

FAO - Ms Helen Lockwood  
Chief Executive  
Rossendale Borough Council  
Futures Park  
Bacup  
OL13 0BB

23 September 2013

Dear Ms Lockwood

## **Open Letter Re: Council Decisions for Haslingden Baths**

### **Background**

As an ageing, stand-alone facility, Haslingden Pool has faced the threat of closure for many years. In 2010 proposals to close the pool prompted a public outcry with many members of the public attending a meeting with councillors to express their opposition to the plan. At that time they were greatly encouraged when the Council listened to their case and obtained funding to build a replacement pool adjacent to Haslingden Sports Centre. Planning permission was given and plans drawn up.

However, when the balance of power in the Council changed in May 2011 one of the first initiatives taken by the Labour Party was seeking to 'postpone the 2010 proposal for a replacement pool at Haslingden Sport Centre in favour of supporting the wider regeneration of Rossendale' i.e. the acquisition and demolition of the Valley Centre.

At a council meeting on 28 September 2011, despite strong opposition from the public and the Conservative councillors, the motion to divert the funds was carried by the Labour councillors, including two who were meant to represent Haslingden.

### **Community Backing**

The Friends of Haslingden Baths, a formally constituted group, was formed by nine local people trying to keep a swimming facility in the town. We have gained support from over 50 volunteers to cover all aspects of running the pool, with a view to securing funding for a new pool in the longer term. Between them, the volunteers have the knowledge, skills, expertise and drive to keep this facility open in the community for the community, either working alongside the Council or as a community group.

In addition to these direct volunteers local people have backed our campaign, signing the petition to keep the pool open. We have secured interest/backing from most of the larger local businesses and some smaller ones to take up corporate packages for their employees. We have spoken to local schools and swimming

clubs, both locally and further afield, who are very interested in using the pool if we were to keep it open.

## **Flawed Process**

The council say that we did not enter a Community Asset Transfer (CAT) bid. We admit this is the case - the reason being that we quickly realised the CAT was a flawed process. The “asset” is a 77-year-old building in need of major repairs, a swimming pool suffering serious concrete cancer problems and an old electrical plant expected to fail soon due to lack of investment over several years. The fact that two private-sector bidders quickly pulled out confirms that the Friends group showed excellent business sense in making an alternative proposal. If the council had had the foresight to offer the land (a real asset) as well as the building, the group could have produced a completely different application. This was never a genuine asset transfer but rather an attempt to offload a liability with minimal damage to the council.

## **Impact upon the local population**

The report grossly underestimates the impact of closure, not only on Haslingden, but also on the rest of the Valley. Issues to be addressed include:

1. Marl Pits, already very busy especially in the evenings, lacks the capacity to accommodate all swimmers currently using Haslingden Baths. This will impact on swimmers throughout the Valley, not just those from Haslingden.

*Are there plans to expand opening hours at Marls Pits?*

2. Schools in Haslingden will have to pay more for transport, significantly cutting into their swimming budgets.

*Have these extra costs been factored into the plans?*

3. Marl Pits is not on a direct bus route from Haslingden. Public transport options require both additional cost and an uphill walk, an obvious disadvantage to those who are on low incomes or less physically fit. The only other swimming pool within a reasonable distance on public transport is Ramsbottom, but the last direct bus to Haslingden leaves before 6.30pm.

*Will more transport options be provided for disadvantaged or disabled people without cars?*

4. Using an out-of-area swimming pool is more expensive, not only for transport, but also because Rossendale Leisure Trust (RLT) membership cards are not accepted.

*Will RLT arrange reciprocal discount schemes with neighbouring leisure trusts?*

5. As seen in points 3 and 4, disadvantaged, disabled and elderly pool users will be most affected by the closure of Haslingden pool.

## **Provision of Information**

The whole process has been frustrated by the lack of information provided by both the council and by Rossendale leisure trust. The friends tried repeatedly to get access to financial information related to the running of the pool, and whilst some of this was eventually made available late in the process there were still significant gaps in the information.

