

# Swindon Health Hydro: Options Appraisal and Viability Report

Swindon Borough Council

10 August 2018

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## 1 Introduction

Fourth Street was commissioned by Swindon Borough Council to undertake an options appraisal for the Health Hydro in Swindon.

The work was directed by a Steering Group formed of:

- Rob Richards, head of property assets, Swindon Borough Council (SBC)
- Cllr Keith Williams, Cabinet Member for Corporate and Customer Services, (Shaw ward) Swindon Borough Council
- Jamie Coleshill, regional director, Greenwich Leisure Ltd (GLL)
- Rhys Jones, partnership manager, Greenwich Leisure Ltd
- David Thackray, member of the Health Hydro Action Group (HHAG)
- Daniel Rose, executive director of the Mechanics' Institute Trust (MIT) and member of the Health Hydro Action Group
- Dennis Yeoman, swimming club representative and member of the Health Hydro Action Group

### 1.1 Work undertaken

The options, analysis and recommendations arising through this work were informed by:

- A site visit to the Health Hydro, guided by Rhys Jones and Daniel Rose to see all rooms and spaces;
- Several other visits to the Health Hydro and surrounding area to assess and appreciate the surrounding context and specific issues arising during the appraisal;
- One to one consultations with each of the steering group members and other stakeholders (see Appendix 1 for list of consultees);
- A working session with the Health Hydro Action Group;
- Analysis of the relevant market demand and supply context for leisure, health and wellbeing and other enabling development opportunities and the local population more generally (Appendix 2);
- Review of the strategic and development context in Swindon;
- Review of other baths case studies (Appendix 3); and
- A number of working sessions involving steering group members and our consultant team to review and assess options.

## **2 Background to the Study**

### **2.1 Asset Transfer in 2014**

The Health Hydro, along with five<sup>1</sup> other leisure facilities in the borough, formed part of an asset transfer from Swindon Borough Council in 2014. The 25-year agreement includes a break clause after 5-years (i.e. October 2019), permitting GLL to hand back the Health Hydro. Twelve months' notice is required to enact the break clause.

### **2.2 Operational financial situation and activity**

The Health Hydro has been operating at a deficit, reported by GLL to be £142k for the year ending December 2017.

Overall, the Health Hydro generated around £472k of income in 2017, 31% from general swimming and pool hires, 22% from junior courses and 34% from health and fitness. The remaining 13% was derived largely from the Turkish baths and rents.

In 2017, total attendance for activities within the Health Hydro were recorded at 76k. 28% of this represented swimming (general and club use), 35% from swim courses, 13% from gym and 18% from visitors to other organisations operating in the building e.g. health practitioners, MIT, meetings and functions.

### **2.3 Small pool closure**

In January 2016, a leak in one of the water pipes caused the small pool to be closed. The cost of fixing the pipe was estimated at c.£150k. However, the presence of asbestos within the tunnel where the leak has arisen, and its proximity to the main pool pipework, raises some risk and uncertainty around the cost and works required. This, together with uncertainty around the future viability of the Health Hydro overall, means that the small pool remains closed.

### **2.4 2016 regeneration proposals**

A proposal that included plans to convert part of the Health Hydro into 30 residential units (as enabling development to support the continuing leisure offer) were met with considerable local opposition in 2016. As a result, the plans were discarded.

### **2.5 Historical significance & risks: Conservation Management Plan, 2018**

A Conservation Management Plan for the Health Hydro was prepared in 2017 and published in early 2018.

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<sup>1</sup> Croft Sports Centre; Delta Tennis Centre; Dorcan Leisure Complex; Haydon Centre; Link Centre;

The plan documents the significance of the heritage at international, national and local levels notably: *the relationship between GWR and Swindon and the Medical Fund Society; being an exemplar for the creation of the NHS; the continuous use of the Turkish Baths and Public Baths.*

It also notes two principal areas of risk associated with its declining use and demand and a range of issues relating to its physical condition such as: *the complexity of servicing the building and its functions; deterioration arising from declining use; the different class of building applied for any adaptations and re-purposing; and, economic pressures.*

The primary structure of the building is however reported to be in a good state and much of the heritage and its character has been preserved thanks to largely *additive* rather than *removal* or *replacement* when change has occurred.

## 2.6 Building condition & maintenance

GLL commissioned Trident to prepare a *Planned Preventative Maintenance Report*, which was completed in October 2017.

It reported £1,729,790 of investment being required over the next ten years to address the conditional defects identified at the property. 28% of this investment relates to *Mechanical services* (reflecting the fact that most of the services are operating well beyond their recommended lifetime), 22% for *Internal walls, windows and doors* and 12% for *Floors and stairs (including finishes)* and 11% for *External works*. Crucially, 75% of this investment is recommended within the first 4-years, and the investment only addresses the current functionality of the building and does not resolve any change in use or additional revenue generating opportunities.

These estimates were based on a visual non-disruptive inspection of the fabric, mechanical and electrical services and external areas (limited to a visual review of accessible surfaces only). The roof was surveyed by drone. The estimated costs were based on 2017 prices and a further nine-months has lapsed since the report was published.

The report also estimated an additional £1,645,009 of investment required to bring the entire building up to their defined Grade A<sup>2</sup> standard. A review of these estimates indicates that the fit-out proposals appear to be very economical in areas and may not in practice be considered appropriate for the historical significance of the building.

It was noted that the repairs and maintenance backlog has arisen from years of underinvestment, spanning decades.

<sup>2</sup> Grade A definition: "As new, with the expectancy that with proper routine maintenance will continue to provide a satisfactory standard of service".

## 2.7 The current offer and customer experience

Health Hydro customer feedback is continuously gathered and monitored. In general, customer comments are positive, remarking on the uniqueness of the facility and quality of staff. Over the last year the Hydro's Net Promoter Score is 14%.

Anecdotal reports gathered through the consultation process indicates that the overall customer experience throughout the Health Hydro is generally poor, although it is noted that the main pool remains clean and functional, and the building itself offers considerable historic value and interest.

The customer experience is currently being affected by a range of factors, most notably:

- The quality of public realm surrounding the building;
- Limited parking in the immediate vicinity;
- The external appearance of the building, which provides little sense of what facilities lie behind the façades;
- A poor sense of arrival – accentuated by the use the secondary entrance on Milton Road (hampered by the positioning of street signage and lighting) and the underwhelming reception area;
- Poor circulation within the building;
- Limited access for disabled visitors;
- The poor state of the wet change facilities;
- The state of décor throughout the building;
- The gym's location in a series of small awkward spaces;
- The tired appearance of the Turkish baths; and
- The use of the main pool for teaching children – meaning its temperature must accommodate all swimmers and the capacity for training and public swimming is reduced at times.

It is likely that many visitors are unaware of its historical significance, although much effort – mostly voluntary – has, and continues to be made to bring this to the fore.

## 2.8 Surrounding area and context

The Health Hydro was developed as part of a wider masterplan and inspired vision by Isambard Kingdom Brunel – “a unique, pioneering story of health and wellbeing provision”. The history, heritage and story of the area – for which the Health Hydro is inextricably embedded – is rich, of national / international import and has strong local resonance (see also Section 3.3).

The Health Hydro is located to the west of Swindon's town centre and on the southern side of the railway and GWR's industrious focus.

Over the years, much of the industrial heritage in this area has been neglected, as other parts of Swindon have expanded and developed.

Gradually, parts of the former GWR works and associated facilities are being re-imagined and repurposed. However, the Health Hydro itself remains isolated as a destination, with its immediate surrounding area having little other activity and draw for visitors.

Since the economic downturn of 2008, many larger office buildings in the area have been converted to residential, further reducing day-time activity.

That said, in physical terms, the Health Hydro is less than 200m from the Brunel shopping centre – although pedestrian links are currently poor, 700m from the mainline railway station and despite parking being regularly cited as a major challenge for the facility, there are two multi-storey car parks (Brunel North and West) within 100m.

## 2.9 Themes arising from stakeholder consultations

The following themes and issues, emerging through the stakeholder consultations, were used to inform and guide the appraisal:

- Current situation is unsustainable;
- Current facilities and experiences below par;
- Genuine desire to find a solution from all parties;
- No easy, obvious or quick solution;
- History and heritage is very significant from local, regional and national perspectives;
- 33m main pool is an important differentiator and unique selling point;
- Much uncertainty around the future of the small pool;
- Parking is a key issue and critical success factor for functions that could be developed in the building;
- Local context has its challenges both economically and socially;
- Significant latent (non-financial) potential;
- Health and wellbeing is as relevant now as it was when the Medical Fund Society and Health Hydro were founded;
- Swindon has some acute health and wellbeing issues;
- Potential for mixed-use and mixed-management models;
- Partnership approach inevitable and accepted; and
- Heavyweight partners operating within the locality.



## 3 Towards a Vision

### 3.1 Objectives for the Health Hydro

Swindon Council and GLL have clearly articulated the need for the Health Hydro to be put on a stable and sustainable financial footing. The stated objective is for the Health Hydro to become a:

*“vibrant, viable leisure centre with wellbeing and community facilities”.*

Although the long-term financial viability of the Health Hydro is paramount and a critical driver for change and improvement, its regeneration also offers significant potential to deliver on a wider set of objectives including (in no particular order):

- Its contribution to public health and **improving health outcomes** for those who live and work in the area;
- Adding to Swindon’s **leisure and cultural offer** for residents, workers and visitors;
- Its positive contribution and catalyst for further **regeneration in the heritage quarter**;
- The increased confidence afforded to **inward investment** and regeneration opportunities across Swindon;
- The **conservation benefit** and the opportunity to reveal, showcase and engage broader audiences in the history and heritage of the building and its wider context;
- Changing **external perceptions** of Swindon for the better through the positive signals and messages communicated by bringing one of Swindon’s iconic heritage asset back up to a standard commensurate with its significance; and
- The **reputational benefits** for Swindon and its stakeholders.

