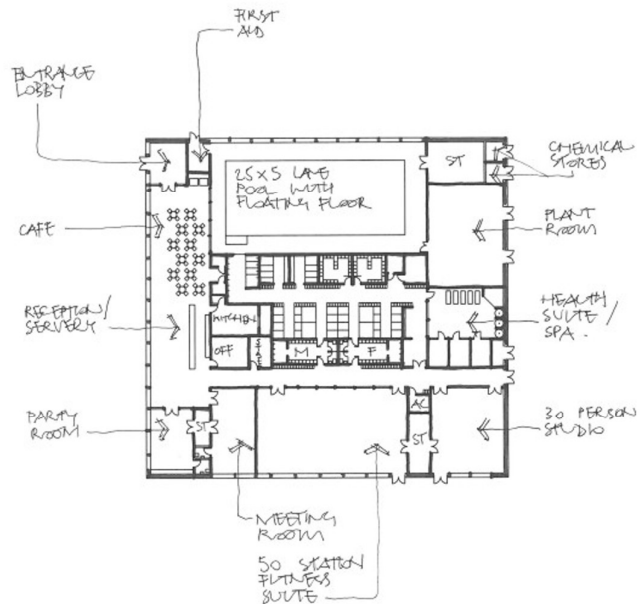


Design Option B

Design Development Option B

2,275m²

- 25m 5 lane pool + floating floor
- Party Room
- Meeting / Community Room
- 50 Station Fitness Suite
- 30 Person Studio
- Health Suite
- Wet Changing Village
- Members Dry Change



6.3 The next section considers the site options available to the project and the report covers the capital costs and revenue implications of each option.

7. Site Options - Interventions

Introduction

- 7.1 As part of our analysis, a site options appraisal was undertaken by Pozzoni Architects to establish the suitability of each site that was provided to the project from the Borough and Town Councils. Their report is included in Appendix D to this report and we have extracted relevant sections of that appraisal to provide context within this report.

List of Sites

- 7.2 The appraisal considered six sites including the current leisure centre site.:

- Current Leisure Centre Site
- Keswick Rugby Club
- Keswick School
- Theatre by the Lake
- A66 Crosthwaite Roundabout (orange area)
- The Town Cross by Isthmus Cottage

Relevant Planning Policies and key issues

- 7.3 The following planning policies and key issues were reflected within the appraisal.
- Policy 01: All development proposals should protect or enhance the authenticity, integrity, and significance of the Lake District.
 - Policy 06: Design and development – development must reinforce the importance of local character by having regard to scale, height, density, layout, appearance, and materials.
 - Policy 09: North Distinctive Area supports the development of a new leisure centre and pool in Keswick. Any leisure facility will need to reflect its remarkable and unique setting both in design and uses, maximising its connectivity with the outdoors.
 - Policy 23: Community facilities and Local Green Space supports development proposals for new, or improvements to existing community facilities and services where they are appropriately located to serve the needs of the community. It also supports development proposals that enable flexible/multi-use of buildings or that combine a range of services and facilities on one site to sustain its long-term viability.
 - Impact of development of the local road network is a planning consideration. The Main Street / Tithebarn Street – mini-roundabout is an existing traffic pinch point for example.

Pros and Cons for Each Site

7.4 We have provided a summary of the pros and cons of each site in the table below.

Table 7.1 – Pros and Cons of each Site

Site	Pros	Cons
Current Leisure Centre Site	<ul style="list-style-type: none"> • Site appears to be suitable in scale, albeit with restrictions from landscape • Location is outside of main town centre, so will not contribute to congestion. • Not in a flood zone • Connectivity with adjacent park • Sufficient utilities serving the site. • Walking route location provides opportunity for increased secondary spend 	<ul style="list-style-type: none"> • Access into and out of the site is limited by the current road infrastructure • A dense line of trees along the southern boundary makes visibility from the road and town centre almost impossible • Planning issues will revolve around noise, residents and TPO's. • Non central location - out of town development is positive for local residents, but requires drive to access for everyone else • Limited public transport infrastructure • Noted potential for site contamination. • Demolition of current centre required with associated loss of revenue during construction period
Keswick Rugby Club	<ul style="list-style-type: none"> • Site appears to be suitable in scale, albeit with required loss of pitch provision 	<ul style="list-style-type: none"> • Access into and out of the site is limited by the current road infrastructure. • Potential loss of sports pitches • Limited parking • Larger building requirement due to incorporation of current facilities into new building • Flooding and attenuation • Impact of noise on surrounding residents • Increased utilities requirement