The trust and the Council allege that Haslingden pool currently receives a subsidy of £135,000 per year. We were unable to ascertain the level of leisure trust membership, or overhead costs of the trust that were allocated to the pool, to the extent that we were told by the trust they would not provide some of the information as they saw the friends of Haslingden Baths as potential future competitors. We believe this makes the whole process flawed and anti-competitive.

The proposal made by the friends of Haslingden baths would have reduced the subsidy required to just £27,000 per year. This is significantly less than the subsidy that will continue to be received by both Marl Pits and Haslingden sports centre, (or even than the grant provided to Whitworth pool). Indeed without the contribution of Haslingden baths it is not clear how what is left could even be described as a leisure trust, and the closure of Haslingden baths casts doubts over the viability of all other leisure facilities within Rossendale.

## **The report to Council (26 September 2013)**

The friends wish to challenge a number of the statements and assumptions within the report being presented to councillors. We believe it is only right that councillors have the full information before making a decision on the future of an important valley facility.

To say that the council did not receive any bids under the CAT policy is disingenuous, the report is correct in stating our proposals were short-term for Haslingden baths, however our vision for swimming facilities is brave and forward thinking, and by working in partnership we really do believe we can deliver a new cost effective facility for the Haslingden area. It is disappointing that the Council does not appear to share our vision.

The report is misleading in terms of the proposal submitted by the friends of Haslingden baths as it only presents the summary proposal, and none of the detailed assessment that had been undertaken. In order that councillors can make a fully informed decision this information should have been made public. To assist councillors in reaching a correct decision our full proposal is attached to this letter.

The report suggests that if the pool is closed, that the site should be disposed of, including the option of considering the adjoining garage site. When this proposal was suggested by the friends as a way of making the whole scheme work it was

immediately dismissed. We ask that the future receipt for the whole site is earmarked towards build costs of a new pool for Haslingden.

We are disappointed that the council continues to refer to the pool running at a loss. This is a public facility which we all pay council tax towards. The proposal from the friends would have led to Haslingden pool making a smaller loss than the loss currently made by Marl Pits, despite the significant investment in that facility.

The report makes the claim that *“RLT have continued to work with individuals/groups on this as far as is reasonably practical to find alternative provision and/or provide signposting”*. The friends are not aware of this taking place, and given RLT poor history of consultation with users or even with their own staff we find this statement particularly misleading. Staff and customers have been kept in the dark throughout the process.

Our final concern over the report that has been presented to members and made available to the public is the date at the bottom of each page. The report is dated as 1 July 2013. It is clear from this date that the majority of the report was completed, and decisions taken without proper consideration of our bid. This shows it is a completely flawed and biased process.

### **Misleading and inaccurate comments in the media by Councillors**

On numerous occasions Councillors MacNae and Barnes have made inaccurate and misleading comments in the media and at council meetings regarding the ongoing situation with Haslingden Pool and the Friends Group. Thus far the group has resisted entering into public contradictions. However, we feel we cannot let the most recent quotations in the Free Press go unchallenged.

Rosendale Free Press 19 September 2013

*‘Coun Andy MacNae, Labour’s portfolio holder for tourism and regeneration, said the Friends group had determined it could not run the pool as a viable business.’*

It was not the Friends Group who determined that the pool was not a viable business. It was always known that this was the case. Councillors MacNae and Barnes both agreed that the pool was not a viable business at the Audit and Scrutiny Committee earlier in the summer. Councillor MacNae himself stated that stand-alone wet facilities do not usually break even. This is one of the reasons why the group believe the process has been flawed from the outset.

*‘He said: “Its ultimate aim was for us to keep subsidising the pool until we or they can find funding for a new one.”*

The Friends would like to know what else the ultimate aim could possibly be other than a replacement pool in the Haslingden area. Has Councillor MacNae forgotten

the original purpose of the loan that funded the purchase of the Valley Centre, or the expert opinions regarding the limited life of the pool building? What Councillor MacNae also fails to acknowledge is that the Friends estimated that the subsidy required to continue to run the pool would have been substantially reduced from the quoted subsidy of £137k to £27k. (when £20k is the ongoing cost of securing the vacant building.)