### 3.2 Visioning

These aims and objectives, together with the extraordinary history and heritage of the facility and its surrounding context, have been translated into a new vision – *the Health and Wellbeing Hydro* (working title) – which faithfully resonates with its original intent and ethos, supporting the health and wellbeing of its local community.

As it did in its founding years, the Hydro will once again become a beacon of modern health provision and shine a light on the importance and value of proactive and holistic treatments in a relevant setting that combines *activity, education, training, research and advice*.

Changing attitudes in modern medicine have provided the inspiration for how this can be achieved. Medical policy is shifting towards a more ‘proactive’ approach to healthcare and ‘health and wellbeing’ has become a popular turn of phrase. A beneficiary of this shift has been the growth and advancement of complementary and alternative medicine (CAM) and its importance for improving ‘health and wellbeing’.

In combination with an enhanced **health and fitness** provision – comprised of swimming, gym, group sessions and the Turkish and public baths – the **wellbeing** provision will cluster CAM practitioners, treatment facilities and related research, providing a unique and pioneering holistic health offer for the public. The value of bringing back together these complementary facilities and functions, within a single setting, will be greater than the sum of their individual parts.

There is still much research needed into the effectiveness and use of CAM and the Hydro could become a leading centre for this. A priority pledge in Swindon is to develop the higher education offer and a research dimension at the Health Hydro could contribute towards this. Opportunities for collaboration with higher education institutions<sup>3</sup> and health organisations clearly exist and will not only strengthen the Hydro’s offer and healthcare options for residents but also improve the education and research provision across Swindon. This research element need not have a dedicated physical space within the Hydro but could operate throughout, overlapping with other functions in a more fluid way.

Underpinning this vision is the history and heritage of the building, its functions and setting, as well as the current public health challenges and trends at both national and local levels.

**Figure 1. Vision for a re-imagined Health and Wellbeing Hydro**



<sup>3</sup> Oxford Brookes’ Swindon campus, which focuses upon nursing; Swindon College, whose bid for an Institute of Technology includes a health and life sciences element.

### 3.3 Historical context

Swindon has often been described as the birthplace of the NHS, the true inspiration for <sup>4</sup>Aneurin Bevan's revolutionary idea that healthcare should be available for all regardless of wealth and social position. Whilst the NHS may have been launched in 1948 at Park Hospital Manchester, it was Sir Daniel Gooch, the first locomotive superintendent of the GWR at Swindon, who inspired the idea of collective health provision with the establishment of the Medical Fund Society in 1847. Under the guidance of Gooch, the Swindon Works became the only industrial organisation in the world that required membership of a medical fund as a condition of employment. Healthcare provision continued to be improved and in 1892 the Health Hydro was opened, providing a health and wellbeing package to all. The facilities included a series of consultation rooms, a dental surgery and dispensary, as well as the impressive swimming pools and Turkish baths. Swindon's motto became 'Health and Industry' and the seeds of the NHS were sown. Over 150 years on, the restoration of the Health Hydro affords an opportunity to create a contemporary expression of the facilities original intent and to once again become a beacon for public health and wellbeing, for others to follow.

### 3.4 National healthcare context

An aging population, growing levels of obesity and a funding crisis in the NHS have forced a rethink on the future of healthcare. Medical professionals and policy makers are realising that we cannot afford to be reactive towards illness anymore. The focus has shifted and 'proactive' has become the buzzword. If people can be encouraged to look after their physical and mental health, then many diseases could be prevented and pressures on the NHS could be reduced. Campaigns such as Public Health England's 'One You' and the NHS's 'Couch to 5km' are all about encouraging people to take more responsibility for their health and reduce their use of public health services. 'Health and wellbeing' has been placed firmly at the centre of the public health agenda. Complementary and Alternative Medicine (CAM) has felt the benefits of this new focus around 'health and wellbeing' and is gaining in popularity. CAM includes a variety of treatments including sports massage, reflexology, osteopathy and chiropody, to name but a few. Whilst clinical medicine remains key for treating illness, there is a growing acknowledgement that non-clinical treatments have a role to play, particularly in respect to improving people's general wellbeing or helping with long-standing physical and mental issues. This idea has expressed itself in the form of 'social prescribing', where GP's and other primary care professionals are given the option of referring patients to a range of local, non-clinical services. 'Social prescribing' has increased in popularity over recent years and limited studies have shown that it can be an effective way to reduce a patient's reliance on NHS services.<sup>5</sup> A revitalised Hydro would take advantage of the changing national healthcare context, complementing Swindon's existing healthcare offer and acting as a valuable resource for medical professionals in the area.

<sup>4</sup> Secretary of State for Health of the United Kingdom, 1945-1951

<sup>5</sup> <http://www.echwc.nhs.uk/>

### 3.5 Swindon's health challenges

The Strategic Joint Needs Assessment is a suite of documents that describes the current and future health and wellbeing and social care needs of Swindon's population. It was produced by Swindon's Health and Wellbeing Board, a partnership established to ensure an integrated and collaborative approach to health and social care across Swindon.

The documents outline a variety of health challenges currently facing Swindon. One of the biggest issues is obesity and data has shown that there has been an increase of 150% from 2013/14 to 2016/17 in the number of admissions to hospitals in Swindon where obesity was a factor. This is well above regional and national averages and the council estimates that around 71% of Swindon's adult population is either obese or overweight.

Furthermore, around 250 people under the age of 75 die each year from cardiovascular disease, cancer or respiratory diseases that are considered preventable. Many of these issues are caused by obesity and poor lifestyle choices. In deprived areas of Swindon, men can die as much as 8 years earlier than in more affluent areas and women 4 years earlier.

There are also a host of other medical issues in the area. Examples include an estimated 5,000 people registered with a GP who are living with undiagnosed atrial fibrillation, a condition which increases the risk of a stroke by a factor of five, and 34,000 people who currently suffer from some form of hearing loss.

## 4 Review of Long-listed Options

A range of alternative options and enabling uses for the Hydro have been considered as part of this appraisal. For each use, research has been undertaken to assess the local market context and gauge their suitability and viability. The assessment and emerging conclusions are summarised below.

### 4.1 Residential

As noted in Section 2.4, considerable local opposition was mounted in 2016 in response to a proposal to convert part of the Health Hydro building into residential. Those plans were swiftly abandoned and since then, considerable progress has been made in documenting the significance of the building (its heritage and crucially, its role and influence in history) and the risks that threaten its conservation and value.

The steering group representatives unanimously confirmed at the outset of this study that a residential use within the Health Hydro should not be considered for reasons that the previous proposal was discontinued.

### 4.2 Commercial workspace

The potential for commercial workspace to become a more significant use within the Health Hydro has been explored through a combination of desk-based supply and demand analysis, and consultation with local estate agents.

Importantly, the objective for introducing commercial workspace into the Health Hydro would be as an enabling use i.e. to generate a financial contribution towards the maintenance and repair costs of the building and the operation of the leisure, wellbeing and community functions.

In their current form, spaces within the building that are currently surplus to the health and fitness functions (i.e. ground floor dispensary and consulting rooms and first floor areas) are not considered attractive to mainstream workspace occupiers. Entrances are shared, internal access is awkward, individual spaces are small, their current state is tired, and the building offers no dedicated parking provision. While some of these issues could be addressed, advice from local estate agents confirms that with the availability of more accessible and functional space in and around Swindon, the opportunity for attracting commercial businesses is very slim.

A further option considered is whether surplus spaces in the Health Hydro (including the small pool and existing reception/public baths areas, assuming their reconfiguration) can offer alternative and 'character' workspace that would appeal to smaller businesses, start-ups or the self-employed. While this may be the case, it will require significant investment in the spaces and an ongoing management regime and overhead to promote and market the space, and to curate the tenant roll and workspace environment. In doing this, it would align the proposition in direct competition with other co-working and flexible

workspace options, notably, the recently launch Workshed<sup>6</sup> at the Carriage Works. To attract demand, it would almost certainly need to compete on price and in doing so, defeat the principal objective for pursuing this type of use.

### 4.3 Other enabling uses

Advice gleaned from our consultations (notably, from Keningtons, a Swindon-based estate agents) and desk-based research considered a range of other commercial uses. The conclusion is that none of these alone provide the demand and impetus to drive the enabling regeneration of the Hydro. However, some could form part of the overall future mix of uses, aligning and supporting the vision described in Section 3.

- **GP surgery** – anecdotally there is believed to be existing demand for further doctors’ surgery provision in the borough, although this is neither qualified nor evidenced in literature obtained for during this study. Population growth in the borough will increase demand further but proximity of new provision will be a key factor in their location. The recently completed Swindon Health Centre offers a large and integrated health centre provision on the edge of the town centre. Proximate parking for a doctors’ surgery is considered important. For reference, the Swindon Clinical Commissioning Group’s Five Year Strategic Plan 2014-2019<sup>7</sup> includes the need to support existing local health services as one of its main aims, explicitly focusing upon the need to improve the efficiency and productivity of what is on offer in order to improve the patient experience. There is also a commitment to establish GP Urgent Care Centres to help address the demand for one off consultations.
- **Dental practice** – there are a number of dental practices in the vicinity of the Health Hydro including Milton Road dental practice (20m away) and Brunel Dental (50m away). Not aware of any specific demand but a private practice may well consider the Health Hydro if the provision of space was adequate and rental levels competitive. Being part of a large critical mass of health and wellbeing providers is considered beneficial but not a necessity. Parking is considered less of an issue given the evidence of local practices.
- **Nursery / Pre-school** – the lack of outdoor space and provision for parking and drop-off area prevents this from being a viable option.
- **Creche** – as a stand-alone facility, it could support and service the needs of those working and visiting the Health Hydro but, as a stand-alone commercial use, it is not considered viable for similar reasons to the nursery / pre-school and the limited other demand drivers in the local area (specifically citing its remoteness from the town centre as a shopping convenience).
- **Further and higher education** – no expressed demand for further or higher education facilities or occupiers. Worth noting, the Swindon and Wiltshire LEP have developed a strategy for higher education and have recently been successful in a bid with Gloucester University for an Institute of Technology in Swindon. Oxford Brookes’ healthcare related courses (Nursing, Operating

<sup>6</sup> <https://www.theworkshed.co.uk/>

<sup>7</sup> <http://www.swindonccg.nhs.uk/images/publications/Five-Year-Strategic-Plan-2014-2019-web.pdf> (p3 & p47)

department and CPD) are taught from the Joel Joffe building in Swindon. Importantly, the Strategic Commissioner, Route to Employment at Swindon Council, strongly advised that any efforts to integrate education into the Health Hydro should be aligned with the strategic context and efforts already in train to develop the sector in the area.