Site	Pros	Cons
Keswick School	<ul style="list-style-type: none"> • Site appears to be suitable in scale. • Location is outside of main town centre, so will not contribute to congestion. • Not in a flood zone 	<ul style="list-style-type: none"> • Access into and out of the site is limited by the current road infrastructure • A dense line of trees along the southern boundary makes visibility from the road and town centre almost impossible • Planning issues will revolve around noise, residents and traffic. • Non central location - out of town development is positive for local residents, but re-quires drive to access for everyone else • Limited public transport infrastructure • Limited revenue position due to dual use site and child protection restrictions • Possible restrictions on scale of development i.e. may need to split across another site • Potential loss of playing fields • Development on the sloping field to the west of the site could require significant cut and fill. • Increased utilities requirements • Development on a school site could create child protection issues if not managed ap-appropriately, and could limit use of certain facilities during school hours
Theatre by the Lake	<ul style="list-style-type: none"> • Site appears to be suitable in scale. • Not in a flood zone 	<ul style="list-style-type: none"> • Location is outside of main town centre but accessed through the town, so could con-tribute to congestion • Trees could impact on developable areas.

Site	Pros	Cons
		<ul style="list-style-type: none"> • Planning issues will revolve around noise, intensity of use, comments from National Parks, and traffic. • Non central location - out of town development is positive for local residents, but re-quires drive to access for everyone else. • Limited nearby public transport infrastructure • Increased utilities requirements • Potential for additional land requirement
A66 Crosthwaite Roundabout (orange area)	<ul style="list-style-type: none"> • Site appears to be suitable in scale. • Not in a flood zone • Potential for good access 	<ul style="list-style-type: none"> • Increased utilities requirements • Trees could impact on developable areas. • Non central location - out of town development is positive for local residents, but re-quires drive to access for everyone else. • Full site (green field and orange zone) shared between two local landowners. It is understood that one landowner is not open to negotiation, the other is yet to be formally approached. This could have negative impact on access, scale. • Suitable safe access and egress is not clearly available. Feedback from the County Highways team is that the location is likely to present significant additional project costs with the need to modify the existing road infrastructure. • Council not in ownership of land

Site	Pros	Cons
The Town Cass by Isthmus Cottage	<ul style="list-style-type: none"> • Site appears to be suitable in scale 	<ul style="list-style-type: none"> • Location is outside of main town centre but accessed through the town, so could contribute to congestion. • Trees could impact on developable areas. • Planning issues will revolve around noise, intensity of use, comments from National Parks, and traffic. • Limited nearby public transport infrastructure • Increased utilities requirements • No appropriate road infrastructure

Conclusion of Site Analysis

- 7.5 A review of the site appraisal suggests that there is only one realistic option available for the development which is the current site. The other site which appeared suitable, the A66 Roundabout site, has been found to present a number of challenges. It is outside easy walking distance from the town, it is not in Council ownership and, most noticeably, ingress and egress from the site is not easily available meaning that the scale of any highway modifications would add a disproportionate amount of additional cost to the overall project.

8. Capital Costs - Interventions

Introduction

- 8.1 Based upon the information on the facility requirements, the GIFA and indicative designs, the cost consultant has prepared high level estimates of the likely capital costs of each option. Based upon the initial findings of the site analysis, the working assumption has been to assume the site for the building to be constructed is the current site.

Table 8.1 – High Level Capital Costs

All £	Option A	Option B
Total Building Costs	6,740,000	10,070,000
Moveable floor to pool	300,000	450,000
Demolition of existing	200,000	200,000
External Works	250,000	250,000
Services	100,000	100,000
Attenuation	100,000	100,000
Sub-total	7,690,000	11,170,000
Construction Contingency @ 10%	750,000	1,080,000
Professional Fees @ 12%	990,000	1,430,000
Inflation & Geographic adjustment	0	0
Total Capital Cost	9,430,000	13,680,000

- 8.2 The cost report is attached at Appendix C and includes a list of assumptions and exclusions. It is important to note that the capital costs do not include any inflation or geographical adjustment or VAT.