*'Given our current budget cuts we can't sustain that level of loss any longer.'*

Council/ Leisure-Trust-owned leisure facilities make use of subsidies because of their important role in maintaining the health and well-being of the local population. Therefore the repeated use of the word 'loss' is misleading and disingenuous. Although the Council's stated ambition is for leisure facilities to break even, Marl Pits and Haslingden Sports Centre also require a subsidy.

All we asked is that Council give the pool, and the Friends of Haslingden Baths the opportunity show that our proposal can work.

How can you do that? It is simple vote against the motion to close the pool, and vote for a future for Haslingden.

Friends of Haslingden Baths

Cc: All Rossendale Councillors

Rt Hon Graham Jones MP

Rt Hon Jake Berry MP

Rossendale Freepress

Lancashire Telegraph

Will Straw, prospective parliamentary candidate for Rossendale and Darwen



## **Friends of Haslingden Baths Group**

### **Response to Rossendale Borough Council in regard to future swimming facilities in Haslingden and surrounding areas.**

9 August 2013

#### **Subject – The Future of Swimming in Haslingden**

Further to submitting our Expression of Interest and subsequent meetings with Rossendale Borough Council and Rossendale Leisure Trust personnel we, The Friends of Haslingden Baths (the Friends), wish to highlight the following issues:

- The pool usage has fallen from a peak of 120,000 users some 4/5 years ago, to circa 78,500 today, which still generates just over £205,000 per year. The impact of this reduction in usage is approximately £108,200.
- The current costs of employees and services to run the pool total around £347,000 per year, leaving the Council providing a subsidy to maintain the existing provision.
- The current “deficit/subsidy”, is stated as £137,000 per year, and this is clearly the main issue for any interested party to address immediately.
- Rossendale Leisure Trust are unable to provide detailed information to identify the impact on overall Leisure Membership income with the removal of Haslingden Baths from their overall offer. There is no information to back up the total income figure, which is the basis of the quoted assumed deficit upon which the decision to withdraw support from the baths has been made.

#### **Assumed deficit**

The deficit is quoted at £137,000 per annum based upon 2011-12 figures. There is no breakdown of the income that contributes to this assumed deficit. The Group have repeatedly requested a breakdown of

income by membership type and total non-members. Helen Lockwood has assured the Group that these figures can, will and have been provided. However, upon request Martin Kay informed the group that as whomever expresses an interest to take over the pool is viewed as competition it is not in the interests of the Leisure Trust to share this breakdown.

The group feel that a full understanding of the accuracy of the quoted £137,000 deficit is fundamental to both the Group and the Council's mutual benefit for the following reasons:

- An element of membership usage may be heavily weighted towards swimming which would mean that there is a likelihood that the Leisure Trust would lose a significant portion of future income should these members elect to invest in swimming as opposed to dry facilities. This would mean that offloading the Baths would not save the council the quoted assumed deficit as losses elsewhere will increase.
- The assumed income could be understated due to leisure-pass holders not being accurately counted or the income being counted against other facilities such as the facility where it was purchased as opposed to the facility it is most used.

It is of extreme and urgent importance that the Group and the Council see and understand a fully auditable income analysis including the breakdown of membership by type.

Coming out of these observations there are further challenges. As part of our due diligence The Friends have now collected other data and information, some of this provided by the Council and the Leisure Trust, (which were not available at the time of our Expression of Interest submission), and other data from discussions with Lancashire County Council, other Leisure Trusts, charitable groups running other swimming pools, Sport England and other sporting bodies.

It is apparent from the information we now have that running Haslindgen Baths in its existing condition is not a viable long term option, and therefore our proposal does not directly meet your requested format of submission. Indeed the withdrawal of the two private sector bids shows it is clear that the baths cannot be operated on a purely commercial basis.

**The Challenge** - How do we keep a 77-year-old pool open for the next three to four years, whilst carrying out a major fund raising exercise to ensure a new pool for the residents of Haslingden and Helmshore?

## **Proposals**

Our proposal is to provide additional support to ensure Haslingden Baths remain open. The Friends are in a unique position to provide this support, although we do believe that much of what we will suggest should be possible by the Leisure Trust using their charitable status.