- **Charitable sector** – limited expressed demand from the sector in Swindon. However, its alignment with the ‘community’ aspect of the *vision* for the Health Hydro could be used to leverage and attract interest, although one should be cautionary regarding the level of rent expected.
- **Hotel** – advice from local agents indicates that presently there is no demand for a hotel to be developed in part of the Health Hydro building. This is largely based on the combination of the local area characteristics (i.e. access, parking, economy and demographics), and the complexity of converting the building and its scale. In time, as the local area continues to regenerate, demand for hotel use may emerge, despite the noted constraints. In addition to market factors, it is likely there would be considerable local opposition.

#### 4.4 Health and wellbeing practitioners

In recent years there has been substantial growth in the demand for, and supply of, complementary and alternative medicine practitioners and, a growing appreciation and acceptance within the medical profession of the patient benefits that some are able to offer. While this trend is evidenced nationally, this growth varies from location to location.

According to the Federation of Holistic Therapists (FHT), the leading professional association for practitioners in the UK and Ireland, there are 41 complementary medical therapists in and around Swindon. These therapists specialise in a range of treatments which include, but are not limited to, sports massage, aromatherapy, beauty treatments, reflexology, hypnotherapy and nutritional advice. Most of these therapists work independently from a range of locations in and around Swindon. A few small complementary medicine clinics do exist, such as ‘The Natural Health Clinic’ and ‘Kube Medical’.

**Figure 2: Natural Health Clinic, Royal Wootton Bassett**

The Natural Health clinic, centre for health beauty and well-being was established in 1996. The clinic has five private treatment rooms and offers a range of services including: iridology, reflexology, amtsu, homeopathy, hair treatments, acupuncture and hypnotherapy treatments. The variety of services offered through the centre is continuing to expand.



**Figure 3: Kube Medical, Nexus Business Centre, Swindon**

Located in the Nexus Business Centre in Swindon, the KUBE Medical Centre is a multi-disciplinary health clinic providing a range of different services including: osteopathy, chiropractic, massage and acupuncture. The practitioners regularly explore and train in new alternative treatments and equipment (e.g. Electrotherapy, Ultrasound and Interferential machines).



Based on other associations and networking groups for CAM practitioners, it would not be unreasonable to estimate in the region of 100 to 150 individual CAM practitioners operating within the Swindon area.

At its height in the 1980's there were reportedly around 45 practitioners working from the Health Hydro and a lot of prestige surrounding this offer. This was followed by a significant decline during the 1990s, largely put down to a lack of management and investment in the building. Today, there are a handful of practitioners operating out of some of the original ground floor consulting rooms – offering sports massage, acupuncture and chiropractor. Despite the state of the building and the small number of practitioners at present, the revenue being generated is reasonable.

A number of practitioners operating in and around Swindon were asked to consider whether they might relocate or use facilities at an improved Health Hydro offer. Parking and the overall appearance of the building were cited as being key influencing issues. However, benefits were also cited including being part of a larger body of practitioners and the ability to share infrastructure and equipment, and to develop professional and client networks.

If these cited issues can be overcome, the potential rent roll from the wellbeing areas could provide a significant income stream in the order of £50k-£100k, depending on the mix of occupiers and allocation of space. However, to achieve this level of income will require investment in the facilities and a significant change in the perception of the building and its purpose and quality, which will take time to achieve.

## 4.5 Health and fitness: Gym

Like the rest of the UK, the gym market in Swindon has evolved considerably over the last few years particularly with growth in budget operators offering low price, flexible membership options. The Swindon market is broadly split into two categories that target the budget/individual and mid-to-higher range / family consumers. Across Swindon there are around 25 gyms with a selection of national chains and a plethora of independent and specialist providers. A selection of the more prominent gyms that represent the greatest competition for GLL's offer include:

- Buzz Gym<sup>8</sup> – low cost operator offering “low price/high spec; no tie ins; 24hrs opening”. Swindon is one of five locations which also cover Reading, Slough, Plymouth and Oxford. Located within

<sup>8</sup> <https://www.buzzgym.co.uk/swindon/>



the Brunel centre it launched in December 2016, covers 14,000sqft and includes free parking for up to 2.5hrs for members. Standard membership starts from £19.99/month with regular promotional offers including free joining. Note, membership at the Health Hydro was significantly affected when Buzz launched but some of this has since been attracted.

- Simply Gym<sup>9</sup> – low cost operator offering “top class gym at a low-cost price”. Swindon is one of eight locations which also cover Bedford, Cheltenham, Coventry, Crewe, Kettering, Reading and Wrexham. Located on the north west side of the borough it offers its own dedicated parking. Standard membership starts at £19.99/month with no tie-in (+£20 joining fee) or £16.99/month for 12 months (+£20 joining fee) or £190/annual (including joining fee).
- Kiss Gyms<sup>10</sup> – low cost operator offering “high spec; low price”. Swindon is one of three locations with also cover Acton and Milton Keynes. Located on the ground floor of the paramount building (residential) on Princes Street on the edge of the CBD. Membership starts from £14.99/month (free joining free) or £179.93 for annual membership to all three gyms.
- David Lloyd<sup>11</sup> - high-end offer, with a targeted family focus. Located on the north side of the borough it is accessible, with its own parking and facilities including: gym, pool (20m covered), tennis, café bar and programme of group sessions and kids’ activities. Standard membership costs £100/month for year or £115/month with one-month notice. There is a £50 joining fee.
- Nuffield Health Fitness and Wellbeing<sup>12</sup> – not-for-profit UK healthcare organisation with gyms representing a relatively small part of their overall business. A mid-range offer targeting corporate and private memberships offering “gym membership built around you”. Located on the north east side of the town at the Greenbridge retail park, the facility includes a 20m pool and access to health mentors and physiotherapists. Membership starts from £41/month providing multi-site access to 44 gyms around the UK. Membership is understood to be close to capacity presently.
- Village Gym<sup>13</sup> – part of Village Hotels group targeting mid-range memberships and offering a “personalised approach to help you achieve your fitness goals”. Group consists of 29 locations across the UK. Standard membership from £40/month plus £15 joining free with range of promotions with partners and across other Village products and services e.g. hotels, food and drink.
- DW Fitness First – formed from the merger of DW Sports, DW Fitness and Fitness First the group consists of 90 retail stores and over 120 gyms. It is a mid-range offer and claims to be “uniquely placed to provide serious athletes, to those just looking to move a bit more, the products, the environment and the encouragement people need to be all kinds of active”. Located at Orbital

<sup>9</sup> <https://simplygym.co.uk/gyms/swindon/>

<sup>10</sup> <https://www.kissgyms.com/swindon.php>

<sup>11</sup> <https://www.davidlloyd.co.uk/clubs/swindon>

<sup>12</sup> <https://www.nuffieldhealth.com/gyms/swindon>

<sup>13</sup> <https://www.village-hotels.co.uk/hotels/swindon/gym/>

Retail park with free parking and a pool. Membership starts from £30/month for Swindon and £35/month for multi-site access.

- Active4Less – recently come under new management the gym is located at Broome Manor Golf Club on the south side of Swindon near the M4. It offers members the “friendliest & most effective health & fitness club in Swindon”. Standard Membership starts at £19.95 and is therefore a budget offer. Note, one of England Squash’s centres of excellence is being planned here to include elite-level courts with spectator provision, pool and player analysis and support facilities.
- Battleground Fitness UK – offering “Functional Training Facilities - For Fitness, Health and Strength”. Monthly membership from £7.50/daily, £20/corporate and £30/full membership
- 24hr gym – Swindon’s first 24hr Gym offering a “friendly honest and welcoming gym atmosphere”. Independently run, membership is by referral and prices on request.

GLL’s has four facilities across Swindon located within the Health Hydro, Link Centre, Oasis Leisure Centre and Haydon Centre. Memberships vary from monthly to annual subscriptions, peak and off-peak options and single or multi-site options. Site specific membership is priced at £28.00/month – with access to the other Swindon centres at off-peak times; All Swindon centres’ membership is priced at £34.95/month; and All UK centres’ membership is priced at £57.95. Membership provides access to the gym, group sessions and swimming where available. Annual memberships offer small discounts on monthly subscriptions.

A high-level market assessment for health and fitness demand in Swindon was made available for this study. The results estimated a potential demand for health and fitness product of around 2,500 memberships within the Health Hydro’s catchment. The absorption of this demand by the current gym providers in the immediate locality has not been assessed although is understood to be competitive.

With GLL’s Health Hydro membership currently representing around 20% of this figure (N.B. this includes a mix of memberships which provide access to one or more gyms, including the Health Hydro), and accepting the competitiveness of the marketplace, there is still considered to be headroom in the marketplace to grow membership considerably with an enhanced gym and the competitive advantage that a swimming pool affords over budget operators in particular. Furthermore, the critical mass that a renovated Health Hydro could offer, coupled with its unique history and heritage, will present opportunities for developing a unique and attractive offer to a broad spectrum of audience segments, which other providers’ facilities cannot.

## 4.6 Learn to Swim lessons

Swim England’s learn to swim programme includes four frameworks and is a national syllabus designed to help teachers deliver swimming lessons. The programme begins with the basics of learning to swim and ends with advanced skills for sports such as water polo, diving and synchronised swimming.

Swimming lessons for children – notably, stages 1-7 of the Swim England’s programme – can be financially lucrative and are often a vital source of revenue to support the high operating and maintenance costs of swimming facilities and for clubs to support their training activities and talent development pathways.