Debt Financing Costs

- 8.3 Details of the annual debt financing costs, loan period and interest rate assumptions are shown in the table below.

Table 6.2 – Annual Debt Costs

	Option A	Option B
Principal Borrowed	£9,430,000	£13,680,000
Period (Years)	40	40
Interest Rate	5.0%	5.0%
Total	549,563	797,245

Building Lifecycle Costs

- 8.4 We have separately assessed the level of building lifecycle costs that should be set aside for the future replacement of building fabric and plant when it reaches the end of its economic life. Based upon the capital costs above, we would estimate the annual contribution to a sinking fund would be circa **£56,000** under Option A and **£83,000** under Option B.

9. Business Plan - Interventions

Introduction

- 9.1 This section sets out the business plan for the new facility. We have provided details of the assumptions used in the business plan. A copy of the business plan model is in Appendix E.

Table 9.1 – Profit and Loss Projection – Option A

	Year 1	Year 2	Year 3	Year 4	Year 5
Function and Meeting Rooms	£8,400	£10,200	£11,400	£12,000	£12,000
Fitness - Membership	£114,764	£144,748	£167,701	£179,645	£179,645
Fitness - Casual Fitness (incl. PT)	£16,568	£18,398	£20,228	£22,058	£22,058
Fitness - Casual Classes	£2,802	£3,152	£3,502	£3,502	£3,502
Swimming - Casual	£36,846	£42,110	£47,374	£52,637	£52,637
Swimming - Membership	£19,351	£27,985	£38,845	£44,410	£44,410
Swimming - Lessons	£24,000	£24,000	£24,000	£24,000	£24,000
Swimming - Pool Hire	£25,532	£30,638	£35,745	£35,745	£35,745
Secondary Spend	£22,200	£27,654	£32,791	£33,965	£35,941
Total Income	£270,463	£328,885	£381,584	£407,961	£409,937
Staffing					
Wages and Salaries	-£303,990	-£303,990	-£303,990	-£303,990	-£303,990
Other Uniform etc	-£1,520	-£1,520	-£1,520	-£1,520	-£1,520
Total Staffing Costs	-£305,510	-£305,510	-£305,510	-£305,510	-£305,510
Premises Costs					
Planned Preventative Maintenance	-£6,201	-£8,268	-£10,336	-£10,336	-£10,336
Reactive Repairs & Maintenance	-£2,658	-£3,544	-£4,430	-£4,430	-£4,430
Decoration	-£1,772	-£2,362	-£2,953	-£2,953	-£2,953
Lifecycle Costs - Equipment	-£25,900	-£25,900	-£25,900	-£25,900	-£25,900
Gas	-£22,148	-£22,148	-£22,148	-£22,148	-£22,148
Electricity	-£32,483	-£32,483	-£32,483	-£32,483	-£32,483
Water	-£11,812	-£11,812	-£11,812	-£11,812	-£11,812
Chemicals / Cleaning Materials	-£7,383	-£7,383	-£7,383	-£7,383	-£7,383
Refuse collection	-£5,409	-£6,578	-£7,632	-£8,159	-£8,199
Insurance	-£10,819	-£13,155	-£15,263	-£16,318	-£16,397
Equipment purchase	-£2,000	-£2,000	-£2,000	-£2,000	-£2,000
Equipment leasing	-£12,132	-£12,132	-£12,132	-£12,132	-£12,132
Total Premises Costs	-£140,715	-£147,764	-£154,470	-£156,053	-£156,171
Supplies and Services					
License/subscriptions	-£1,352	-£1,644	-£1,908	-£2,040	-£2,050
Advertising and Marketing	-£5,409	-£6,578	-£7,632	-£8,159	-£8,199
Office Equipment/stationery/printing/postage	-£2,705	-£3,289	-£3,816	-£4,080	-£4,099
Telephones/Data Comms	-£243	-£296	-£343	-£367	-£369
ICT	-£3,381	-£4,111	-£4,770	-£5,100	-£5,124
Costs of Sales - Catering / Vending	-£11,100	-£13,827	-£16,395	-£16,982	-£17,970
Irrecoverable VAT	-£28,784	-£30,709	-£32,520	-£33,102	-£33,151
Other Administration	-£2,705	-£3,289	-£3,816	-£4,080	-£4,099
Total Supplies and Services	-£55,679	-£63,743	-£71,200	-£73,909	-£75,062
Profit, Overheads & Contingency	-£27,046	-£32,888	-£38,158	-£40,796	-£40,796
EBITDA	-£258,489	-£221,021	-£187,754	-£168,307	-£167,602