To deliver this proposal The Friends will:

- Provide volunteer staff, where feasible, or suitable trained volunteer staff, to reduce the overall costs of running the pool. We have a growing list of volunteers, with experience in most aspects of running a pool. We propose to provide a regular schedule of the equivalent of four volunteer staff utilised, based on a rota of a minimum of 12 volunteers. This will enable staff savings of circa £60,000 per year to be made. This suggestion was made to the Leisure Trust who believe there difficult employment law issue to address. Our understanding is that since the Leisure Trust is a charity itself, the use of volunteers is an expected benefit and should be explored to its maximum benefit.
- The Friends will provide expertise in marketing the pool to the business sector. We have volunteers with extensive experience in sales and marketing, and in the leisure industry. The Friends believe this experience will enable us to sell additional packages to local business. We have identified a prudent level of sales within the first years and have set ourselves a modest initial target of £30,000 per year.
- The Friends will gain new user groups to build back up to circa 10% growth per year. We already expect around £20,000 per year in the first year as an increase in revenue. We believe that some of this demand will happen naturally through the increased school curriculum demands for Key Stage Two pupils. (Note we are concerned that without Haslingden Baths, the Leisure Trust facilities will not be able to cope with the increased demand).

## **The Friends proposal**

With a currently £137,000 assumed annual deficit, The Friends believe with a combination of the above proposals, that a combined business plan, working closely with the Council and the Leisure Trust, could provide a substantial reduction in the overall costs by around £110,000, leaving a remaining subsidy of around £27,000 per year for the Council. This could be even less should questions around income breakdown be answered. We believe this is a sensible alternative and compares favourably to the support already provided by way of grant to CLAW and would be less of a subsidy than that required by the current facilities at Marl Pits.

We do believe that there are further fund-raising/budget-saving opportunities, however we do not want to promise anything which we do not truly believe we can deliver.

In addition to submitting these outline proposals for consideration, we confirm The Friends wish to join the Council and the Leisure Trust as their Haslingden Pool Partner (HPP) to focus 100% on maintaining a swimming baths and to work jointly with the Council and the Leisure Trust in producing a major new swimming plan to include the construction of a new baths, as was previously planned for at Haslingden Sports Centre.

What you are getting with The Friends is a highly motivated and extremely experienced group, who have the expertise to support the future of swimming within Haslingden and Helmshore.

The Council and RLT invested large resources in time and money in this process leading up to 2010, therefore we ask, "Why waste all this work, effort, and expectations with the future generations of swimmers having to travel further, to an overcrowded pool?"

We ask that one year on from London 2012 that we are given the opportunity to help provide a true legacy for future generations in Rossendale.

Alongside this letter, we have included our initial options appraisal and our constitution. A separate email will follow containing the CVs of the core group. You will see from this that we have carried out a thorough appraisal and have the skills required to make this project work. The

Council has the opportunity to benefit from our expertise and leave a legacy for Rossendale.

We therefore seek early meetings with the Council and the Leisure Trust to further develop a Plan B, (offered at a meeting with the Council) thus keeping alive a project that can be achieved with goodwill, effort and enthusiasm from all sides. We all want what is best for the people of our valley, and we believe we can all achieve our objectives: the Council with a significant reduction in subsidy and the people of Rossendale having an existing facility until a new pool can be built at the preferred site at Haslingden Sports Centre.

## Haslingden Baths Summary Options Appraisal

### Introduction

1. This paper briefly summarises the options available in order to maintain a swimming facility in Haslingden in the short, medium and longer term. The project is broken down into three phases as follows:

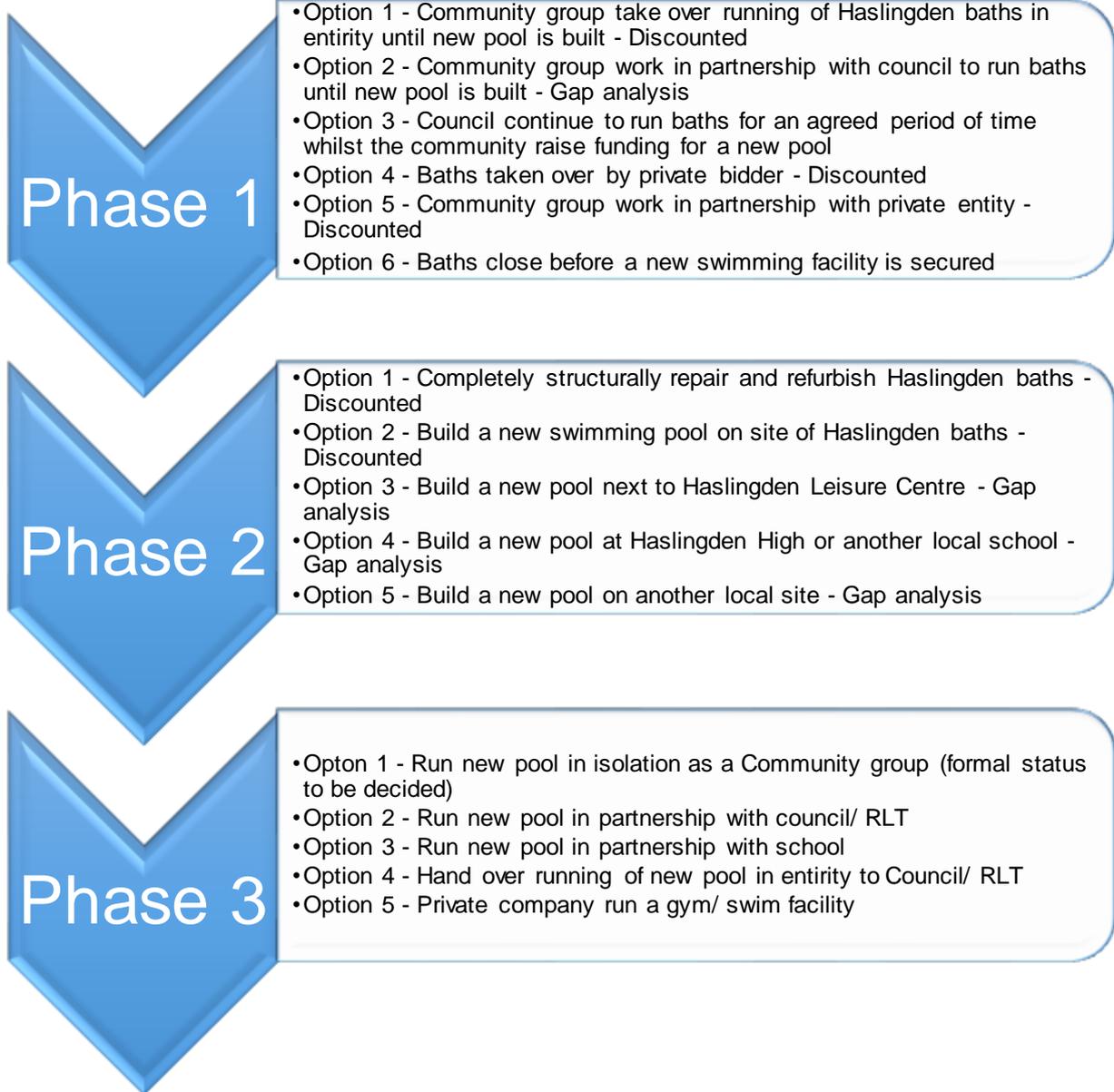
Phase 1 – Short term – maintain a swimming facility in Haslingden whilst a long term solution is sought.

Phase 2 – Medium term – Fund and build a swimming pool for future generations.

Phase 3 – Long term – Ensure new swimming facilities are safeguarded against future cuts and are run making the best use of funding and to the best effect.

2. Table 1 details the options associated with each phase. These options are appraised within this paper. Some of the options are discounted, the reasons for which will be explained. Other options require further investigation for which a gap analysis is performed.