With the small pool at the Health Hydro closed, swim lessons – private and schools – are run in the sectioned-off shallow end of the main pool. To accommodate this, the temperature of the main pool has been increased slightly.

The lesson programme at the Health Hydro is currently operating at 72% of its capacity. Further programme capacity (i.e. additional lessons) would typically be added when the occupancy level reaches around 85%-90%.

With GLL being the main provider of private and school lessons in the borough – for which there are around 17,000 primary school-aged children – there is an opportunity to expand the learn to swim programme and to stimulate additional demand and revenue. However, while the re-opening of the small pool would offer a dedicated facility for learning to swim, there are other factors to be considered such as the importance of nearby parking provision (considered vital) and the potential displacement from other centres. That said, over-time, it is estimated that significant additional income could be generated.

Furthermore, in respect of the small pool and its income potential, other opportunities exist such as, the additional income projected from club use (estimated by the clubs to be at least £30k per annum) and other private hires.

#### **4.7 Re-opening the main entrance**

Reopening the main entrance on Farringdon Road has been cited by consultees as a means of improving the overall grandeur and sense of arrival, reinforcing its presence in the locality and aiding the interpretation and understanding of the building’s current and historic uses.

However, for the Farringdon Road entrance to be the primary access for health and fitness (i.e. swim and gym), one either needs to achieve seamless access between the entrance and the existing wet change areas or, relocate the wet change to provide proximate and seamless access from the entrance, while also providing onward and immediate access to the main pool.

Considerable thought has been paid to how access between the original entrance and the existing wet change could be achieved, the conclusion being that this is not possible without significantly compromising either the heritage aspect and or functionality of spaces it would need to pass through.

To reinstate the original entrance therefore, one would need to relocate the wet change. Options for relocating the wet change have been considered with the only practical solution being the conversion of the small pool (considered in Section 4.8 below).

#### **4.8 Converting the small pool to wet change**

The option for repurposing the small pool to accommodate wet change has been considered to enable the re-opening of the original entrance as the primary access for health and fitness.

In this scenario, the existing wet change would become redundant and its re-purposing becomes an unsolved challenge.

Furthermore, introducing wet change into the small pool would require a new suspended floor to be introduced (although this could be removable). Crucially, the sub-division of the small pool space to accommodate individual changing cubicles, showers and toilets would have a significant detrimental impact on the character and historical reading of the space.

These two factors are considered unacceptable trade-offs for enabling the relocation of the entrance alone.

#### **4.9 Splitting the main pool**

The main pool measures 33m in length. For club swimmers and those training, this offers the advantage of greater pool capacity and less turns for a given distance.

At times, to accommodate learn to swim classes (private and schools) – given the closure of the small pool – the main pool shallow end is sectioned off with a lane rope. While this provides the necessary separation, the downside is that the pool temperature cannot be varied between the larger and smaller sections of the pool (as it would be if the pools were physically separated).

The option of splitting the main pool in two to create a 25m pool (also compatible with competition) and a smaller teaching pool was suggested during the consultation process and has been considered.

In theory, the separation could be moveable with a removeable or rising boom, although this would probably negate the ability to adjust temperatures between the separated pools.

The heritage impact for such a radical intervention is likely to be significance and initial advice has indicated considerable concern and likely objection.

Furthermore, while the cost of the intervention is hard to predict without a detailed specification it is likely to be very high to deliver all the benefits and to mitigate the heritage impact.

This option has been discarded at this stage.

#### **4.10 Flexible venue**

The idea of using space(s) within the Health Hydro as a venue for a range of temporary events and activities has been suggested through the consultation process – spanning a range of community and commercial uses.

Such uses may include: private functions, temporary exhibitions, pop-up events, community cinema, regular fairs and markets, performances etc. While there are certainly merits to having a dedicated flexible venue (noting that many tend to be offered as a secondary- rather than primary-use), the costs

involved in managing and programming such spaces can be prohibitively high and the net contribution generated, low.

That said, while the programming of a flexible space is not considered to provide the financial step-change required to address the current operational deficit at the Health Hydro, the use of surplus space and/or capacity within the building for occasional or meanwhile events could be beneficial in terms of generating activity, raising awareness, contributing to the wider regeneration and providing a contribution towards fixed overheads.

## 5 Development Options

### 5.1 Summary of development options

The options appraisal process has lighted on two physical development options for the Health Hydro, along with five discrete sub-options for the small pool.

These options have resulted principally from the combination of market research and physical considerations but, most importantly, are driven by the objectives described in Section 3.1, the most important being to achieve a *“vibrant, viable leisure centre with wellbeing and community facilities”*.

Each option is made up of two parts namely, a *Health and Fitness Zone* and a *Wellbeing Zone* and it is through the combination of these that the *Vision* for the Health Hydro, as described in Section 3.2, can be realised and underpinned.

Through the course of the work, and the progressive discounting of long-listed uses and physical interventions within the building, it has become clear that a key driver towards achieving a financially sustainable solution, will be the successful integration of a modern, fit-for-purpose gym that will complement and add value to the other health and fitness offers.

Within a new multi-purpose leisure facility a significantly improved health and fitness product could have the potential to deliver the much needed step change in income contribution, to the extent that the current operational deficit could be significantly eroded or possibly eliminated providing the local market conditions are supportive i.e. continuing improvements through town centre regeneration and economics, local residential development, transport infrastructure (train station) and the demographic profiles of residents.

For the avoidance of doubt, the scale and location of the existing gym, set within a series of small and awkward spaces, does not offer sufficient scope or potential to develop an enhanced offer, the size of which has been informed by the local market opportunity.

Intentionally, the two development options provide radically different physical interventions to enable the integration of a new gym. The first option works with and proposes the conversion of existing spaces within the building and the second proposes the installation of a mezzanine floor, thus affording significant additional flexible space.

The introduction of mezzanine structures within the historic fabric of the building is not something that can be considered or taken lightly. The concept has been carefully considered in the context of the conservation management plan and the guidance and parameters that it defines, and the necessary trade-offs that will inevitably arise.

Importantly, any building interventions would be designed as reversible meaning that if demand for a particular use (e.g. gym) were to change or fade in the longer term, one could either return the building back to its original state or, more likely, re-purpose the space to accommodate the latest health and fitness trend. In the latter case, it would almost certainly be easier to repurpose a flexible mezzanine space than the former dispensary area.

It is important to note that as thinking develops, further variations will arise that cascade from either of these two options.

The role and use of the small pool differs between these options. For the first option, the small pool is considered to provide the only space large enough to accommodate a new gym. For the second option, a series of sub-options have been defined for the small pool as its requirement as a gym is removed by the introduction of a mezzanine and the additional space afforded.

The two development options, and sub-options for the small pool, are summarised below and illustrated and described in greater detail in the subsequent sections.

- Development Option 1: Existing Spaces
- Development Option 2: Mezzanine, together with a range of sub-options for the small pool:
  - Small Pool Sub-option A: Mothball
  - Small Pool Sub-option B: Restoration of Small Pool
  - Small Pool Sub-option C: Restoration to Victorian Splendour
  - Small Pool Sub-option D: Wellbeing / Hydrotherapy / Specialist use
  - Small Pool Sub-option E: Multi-purpose Space

## 5.2 Development Option 1: Existing Spaces

This option makes use of the existing spaces throughout the Health Hydro, with the principal uses being separated between ‘health and fitness’ and ‘wellbeing’. The tables below describe the proposals, which are illustrated in plan form in Figure 4.

ZONE	AREAS / ROOMS	DESCRIPTION
Health & Fitness (Wet Zone)	Ground Floor:	
	Main Pool	➤ Retaining the pool in its current form (i.e. 33m length).
	Group change	<ul style="list-style-type: none"> <li>➤ Continue to function as a wet change facility for groups (i.e. schools) and be linked to the first-floor wet change through its internal staircase.</li> <li>➤ Access at ground floor level between the group change area and the main pool area will need to be separated from converted small pool area (i.e. gym) to provide a separation between dry/wet users.</li> </ul>
	Reception and Public Baths	<ul style="list-style-type: none"> <li>➤ Retain the Milton Road entrance to access the reception, retail, catering and access through to the Health and Fitness wet zone.</li> <li>➤ Introduce new lifts to provide access between the reception, wet change and pool areas (accepting that users will still need to gain access over the external servicing corridor).</li> </ul>
	Wet Change	<ul style="list-style-type: none"> <li>➤ Retain the wet change areas with male and female separation</li> <li>➤ Access between the wet change area to the group change area (first and ground floors) will be retained via the first-floor access route and the internal staircase within the group change area.</li> </ul>