- 9.2 It may be seen that the current operating cost of circa £167,000 at the mature year and will continue to trade at this level in the future, subject to indexation etc. We understand that the annual operating subsidy pre-Covid was circa £250,000 per annum.
- 9.3 The working assumptions are that the operator is an eligible body for VAT purposes and a charity for business rate relief, although we have not included any business rates in our projections at this stage.

Income Projections

- 9.4 The table below provides a summary of the income we anticipate will be generated from the site.

Table 9.2 – Income Projections

	Year 1	Year 2	Year 3	Year 4	Year 5
Function and Meeting Rooms	£8,400	£10,200	£11,400	£12,000	£12,000
Fitness - Membership	£114,764	£144,748	£167,701	£179,645	£179,645
Fitness - Casual Fitness (incl. PT)	£16,568	£18,398	£20,228	£22,058	£22,058
Fitness - Casual Classes	£2,802	£3,152	£3,502	£3,502	£3,502
Swimming - Casual	£36,846	£42,110	£47,374	£52,637	£52,637
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Swimming - Lessons	£24,000	£24,000	£24,000	£24,000	£24,000
Swimming - Pool Hire	£25,532	£30,638	£35,745	£35,745	£35,745
Secondary Spend	£22,200	£27,654	£32,791	£33,965	£35,941
Total Income	£270,463	£328,885	£381,584	£407,961	£409,937

Meeting Room

- 9.5 The facility will have a meeting room and we anticipate that this will be in high demand for the community but potentially GP surgeries and the Integrated Care Board. We have assumed that there will be a meeting on average every day with a delegate rate of £5.00 which includes £2.00 for tea/coffee. We have adjusted for the cost of goods sold in providing the refreshments.

Fitness Income

- 9.6 This is a key income driver for the facility and we have assumed a demand of circa 700 members (the previously facility had circa 500) but with the new facility, the health suite, and the club atmosphere we can see this increasing and maintaining at the 700 level. That is circa 20 members per station which is at the lower end of the benchmark level (20 – 25 per station) but it needs a certain level of stations to give it creditability.
- 9.7 We have set the prices at a local level with monthly membership at between £32 (adjust peak) and £23 per month (off peak concession). Casual pay and play users of the gym will pay local tested prices £10 peak adult and £5.50 off peak concession). We have also included pay and play classes at a blended rate of £4.50 per class, those with membership can use the classes free of charge.

Swimming Income

- 9.8 We have prepared a high level programme for the swimming pool, but we recognise that this will need some level of refinement at the next stage of the process. Under the previous scheme swimming income was circa £230,000 per annum (2019) but much of this income (circa 70%) was derived in the summer months on wet days when tourists looked for alternative activities for themselves or their children. Our estimate is that swimming income will be circa £120,000 per annum, including casual swimming, swim memberships and swimming lessons.

- 9.9 Casual swimming – we anticipate the pool will be available for casual swimming every day although there will be times when the pool will have to be made available for school swimming, or swimming lessons and/or parties which will be the compromise that may be required given the size of the new pool.
- 9.10 Swim memberships – we see that there will be circa 200 members paying the market price of £25 per month or £15 per month depending upon the membership. It is likely that at peak price many may pay a small premium and join the facility at £32 per month.
- 9.11 Swimming lessons – previously there were circa 100 in swim school, and we don't see this being much different. The price point for swimming lessons has been benchmarked locally at £25 per month on direct debit. Lessons will take place after school 2 evenings a week.
- 9.12 Pool hire – we have assumed that there will be pool hire in the programme, mainly from schools. Our calculations are based upon our programme (12 hours per week) and a price point for schools at £40 per hour, and parties £115 per hour with small inflatable. Mathematically this generates income of circa £35k per annum but we have not confirmed the level of hire commitment from schools at this stage.