**Table 1 – Options summary**



**Phase 1 – Short term – maintain a swimming facility in Haslingden whilst a long term solution is sought**

*Option 1 - Community group take over running of Haslingden baths in entirety until new pool is built*

Pros	Cons
Baths are an asset for the community whether in use or to be sold in order to fund a new build	No economies of scale e.g. purchasing power, group insurance, HR/ Payroll, maintenance
	All risks lie with community group.
	Community group would likely end up being bearers of bad news. This could be if after a few months there is a catastrophic failure of the building meaning the baths have to close or in a more likely scenario the baths reach the end of their useful life in the not too distant future.

3. This is not a viable option because the building has at best 3 – 4 years of life and would require in the region of £3m in order to refurbish internally and make structurally sound. Therefore the community group would not be able to create a viable business from the asset.

*Option 2 - Community group work in partnership with council to run baths until new pool is built*

4. This will occur if the Council/ RLT are willing to work with the community for a fixed period of time whilst a new swimming facility is secured. This would require:
- a) A significant reduction in the quoted £137k annual subsidy or some funding is secured to plug the gap.
  - b) Agreement of the council to continue to support the baths at a reduced annual subsidy for a specified period of time.
  - c) There is enough community backing and support to enable sufficient cost reduction.

Pros	Cons
Risk sharing.	There will be a limited time to secure investment for a future pool.
Allows council to garner positive public opinion.	
Gap Analysis	
Full breakdown of income.	
Full breakdown of membership usage and split of membership income.	
Define various options of partnership working.	
Indepth analysis of financials, both in terms of current running costs and basic refurbishment and making good.	
Demonstration of community backing – signatures of support, new additions to	

mailing list and volunteers.
Decision regarding status of community group – possibly requires separate paper.

*Option 3 - Council continue to run baths for an agreed period of time whilst the community raise funding for a new pool*

5. This will only occur if:
- a) There is a significant reduction in the quoted £137k annual subsidy or some funding is secured to plug the gap.
  - b) Agreement of the council to continue to support the baths at a reduced subsidy for a specified period of time.

Pros	Cons
Community group can focus attention and resources on new pool.	There will be a limited time to secure investment for a future pool
	Council would have difficulty reducing the deficit in isolation.
Gap Analysis	
Full breakdown of income.	
Full breakdown of membership usage and split of membership income.	
In depth analysis of financials, both in terms of current running costs and basic refurbishment and making good.	
Demonstration of community backing – signatures of support, new additions to mailing list and volunteers.	
Decision regarding status of community group – possibly requires separate paper.	

*Option 4 - Baths taken over by private bidder*

6. Not a viable option as both interested parties have pulled out.

*Option 5 - Community group work in partnership with private entity*

7. Not a viable option as both interested parties have pulled out.

*Option 6 - Baths close before a new swimming facility is secured*

8. This could occur if:
- a) Options 2 and 3 are not viable.
  - b) Serious and unexpected issues arise post commencement of option 2 or 3.

Pros	Cons
Lack of a facility would galvanise community action	There would be no swimming facility in Haslingden for some time.
	Knock-on effect would mean that Marl pits would be too busy and unable to sustain demand.
	Negative reputational repercussions for council.

## Phase 2 – Medium term – Fund and build a swimming pool for future generations

9. This section summarises location options, however this phase will require extensive fund raising and project planning which will require separate detailed analyses.

### *Option 1 - Completely structurally repair and refurbish Haslingden baths*

10. This could occur if:

- a) Investment streams are not sufficient to build a new pool
- b) The time frame for building a new pool is so long that significant repairs are required to maintain a swimming facility in Haslingden.

Pros	Cons
Maintains baths in current location.	There would be a lack of a swimming facility in Haslingden for some time whilst repairs were made.
Potential to redesign layout of building and add new facilities, which could generate more income.	Cost of full repair and refurb close to the cost of a new build
	It will be difficult for a stand-alone baths to break even.
Gap analysis	
Indepth research and analysis of financials, both in terms of structural repairs and internal refurbishment	
Research into grants and funding available for refurbishment of old facilities.	
Research into volunteers and local businesses willing to help either free of charge or at a discounted rate.	

### *Option 2 - Build a new swimming pool on site of Haslingden baths*

11. This could occur if there is no other site available or suitable for a new pool and the current baths are beyond salvation.