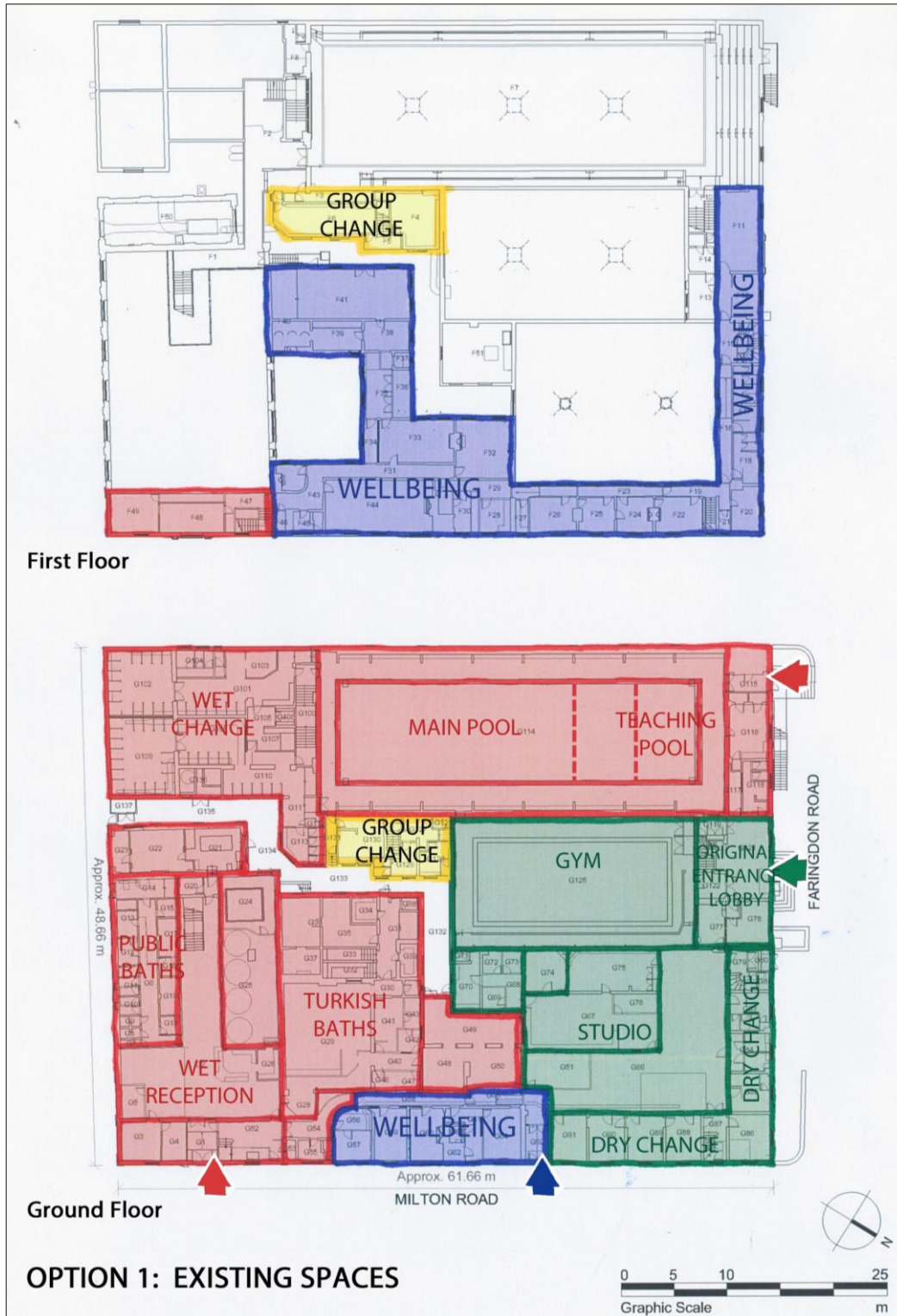
ZONE	AREAS / ROOMS	DESCRIPTION
	Turkish Baths	<ul style="list-style-type: none"> <li>➤ Access to the Turkish baths will continue via the Milton Road entrance.</li> <li>➤ The former gym areas will be converted to provide dedicated change facilities for the Turkish baths.</li> </ul>
	First Floor:	
	Group change	<ul style="list-style-type: none"> <li>➤ Continue to function as a wet change facility for groups (i.e. schools) and be linked to the ground-floor wet change through its internal staircase.</li> </ul>

ZONE	AREAS / ROOMS	DESCRIPTION
Health & Fitness (Dry Zone)	Ground Floor:	
	Original Entrance Lobby	<ul style="list-style-type: none"> <li>➤ The original entrance on Farringdon Road will be reinstated to provide access to the dry zone. This will not be staffed entrance but instead be accessed via smart membership cards.</li> </ul>
	Gym	<ul style="list-style-type: none"> <li>➤ The small pool will over-boarded to create a new suspended floor and re-purposed to gym use.</li> </ul>
	Studio	<ul style="list-style-type: none"> <li>➤ The original dispensary (and adjoining rooms) and waiting area will be re-purposed to provide a studio suite for group sessions e.g. yoga, Pilates, spin, body-pump.</li> </ul>
	Dry Change	<ul style="list-style-type: none"> <li>➤ The former practitioner and consulting rooms on the Milton Road and Farringdon Road sides of the building will be re-purposed to dry changing facilities.</li> </ul>

ZONE	AREAS / ROOMS	DESCRIPTION
Wellbeing	Ground Floor	<ul style="list-style-type: none"> <li>➤ The former entrance from Milton Road will be re-opened to access the Wellbeing zone.</li> <li>➤ The practitioner and consulting rooms adjacent to this entrance (c.3-5 rooms) will become treatment and consulting rooms as part of the health and wellbeing centre.</li> </ul>
	First Floor	<ul style="list-style-type: none"> <li>➤ The first floor of the health and wellbeing centre will be accessed via the upgraded former lift and a new integrated staircase.</li> <li>➤ The first floor spaces will become an extension of the health and wellbeing centre, providing a range of spaces contained within their existing fabric and footprints for further treatment and consulting rooms, community and charitable organisations and for private hire.</li> </ul>



Figure 4. Development Option 1: Existing Spaces



### 5.3 Development Option 2: Mezzanine

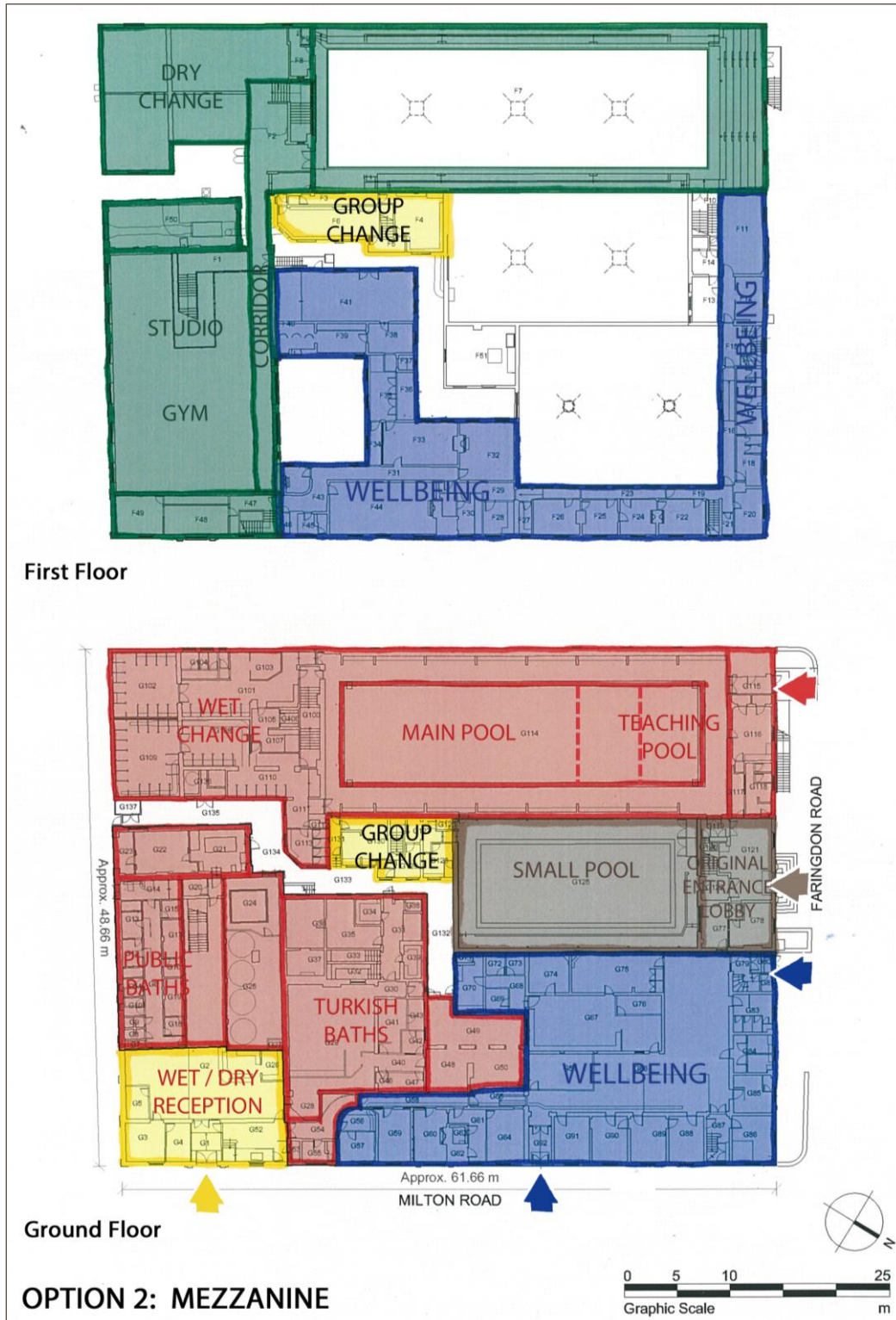
For this option the insertion of a mezzanine floor is proposed above the former public baths (i.e. within the existing reception area) and wet change areas. As above, the principal uses for this option have been separated between ‘health and fitness’ and ‘wellbeing’ – with the small pool being separately considered with a range of interchangeable sub-options. The tables below describe the proposals, which are illustrated in plan form in Figure 5.

ZONE	AREAS / ROOMS	DESCRIPTION
Health & Fitness (Wet and Dry Zones)	Ground Floor	
	Main Pool	➤ Retaining the pool in its current form (i.e. 33m length).
	Reception and Public Baths	➤ The Milton Road entrance to the Health and Fitness zone would be retained.
	Wet Change	➤ Retain the wet change areas with male and female separation ➤ Access between the wet change area to the group change area (first floor) will be retained via the first-floor access route.
	Turkish Baths	➤ Access to the Turkish baths will continue via the Milton Road entrance. ➤ The former gym areas will be converted to provide dedicated change facilities for the Turkish baths.
	Group change	➤ The ground floor group change could be either included in the Health and Fitness zones (as wet change for groups) or be separated and linked to the re-purposing of the small pool (see small pool sub-options). ➤ If part of the Health and Fitness zones, then the ground floor and first floor group change would be connected via the internal staircase.
	First Floor:	
	Mezzanine Gym / Studio / Corridor	➤ New mezzanine to be introduced above the public baths / reception area to accommodate a new gym, studio space and corridor to access the dry change. ➤ Accessibility provided via the existing staircase adjacent to the Milton entrance and a new lift.
	Group change	➤ Continue to function as a wet change facility for groups (i.e. schools) and be linked to the main pool either via the stairs and lifts to the ground floor wet or, depending on the small pool use, via the internal staircase to the group change area on the ground floor.
	Dry change	➤ New mezzanine to be introduced above the current wet change facilities for use by gym and studio users.