Secondary Spend

- 9.13 We have calculated secondary income from catering and retail using the number of projected users and applying a spend per head benchmark which is £0.40p which is similar to the income generated by the previous swimming pool facility pre-Covid.

Operating Costs

- 9.14 We have set out below the details of the operating costs over the key groupings of salary and wages, premise costs, and supplies and services plus profit and overheads.

Salary and Wages

- 9.15 The table below sets out details of the costs associated with salary and wages for the site. We have prepared an establishment of resources and applied an annual salary, and added provisos for employer national insurance contributions, pension contributions and some holiday cover.

Table 9.3 – Salary and Wages

	Year 1	Year 2	Year 3	Year 4	Year 5
Wages and Salaries	-£303,990	-£303,990	-£303,990	-£303,990	-£303,990
Other Uniform etc	-£1,520	-£1,520	-£1,520	-£1,520	-£1,520
Total Staffing Costs	-£305,510	-£305,510	-£305,510	-£305,510	-£305,510

- 9.16 Salary costs were significantly lower under the previous arrangements as demand was low but peaks were managed by a list of casual staff. This is less likely to be the case in a new facility where demand is expected from the local community evenly throughout the year.
- 9.17 To keep costs down, we have assumed that many of the posts will be taken up by young people who are under 23 years of age. This is positive for the town, young people getting into work but also keeps annual salary costs to a minimum and the new facility more affordable. Our model includes salary and wages that are not below the national minimum wage and are based upon a 35 hour week. Details of the number of FTE and annual salary details are including in the financial model.

Premises Costs

9.18 The table below provides a summary of the premises costs for the site.

Table 9.4 – Premises Costs

	Year 1	Year 2	Year 3	Year 4	Year 5
Planned Preventative Maintenance	-£6,201	-£8,268	-£10,336	-£10,336	-£10,336
Reactive Repairs & Maintenance	-£2,658	-£3,544	-£4,430	-£4,430	-£4,430
Decoration	-£1,772	-£2,362	-£2,953	-£2,953	-£2,953
Lifecycle Costs - Equipment	-£25,900	-£25,900	-£25,900	-£25,900	-£25,900
Gas	-£22,148	-£22,148	-£22,148	-£22,148	-£22,148
Electricity	-£32,483	-£32,483	-£32,483	-£32,483	-£32,483
Water	-£11,812	-£11,812	-£11,812	-£11,812	-£11,812
Chemicals / Cleaning Materials	-£7,383	-£7,383	-£7,383	-£7,383	-£7,383
Refuse collection	-£5,409	-£6,578	-£7,632	-£8,159	-£8,199
Insurance	-£10,819	-£13,155	-£15,263	-£16,318	-£16,397
Equipment purchase	-£2,000	-£2,000	-£2,000	-£2,000	-£2,000
Equipment leasing	-£12,132	-£12,132	-£12,132	-£12,132	-£12,132
Total Premises Costs	-£140,715	-£147,764	-£154,470	-£156,053	-£156,171

- 9.19 Many of the premise's costs have been calculated using the GIFA. We have applied £12 per m2 for repairs and maintenance, PPM and decoration which is around the £17,000 level compared to the £43,000 included previously for the older building.
- 9.20 The equipment is financed from leasing, shown in the table above but also directly by the operator and we have included a lifecycle fund to replace these items when they reach the end of their economic life.
- 9.21 In terms of energy costs we have included £66,000 per annum, compared to the £145,000 pre-Covid. This can be attributed to a more energy efficient design of the building and plant. It is recognised that, at the time of writing, utility costs are substantially high, however there is some expectation that these will fall by the time this facility is operational.
- 9.22 Water costs we have priced this at £45 per m2 on the basis (previously within a target range) that the cubic meterage of water is lower and the expectation that the new building will have much more efficient plant. However there is a risk that this may not be a sufficient budget to cover these costs but these will largely be dependent upon the M&E solution provided and available. Further work will need to be undertaken at the next stage.
- 9.23 Other costs include insurances, refuse collection, chemicals for the pool and a small provision for ad hoc equipment purchases.