Pros	Cons
Maintains baths in current location	There will be a lack of a swimming facility in Haslingden for some time
Potential to redesign layout of building and add new facilities	Site is fairly small and in a residential area, possibly leading to difficulties with planning, demolition and build.
Brand new facility	It will be difficult for a stand-alone baths to break even.
Land already in public hands	

12. This is not a viable option as it is unlikely there will be enough of a return to justify investment. Also the site is too small to accommodate a modern facility with parking, and evidence dictates that wet and dry facilities in the same vicinity generate greater footfall.

#### *Option 3 - Build a new pool next to Haslingden Leisure Centre*

Pros	Cons
Planning in place.	A build with or next to Council owned assets may not attract as many grants etc.
Next to gym etc., so increased likelihood of business viability.	Possible issues with land and drainage could increase build costs.
Good location.	
RLT membership could apply at pool.	
Gap analysis	
Establish the Council's willingness both in terms of allowing the build and partnership working.	
Further investigate potential issues with land.	
Review and appraise Council plans and costings. Possibly recast plans.	
Investigate funding options including raising financing via the Council and grant funding.	
Demonstrate enough local interest both from general public, swimming (and other) clubs and schools.	

#### *Option 4 - Build a new pool at Haslingden High or another local school*

Pros	Cons
Land available.	No existing planning.
Pool available to local children attending the high school and local primary schools.	Would possibly also need investment in gym equipment, which could be seen as competing with Haslingden Sports Centre.
	This option may not lend itself to partnership working with Council and allowing RLT members.
Gap Analysis	
Investigate the school's interest with this option both in terms of allowing the build	

and partnership working.
Investigate how schools in Accrington and Darwen secured funding for swimming pools and how the pools are managed and run on a operational level.
Investigate other funding options including financing via the County Council and grant funding.
Demonstrate enough local interest both from general public, swimming (and other) clubs and schools.

*Option 5 - Build a new pool on another local site*

13. A pool on an existing established site presents the most appealing option as it is likely to generate the greatest income. However if these options are not viable, then there needs to be other options to explore.

<b>Gap analysis</b>
Investigate other possible sites for a new pool

**Phase 3 – Long term – Ensure new swimming facilities are safeguarded against future cuts and are run making the best use of funding and to the best effect.**

*Option 1 - Run baths in isolation as a Community group (formal status to be decided)*

14. A decision with regard to this can only be made once the partnership options have been investigated and exhausted.

Pros	Cons
Profits reinvested	Group carries all risks
	No economies of scale
	May not be able to allow RLT members free access
<b>Gap analysis</b>	
Research other community groups.	
Investigate different options for status of group.	

*Option 2 - Run new pool in partnership with council/RLT*

Pros	Cons
Possibly use expertise, economies of scale, existing processes and staff	Any surplus may not be reinvested
Would allow RLT members access	
Risk sharing	
<b>Gap analysis</b>	
Research community facilities run in partnership.	
Investigate different options for status of group.	

*Option 3 - Run baths in partnership with school*

Pros	Cons
Close links with school children in Haslingden.	No gym on site. A new gym may have to compete with sports centre.
Risk sharing.	May not be able to allow RLT members free access.
	Daytime access for the community may be an issue
Gap analysis	
Enter into dialogue with school	
As phase 2 option 4.	

*Option 4 - Hand over running of baths in entirety to Council/RLT*

Pros	Cons
Use current RLT infrastructure.	Any surplus may not be reinvested.
Would allow RLT members access.	Future running of pool may not be in line with vision of the community group.
Gap analysis	
Enter into dialogue with Council if deemed appropriate.	
Investigate whether the new pool could be handed over for running by the Council/ RLT with restrictions to ensure a new pool is run in line with the vision of the Community group.	

*Option 5 - Private company run a gym/swim facility*

Pros	Cons
New facility at no cost to Council.	Would not necessarily assist with public health agenda e.g. deprived children learning to swim, fighting obesity etc
Would bring jobs?	Would not accept RLT membership.
Gap analysis	
Contact gym chains to investigate interest,	
Contact McDonalds re sponsoring a gym on vacant site next door.	