ZONE	AREAS / ROOMS	DESCRIPTION
Small Pool and Original Entrance Lobby	Ground Floor	See small pool sub-options set out in Sections 5.3.1 to 5.3.5.

ZONE	AREAS / ROOMS	DESCRIPTION
Wellbeing	Ground Floor	<ul style="list-style-type: none"> <li>➤ The former entrance from Milton Road will be re-opened to access the Wellbeing zone together with the former entrance on Farringdon Road (adjacent to the main Farringdon Road entrance).</li> <li>➤ The practitioner and consulting rooms, former dispensary and waiting area will be populated by health and wellbeing services and occupiers e.g. health practitioners, triage, specialist health-related retail (pharmacy, nutrition, wholefoods etc.), professional networking programme, health related CPD and training, creche etc.</li> <li>➤ These ground floor areas will have a public access focus (albeit, with access to individual rooms and practitioners by appointment).</li> </ul>
	First Floor	<ul style="list-style-type: none"> <li>➤ Accessed via the two existing staircases.</li> <li>➤ The first floor areas of the wellbeing centre will be largely private spaces occupied by tenants (e.g. community organisations, health related charities and non-profit organisations, health research programmes) and flexible space and meeting rooms for hire and events programming.</li> </ul>

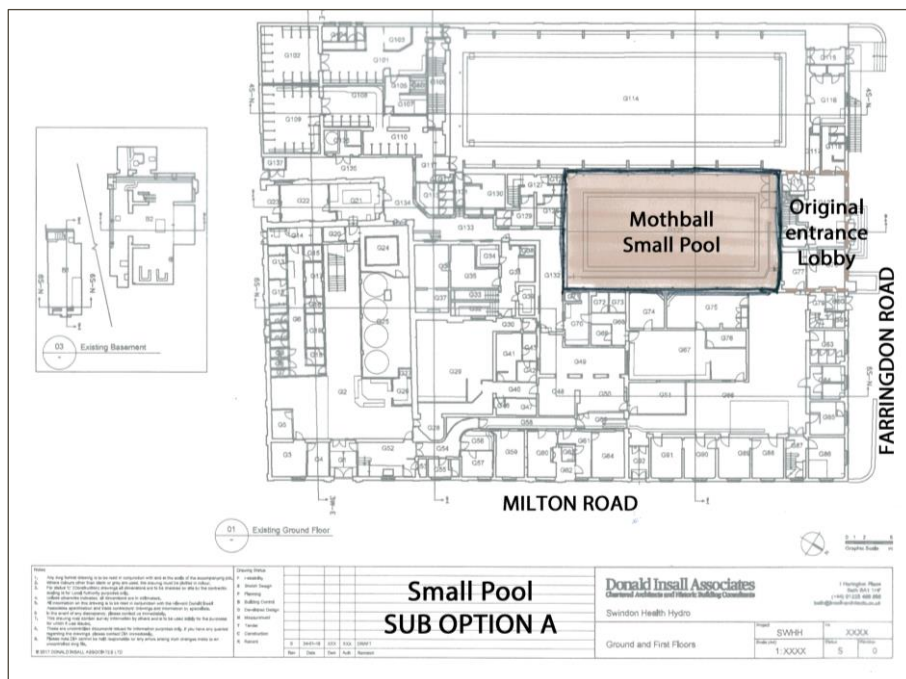
Figure 5. Development Option 2: Mezzanine



**5.3.1 Small Pool Sub-option A: Mothball**

The small pool is mothballed as a means of protecting the area – *potentially only for the short to medium term* – while further planning and fundraising is undertaken for its future preservation, rehabilitation or restoration. Its mothballing will not affect the continuing use or functioning of the rest of the building.

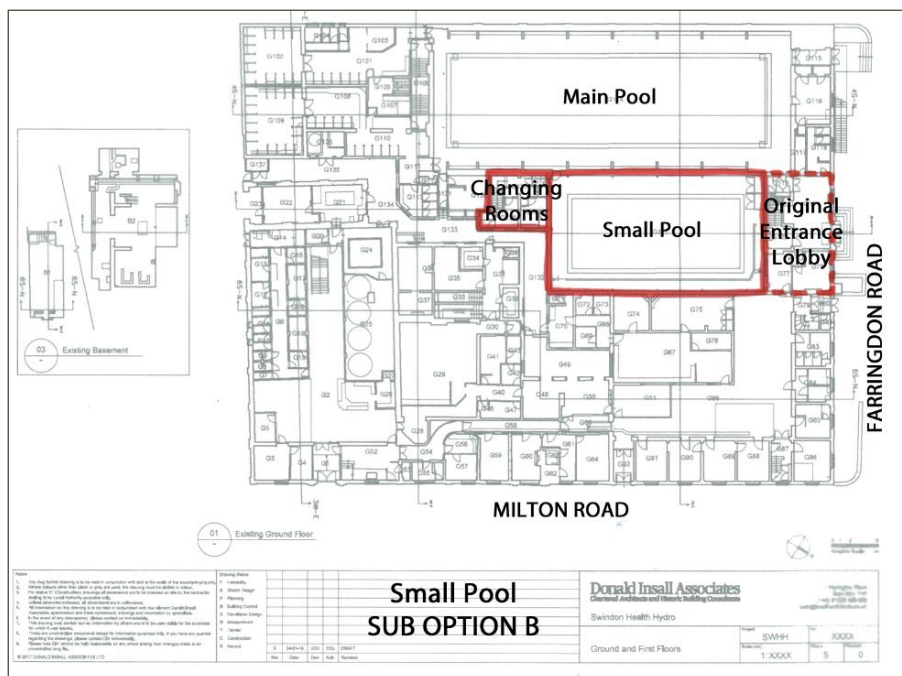
ZONE	AREAS / ROOMS	DESCRIPTION
Small Pool	Ground Floor:	
	Small Pool	<ul style="list-style-type: none"> <li>➤ Isolate the small pool room by adding an internal temporary partition at the access points between the main pool and the ground floor group change areas.</li> <li>➤ Access will be retained for maintenance / inspections purposes.</li> </ul>



**5.3.2 Small Pool Sub-option B: Restoration of Small Pool**

The small pool is brought back into use principally as a learning and teaching pool for use by clubs, private lessons and school groups. From a consumer’s perspective, it would operate as part of the Health and Fitness zone, either complementing the main pool or as a stand-alone facility accessed from the reinstated main entrance on Farringdon Road e.g. school groups.

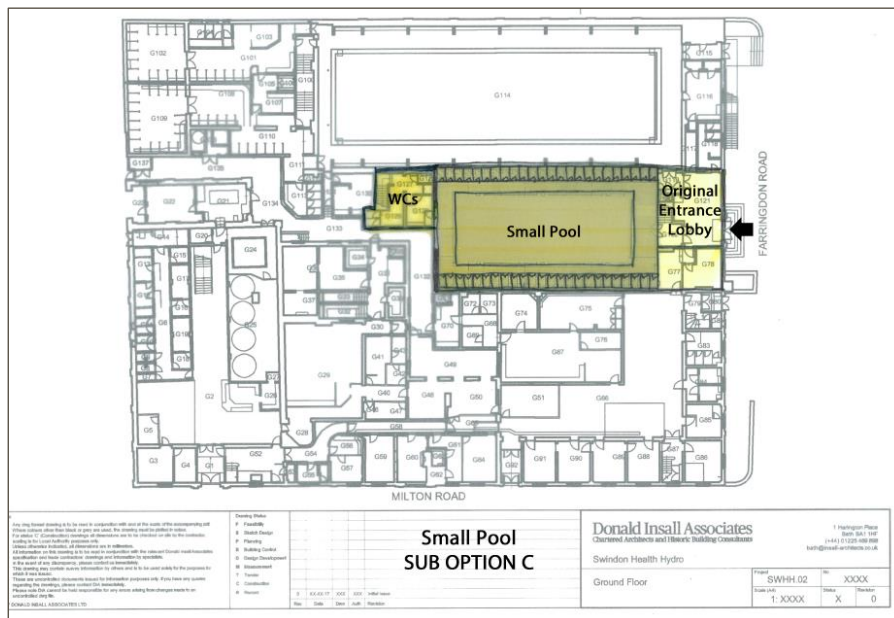
ZONE	AREAS / ROOMS	DESCRIPTION
Small Pool	Original entrance Lobby	<ul style="list-style-type: none"> <li>➤ Option for reinstating the original entrance to the building, allowing the small pool to be accessed independently from the rest of the health and fitness zone.</li> <li>➤ Necessary lifting platform(s)/ramps for disabled users would be included within the reinstated entrance/lobby area.</li> </ul>
	Small Pool	<ul style="list-style-type: none"> <li>➤ Restoration of the pool for swimming use.</li> <li>➤ Option for inserting a temporary base platform in the pool to change water depth.</li> <li>➤ Equipment for disabled access in/out of the small pool.</li> </ul>
	Changing rooms	<ul style="list-style-type: none"> <li>➤ Retaining the changing rooms (either, on the ground floor only or, both the ground and first floors) to be used in concert with the small pool area.</li> </ul>



### 5.3.3 Small Pool Sub-option C: Restoration to Victorian Splendour

Restoring the small pool back to its original Victorian format with changing cubicles and screens on both sides of the pool, glazed bricks revealed, secondary glazed stained-glass window replacement, hanging baskets of ferns, among other original features of this unique space. From a consumer’s perspective it could be accessed as part of the Health and Fitness zone or independently via the reinstated original Farringdon Road entrance.