Supplies and Services

- 9.24 The table below provides an overview of the budgets allocated for supplies and services for the new facility.

Table 9.5 – Supplies and Services Budgets

	Year 1	Year 2	Year 3	Year 4	Year 5
License/subscriptions	-£1,352	-£1,644	-£1,908	-£2,040	-£2,050
Advertising and Marketing	-£5,409	-£6,578	-£7,632	-£8,159	-£8,199
Office Equipment/stationery/printing/postage	-£2,705	-£3,289	-£3,816	-£4,080	-£4,099
Telephones/Data Comms	-£243	-£296	-£343	-£367	-£369
ICT	-£3,381	-£4,111	-£4,770	-£5,100	-£5,124
Costs of Sales - Catering / Vending	-£11,100	-£13,827	-£16,395	-£16,982	-£17,970
Irrecoverable VAT	-£28,784	-£30,709	-£32,520	-£33,102	-£33,151
Other Administration	-£2,705	-£3,289	-£3,816	-£4,080	-£4,099
Total Supplies and Services	-£55,679	-£63,743	-£71,200	-£73,909	-£75,062

9.25 Although we do not have a comparable figure for the previous facility, we have used our database to establish the level of budgets that will be required to support the operation of the facility. We have included a provision for licences (but not class licences), 2% of income for marketing and advertising, provision for IT, cost of goods sold and irrecoverable VAT.

9.26 Separately we have included 10% of income to cover the operator's profit, overheads, and contingency which amounts to circa £40,000 per annum in a mature year.

Operational Affordability

9.27 The projects affordability considers the revenue costs associated with the transaction including the operating surpluses/costs, and internal debt costs it has incurred on funding the initial capital equipment. We understand from the GLL contract that circa £250,000 was originally earmarked previously to support the operating deficit of the previous pool. It is not clear on if this is available for the new facility, so we have excluded this from our affordability projections.

9.28 There is an opportunity to increase café sales from walkers on the old railway trail, which has circa 550,000 visits per annum. We anticipate that could leverage circa £100,000 in gross profit but we have not included the capital costs of supporting this facility at this stage. We would seek to explore this at the OBC stage.

Table 9.6 – Operational Affordability

	Year 1	Year 2	Year 3	Year 4	Year 5
Operating Surplus / (Cost)	-£258,489	-£221,021	-£187,754	-£168,307	-£167,602
Interest Payable	-£7,002	-£6,790	-£6,567	-£6,334	-£6,089
Debt Repayment	-£4,235	-£4,447	-£4,669	-£4,902	-£5,148
Net Positon	-£269,725	-£232,258	-£198,990	-£179,543	-£178,838

9.29 It may be noted that it has been assumed that the building lifecycle costs, business rates and the debt costs associated with the capital costs of the project have not been included in this operational affordability assessment. The implications If these costs are included are shown in the table below.

Table 9.7 – Project Affordability

	Year 1	Year 2	Year 3	Year 4	Year 5
Net Operating Positon	-£269,725	-£232,258	-£198,990	-£179,543	-£178,838
Building Lifecycle Fund	-£56,580	-£56,580	-£56,580	-£56,580	-£56,580
Business Rates	£0	£0	£0	£0	£0
Debt Repayment for Capital Cost	-£549,563	-£549,563	-£549,563	-£549,563	-£549,563
Net Positon	-£875,868	-£838,401	-£805,133	-£785,686	-£784,981

10. Summary

Plans and Strategies

- 10.1. There is a strong link between national and local strategies with the Council providing good evidence of its understanding of local demand and supply related to indoor built facilities and outdoor playing pitch provision. These provide a base on which to plan for the delivery of better outcomes through focussed investment to improve the health and wellbeing for those that live and work in Keswick.

Population and Demographics

- 10.2. Overall population density across Allerdale is low and population forecasts predict an only a marginal increase in population (1%, 869 persons) between 2022 and 2043. The population breakdown shows a significant variation from the national population profile and there are significantly less people aged under 45 compared to England as a whole and higher overall number aged 50 or more. Keswick has a modest requirement of circa 125 new homes as a contribution to the Borough's requirements and there is unlikely to be a significant impact on the demand for indoor and outdoor sports in future years as a result of housing growth estimates.
- 10.3. Relative to other parts of the country Allerdale experiences average levels of deprivation. Around 12% of Allerdale (Lower Super Output Areas (LSOA's)) are in the most 10% deprived LSOAs in England with 5% being in the top decile for the least deprived areas. The combined index of multiple deprivation indicates that Keswick experiences relatively low levels of multiple deprivation with all LSOAs being amongst the 40% least deprived in England.
- 10.4. In terms of health indicators, Allerdale scores well in all of these compared to the regional average but lags behind when compared to the national picture. Key areas of focus include the relative high mortality rates caused by cardiovascular disease, obesity levels amongst children, and improving the diagnosis rate for dementia.
- 10.5. It may be noted that Allerdale is an active borough, with more people doing the recommended 150 minutes of activity per week compared to the national average. Children in Allerdale are also more active (53.3%) than their counterparts in both the North West (43%) and England as a whole (44.9%) at an average 60 minutes or more per day. Other than walking for leisure, structure programmes of exercise are the most popular activity with swimming attracting a regular 9% of the population taking part each month.
- 10.6. Travelling around the area is perceived as being difficult either due to the rural nature of the landscape, the lack of public transport or access to a vehicle. Travelling times are further impacted by high volumes of tourist traffic in the summer months.

Facility Performance Review

- 10.7. As part of this piece of work, a site performance review was undertaken and it was noted that income generated per visit was well above our own benchmark data in 2019 although the income per m2 was below our benchmark as was the number of visits per m2. Firstly this flagged up the possibility of inaccurate admission data or that income was being generated from 'sleeping' members but it also suggested that the building may be over-sized compared to visits.

- 10.8. Fitness income per station in 2019 was well below benchmark and suggested over provision of equipment or simply that the facility was not sufficiently attractive (fit for purpose) compared to its competitors or that expected by customers. Swimming income per m2 of pool water was just below our benchmark in 2019 and we noted that this income was distorted by casual sales in the summer months masking the overall general pool use by the local population. Swimming lesson income and numbers were considered to be very low at 100 which we understand relates to the pool design. Secondary spend per visit was positive (£26k).
- 10.9. Utility costs pre-Covid were very high at £77m2 which suggested a facility requiring significant lifecycle maintenance intervention (replacement of plant and use of insulation). Maintenance costs per m2 are considered in line with our 2019 benchmarks and staffing costs were in line with our benchmarks as % of income and staff as % of expenditure.
- 10.10. Principally the income drivers are low with only circa 65,000 annual visits, circa 70% of visits to the existing pool are made during wet summer days, only 500 gym memberships were sold in 2019 and only 100 pupils in swimming school. With the removal of summer holiday swimming demand, this will result in very low levels of income to support the operational costs of the new facility.

Consultation

- 10.11. A previous report undertaken by Strategic Leisure Limited set out the results of public consultation which identified a perceived gap in local wet and dry leisure provision especially the qualitative need for a new swimming pool, sports hall and 3G artificial pitch. It was clear from the report that the lack of available public transport and unattractive travel times adversely affected the community's ability to reach other locally available sports and leisure provision.
- 10.12. It is noted that there is a high annual volume of users on the Keswick to Threlkeld trail (old railway line cycle path) around 500k. As the start point is close to the existing leisure centre, it was highlighted that future design considerations should be given to maximising the appeal of the cafe and seating areas for use by passing trade.
- 10.13. There is a successful One Public Estate programme in place that has seen specialist musko-skeletal services co-located in local leisure centres. Preliminary discussions reveal an opportunity to provide similar services for the community in Keswick although other areas within the borough may have more pressing needs. If delivered, this would require specific space requirements being included within any plans for new leisure centre design.