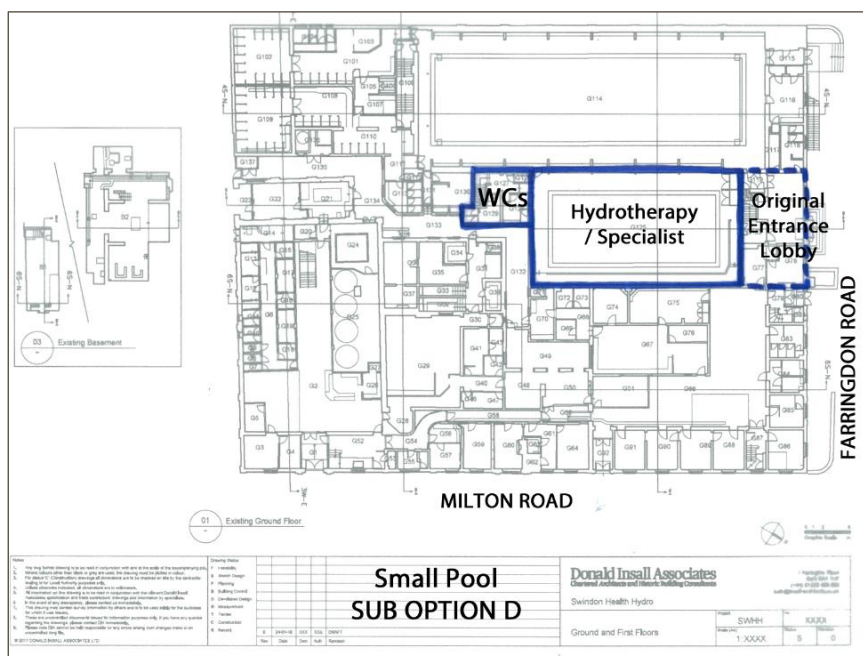
ZONE	AREAS / ROOMS	DESCRIPTION
Small Pool	Original entrance Lobby	<ul style="list-style-type: none"> <li>➤ Reinstatement of the original entrance to the building, allowing the small pool to be accessed independently from the rest of the health and fitness zone if required.</li> <li>➤ Necessary lifting platform(s)/ramps for disabled users would be included within the reinstated entrance/lobby area.</li> </ul>
	Small Pool	<ul style="list-style-type: none"> <li>➤ Restoration of the pool for swimming use with the original Victorian footprint.</li> <li>➤ Reinstatement of the former changing cubicles along the poolside together with other historical features.</li> <li>➤ Option for inserting a temporary base platform in the pool to change water depth</li> <li>➤ Equipment for disabled access in/out of the small pool.</li> </ul>
	WCs	<ul style="list-style-type: none"> <li>➤ Retaining the ground floor WCs (currently group change areas) to be used in concert with the small pool area.</li> </ul>



**5.3.4 Small Pool Sub-option D: Wellbeing / Hydrotherapy / Specialist use**

The small pool is re-purposed for hydrotherapy and specialist use in conjunction with the Wellbeing Centre e.g. rehabilitation, physiotherapy, aqua-aerobics, group sessions etc. From a consumer’s perspective it could be accessed as part of the Wellbeing zone or independently via the reinstated original Farrington Road entrance.

ZONE	AREAS / ROOMS	DESCRIPTION
Small Pool	Original entrance Lobby	<ul style="list-style-type: none"> <li>➤ Option for reinstating the original entrance to the building, allowing the small pool to be accessed independently from the rest of the Wellbeing or Health and Fitness zones.</li> <li>➤ Necessary lifting platform(s)/ramps for disabled users would be included within the reinstated entrance/lobby area.</li> </ul>
	Small Pool	<ul style="list-style-type: none"> <li>➤ Restoration of the pool for swimming use.</li> <li>➤ Option for inserting a temporary base platform in the pool to change water depth.</li> <li>➤ Range equipment for enabling specialist and professional use of the pool e.g. specialist lifting hoists, water jets, disabled access arrangements etc.</li> </ul>
	WCs	<ul style="list-style-type: none"> <li>➤ Retaining the ground floor WCs (currently group change areas) to be used in concert with the small pool area as WCs and changing rooms as necessary.</li> </ul>

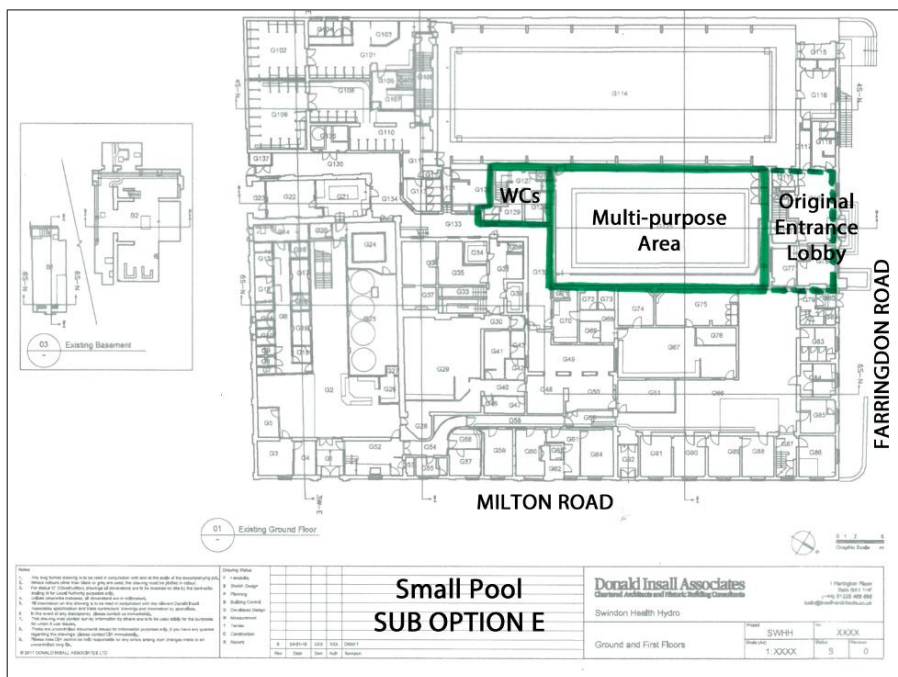




**5.3.5 Small Pool Sub-option E: Multi-purpose Space**

A suspended floor is installed over the small pool to create a spacious multi-use flexible space for a wide range of community uses, events, exhibitions, groups classes, lectures etc. From a consumer’s perspective its principal access would be via the reinstated original Farringdon Road entrance, although it could be accessed via both the Health and Fitness or Wellbeing zones and complement these functions.

ZONE	AREAS / ROOMS	DESCRIPTION
Small Pool	Ground Floor:	
	Original entrance Lobby	<ul style="list-style-type: none"> <li>➤ Reinstatement the original entrance to the building, allowing the small pool area to be accessed independently.</li> <li>➤ Necessary lifting platform(s)/ramps for disabled users would be included within the reinstated entrance/lobby area.</li> </ul>
	Small Pool	➤ Over-boarding it to create a basic flexible open space for multi-purpose use as an extension to either the Wellbeing or Health & Fitness zones or, as an independent area.
	Small Pool WCs	➤ Retaining the ground floor WCs (currently group change areas) to be used in concert with the small pool area as WCs and changing rooms as necessary.



## 6 Financial Assessment

### 6.1 Capital Cost Estimates

The capital costs for each of the options described in Section 5 have been prepared by Ian Walker Associates. The estimates have been informed by:

- A series of briefing and working sessions between Fourth Street, Donald Insall Associates and Ian Walker Associates;
- The Planned Preventive Maintenance Report prepared by Trident in October 2017;
- Photographs of the internal areas and external facades of the Health Hydro;
- Consultation with Penguin Pools Limited; and
- Available benchmark data and the professional opinion of Ian Walker Associates.

The figures are intended to be 'high level', to guide strategic planning. Much of the work being proposed is conceptual at this stage and needs to be further developed to establish more reliable estimates.

The costs in the Trident report are based on bringing the current building back to a good standard of repair and decorative order in its current format.

The M&E costs assume complete new systems on the basis that existing systems are noted within the Trident Report as being close to or at end-of-life and, a rejuvenated building would certainly benefit from new systems. It may, however, be possible to re-use some parts of the existing installations.

The *alteration / upgrade* costs allow for the adaptation of spaces to new use (where applicable) and the additional cost of *refinishing / refitting* spaces in lieu of *repairing / patching / making good* allowed for in the Trident report. There is significant scope in these figures for costs to vary according to design decisions taken.

The figures include allowances for contingency and preliminaries but exclude VAT. Professional fees allowances have been included at 18%. No allowance has been made for inflation but a reasonable allowance for this would be 5% per annum.

A detailed breakdown of these costs is included in Appendix 4.

**Figure 6. Summary Capital Cost Estimates**

	<b>Option 1:</b> Existing Spaces	<b>Option 2A:</b> Mezzanine / Mothball	<b>Option 2B:</b> Mezzanine / Small Pool	<b>Option 2C:</b> Mezzanine / Victorian Splendour	<b>Option 2D:</b> Mezzanine / Hydro- therapy	<b>Option 2E:</b> Mezzanine / Multi- Purpose Venue
<b>Main Works</b>						
Backlog repairs (building work) - Trident	£878k	£878k	£878k	£878k	£878k	£878k
M&E services general replacement	£2,502k	£2,252k	£2,502k	£2,502k	£2,502k	£2,502k
Alterations/upgrades:						
Health and Fitness	£853k	£1,604k	£1,604k	£1,604k	£1,604k	£1,604k
Reintroduce Faringdon Rd entrance	£92k	-	-	-	-	-
Wellbeing	£137k	£445k	£445k	£445k	£445k	£445k
<b>SUB-TOTALS</b>	<b>£4,462k</b>	<b>£5,179k</b>	<b>£5,429k</b>	<b>£5,429k</b>	<b>£5,429k</b>	<b>£5,429k</b>
Professional fees	£803k	£933k	£977k	£977k	£977k	£977k
<b>TOTALS</b>	<b>£5,265k</b>	<b>£6,112k</b>	<b>£6,406k</b>	<b>£6,406k</b>	<b>£6,406k</b>	<b>£6,406k</b>
<b>Sub-Options to Option 2 for Small Pool (Including allowance for fees)</b>						
A - Mothball	-	£1k	-	-	-	-
B - Restore pool to use	-	-	£740k	-	-	-
C - Restore to Victorian Splendour	-	-	-	£1,377k	-	-
D - Hydrotherapy/specialist	-	-	-	-	£1,074k	-
E - Multi-purpose space	-	-	-	-	-	£284k
<b>GRAND TOTAL</b>	<b>£5,265k</b>	<b>£6,113k</b>	<b>£7,146k</b>	<b>£7,783k</b>	<b>£7,480k</b>	<b>£6,690k</b>





### 6.1.1 Minimising and phasing expenditure






Overall, it is challenging to significantly reduce the overall capital expenditure without comprising the facility’s income earning potential. While one could theoretically focus investment in those areas anticipated to generate the greatest income, by leaving other investment out, there is a risk that the scale of income generated may be affected. Furthermore, the backlog of required investment in repairs and building services, that spans decades, amounts to a considerable proportion of the overall cost, ranging from 51% for the most expensive option, to 76% for the least expensive i.e. c.£4m in total for all options, derived from ‘Backlog repairs – Trident report’ (c.£1m) and ‘M&E services general replacement’ (c.£3m). There could however be a case for phasing investment and spreading expenditure over a longer period of time. This will need to be explored further as more detailed feasibility of options is progressed.