Market Gap Analysis

- 10.14. A detailed analysis was undertaken to test the gap in sports and leisure facilities in the town. This analysis has been used in the development of a number of facility options or packages that have been developed as part of this report. It was noted that the Museum saw an opportunity to be an interpretation centre for the World Heritage site and to create better links to the National Park.
- 10.15. Although it is possible for this to be co-located with the wider leisure pool, feedback from the LDNP highlighted there is a significant opportunity related to better link the Fitz Park, Keswick Museum and leisure facility to create a gateway to the north of the town.
- 10.16. There may also be opportunities in cycling with regards to partnership agreement with Sustrans and Cycling UK in delivering cycling initiatives locally.
- 10.17. Details of the facility mix for the two Options A and B are set out in the table below.

Table 10.1 – Facilities

All sq.m	Option A	Option B
Entrance Lobby	10	30
Café / Viewing	91	244
Café wc's	7	7
Reception	23	26
Kitchen		35
Offices		22
Combined Office / Kitchen Area	26	
Community / Meeting Room	73	73
Community / Meeting Room stores /toilets		20
Party Room		55
Health Suite	24	114
Wet Changing Village	166	305
Pool Hall	324	465
First Aid	12	12
Pool Store	22	45
Group Exercise Studio	110	120
Group Exercise Studio Store	25	25
Fitness Suite	175	252
Staff room	10	13
Members Dry Change	73	67
Bin Stores	14	
Circulation	78	115
Plant	135	163
Area schedule total	1398	2208
Total GIFA	1442	2275

10.18. These GIFA have been used in the development of the business plans and capital costs for the report.

Site Analysis

10.19. Once the overall GIFA for the facilities had been developed, a number of sites were considered to deliver these new leisure facilities for the town. The review concluded that there is only one realistic option available for the development which is the current site.

10.20. The other site which appeared suitable, was the A66 Roundabout site, but this was found to present a number of challenges including; it is outside easy walking distance from the town, it is not in Council ownership and, most noticeably, ingress and egress from the site is not easily available meaning that the scale of any highway modifications would add a disproportionate amount of additional cost to the overall project.

Capital Costs

10.21. The capital costs have been developed using the information on the facility requirements, the GIFA and indicative designs. The working assumption has been to assume the site for the building to be constructed is the current site.

Table 10.2 – High Level Capital Costs

All £	Option A	Option B
Total Building Costs	6,740,000	10,070,000
Moveable floor to pool	300,000	450,000
Demolition of existing	200,000	200,000
External Works	250,000	250,000
Services	100,000	100,000
Attenuation	100,000	100,000
Sub-total	7,690,000	11,170,000
Construction Contingency @ 10%	750,000	1,080,000
Professional Fees @ 12%	990,000	1,430,000
Inflation & Geographic adjustment	0	0
Total Capital Cost	9,430,000	13,680,000

10.22. It is important to note that the capital costs do not include any inflation or geographical adjustment or VAT. The debt costs associated with these two options are £550k and £797k respectively.

Business Planning and Affordability

10.23. Detailed operational business plans have been prepared reflecting the design layout, market prices and programmes as well as previous performance data. The business plans include income analysis, staffing costs, premises costs, supplies and service costs as well as profit and overheads.

10.24. The financial model also includes building lifecycle costs, business rates and the debt costs associated with the capital costs of the project and these are included are shown in the table below.

Table 10.3 – Project Affordability

	Year 1	Year 2	Year 3	Year 4	Year 5
Net Operating Positon	-£269,725	-£232,258	-£198,990	-£179,543	-£178,838
Building Lifecycle Fund	-£56,580	-£56,580	-£56,580	-£56,580	-£56,580
Business Rates	£0	£0	£0	£0	£0
Debt Repayment for Capital Cost	-£549,563	-£549,563	-£549,563	-£549,563	-£549,563
Net Positon	-£875,868	-£838,401	-£805,133	-£785,686	-£784,981

10.25. It may be seen that the overall cost of the base option (Option A) is significant at circa £785k at maturity. These options are reviewed at the Outline Business Case for economic value and affordability.