### 6.1.2 Additional costs for special consideration of heritage features

In addition to the maintenance, upgrading and repurposing of spaces proposed in each of the options, an initial set of ‘special considerations’ has also been defined. These special considerations will help to reveal, enhance and showcase the unique qualities and characteristics of the Health Hydro. An indicative

cost allowance has been made for each consideration although these should be treated with significant caution at this stage. Furthermore, as the detailed conservation and restoration of the project unfolds, additional items may be revealed i.e. the list is not intended to be exhaustive.

AREA / ROOM	SPECIAL CONSIDERATION	INDICATIVE COST
<p>Exterior facades</p> 	<ul style="list-style-type: none"> <li>➤ Enhancing the external appearance of the building through the maintenance of the brick work, stone work, joinery repairs, signage improvement and a new external lighting system with directional and adjustable features.</li> <li>➤ Repair of the external exit staircase to Farringdon Road.</li> </ul>	£730,000
<p>Interior facades and the spine corridor</p> 	<ul style="list-style-type: none"> <li>➤ Maintenance of brick work, stone work and joinery repairs.</li> <li>➤ Removal of redundant cables and added elements.</li> <li>➤ Relocation of some rain water pipes that obstruct a fire escape.</li> <li>➤ Repair and maintenance as only internal open space for exit route.</li> </ul>	£280,000
<p>Main pool</p> 	<ul style="list-style-type: none"> <li>➤ Heritage enhancement by revealing and repairing original elements such as glazed bricks, joinery, steel work, etc.</li> </ul>	£800,000
<p>Small Pool</p> 	<ul style="list-style-type: none"> <li>➤ Of high significance because it is one of the three original primary spaces of the building complex.</li> <li>➤ Heritage enhancement by revealing and repairing original elements such as glazed bricks, joinery, steel work, etc.</li> <li>➤ Careful reinstatement of stained glass window as originally built.</li> </ul>	Cost assumed to be equivalent to sub-option C i.e. restoring to Victorian splendour
<p>Reception and public baths</p>	<ul style="list-style-type: none"> <li>➤ Heritage enhancement as some vestiges of the original baths remain and the last original bath cubicle is still in use.</li> </ul>	£370,000

AREA / ROOM	SPECIAL CONSIDERATION	INDICATIVE COST
	<ul style="list-style-type: none"> <li>➤ Careful work to remove additional unnecessary elements to uplift the area.</li> <li>➤ Revealing of glazed bricks where paint has been added.</li> </ul>	
<p>Turkish baths</p> 	<ul style="list-style-type: none"> <li>➤ Enhancement of the original Victorian character of the space by revealing and repairing original elements such as glazed bricks, joinery, flooring.</li> <li>➤ Adding a more adequate lighting system, to enhance the character of the space.</li> </ul>	£480,000
<p>Original Entrance Lobby</p> 	<ul style="list-style-type: none"> <li>➤ Careful work on maintenance and repair of original elements such as flooring, ceilings, joinery, cornices, glazed brickwork where original.</li> <li>➤ Removal of modern floor tiles.</li> <li>➤ Heritage enhancement by careful adaptation of the space to its new use and function.</li> </ul>	£50,000
<p>The Mall and Dispensary</p> 	<ul style="list-style-type: none"> <li>➤ Of high significance as it was part of the first building group.</li> <li>➤ Careful work to remove additional unnecessary elements to uplift the area and adapt it for modern use.</li> <li>➤ Revealing and repairing original elements such as glazed bricks, joinery, steel work, etc.</li> <li>➤ Careful work when removing carpet, as original floor might be underneath.</li> </ul>	£320,000
<p>Consultation Rooms</p> 	<ul style="list-style-type: none"> <li>➤ Of high significance as many of them on the ground and first floor are in their authentic state.</li> <li>➤ Careful work on maintenance and repair of original elements such as ceilings, joinery, cornices, glazed brickwork, etc.</li> <li>➤ Careful work when removing carpet, as original floor might be underneath.</li> </ul>	£640,000

## 6.2 Operational Financial Projections

The review of potential uses within the Hydro, combined with a detailed analysis of the current income and operational expenditure of the facility, has been used to inform a series of operational financial projections for each of the defined options.

At this stage, the income projections are designed to provide a comparative assessment between the options. The table below summarises the estimated additional net income contribution for each option and each function. The projections represent a mature state, which may occur over a different timescale, depending on the function.

**Figure 7. Additional net income contribution (mature state)**

	<b>Option 1:</b> Existing Spaces	<b>Option 2A:</b> Mezzanine / Mothball	<b>Option 2B:</b> Mezzanine / Small Pool	<b>Option 2C:</b> Mezzanine / Victorian Splendour	<b>Option 2D:</b> Mezzanine / Hydro-therapy	<b>Option 2E:</b> Mezzanine / Multi-Purpose Venue
General swimming	£10k	£10k	£20k	£20k	£20k	£20k
Facility hire (swimming pool(s))	-	-	£29k	£29k	£29k	-
Junior & Courses	£26k	£26k	£47k	£47k	£47k	£26k
Health & Fitness	£84k	£112k	£112k	£112k	£112k	£112k
Turkish Baths	£41k	£41k	£41k	£41k	£41k	£41k
Wellbeing centre (rents)	£2k	£36k	£36k	£36k	£36k	£36k
Multi-purpose venue (small pool)	-	-	-	-	-	£5k
<b>Additional Income at Maturity</b>	<b>£163k</b>	<b>£225k</b>	<b>£285k</b>	<b>£285k</b>	<b>£285k</b>	<b>£240k</b>

The key assumptions supporting these projections are noted below:

- **General Swimming:** for options 1, 2A and 2E, a 25% uplift in general swimming take-up stimulated by general improvements throughout the building and through improved marketing and promotions; for options 2B, 2C and 2D, this uplift is increased to 50% as a result of the capacity released from the main pool with the re-commissioning of the small pool.
- **Facility Hire (swimming pool(s)):** only included for options 2B, 2C and 2D which include the re-commissioning of the small pool. The scale of income is considered relatively conservative and broadly aligns with views expressed by representatives of the swimming clubs and their own calculations for usage and hire fees.
- **Junior Courses:** for options 1, 2A and 2E, the additional income is attributed to filling the existing learn to swim programme within the main pool, which is currently reported to be operating at 72% capacity. For options 2B, 2C and 2D, the additional income is attributed to re-commissioning of the small pool, the additional capacity this affords and a relatively conservative estimate of up-take. Income under this heading includes private lessons and schools' income, where instructors are provided by the facility.
- **Health and Fitness:** for option 1, an additional 300 memberships are assumed (representing an increase of 60%) and for option 2, an additional 400 memberships (representing an increase of

80%). The main difference being the quality of experience and customer flow through the reconfigured building, which is considered markedly better for option 2. As noted in section 4.5, while the local market is anticipated to remain competitive, the added value that access to swimming offers to memberships (unlike budget operators), coupled with the general improvements throughout the building and improved marketing and management, these estimates are considered reasonable for this stage of planning.

- **Turkish baths:** general improvements throughout the building, coupled with an enhanced experience within the Turkish baths, and benefiting from new adjacent changing areas supports the doubling of usage and income for all options (albeit, from a relatively low base).
- **Wellbeing centre (rents):** the rentable area (i.e. excluding common areas) in option 1 and option 2 are estimated to be 432sq.m and 675sq.m respectively. Average rental values for these spaces have been based on a combination of existing occupiers' rates, the local market context and an uplift factor attributed to the overarching vision for the wellbeing centre, benefits arising from a critical mass of occupiers and the appropriate upgrading of the spaces. Rents are assumed to differ markedly between the first and ground floor spaces and an allowance for void periods has been factored in. Overall, a marginal increase is assumed for option 1 (albeit, achieved with a much-reduced floor area) and a doubling of current income for option 2, which is considered prudent.
- **Multi-purpose venue:** for option 2E only, the temporary conversion of the small pool into a multi-purpose venue gives rise to hire-related income, although the scale being projected is negligible and the greater impact is assumed to be non-financial.

### 6.3 Cashflow & NPV

The integration of capital and revenue has been considered and summary tables illustrating the profile of expenditure and ramp up of operational income contributions are contained for each option in Appendix 5.

Broadly speaking, the Building Services costs for each option have been spread over the first two years and the re-commissioning or re-purposing of the small hall is assumed to be undertaken in year-2.

As noted above, the gradual ramp up of income varies from function to function. By year-7, the income contributions generated from each function across all options is assumed to have reached maturity.

Over the relatively short timeframe of seven years which, taking into consideration construction works, allows for about five completed operating years, the return on investment is fairly small and the comparative merits of each option favour the options which have the lowest capital expenditure.

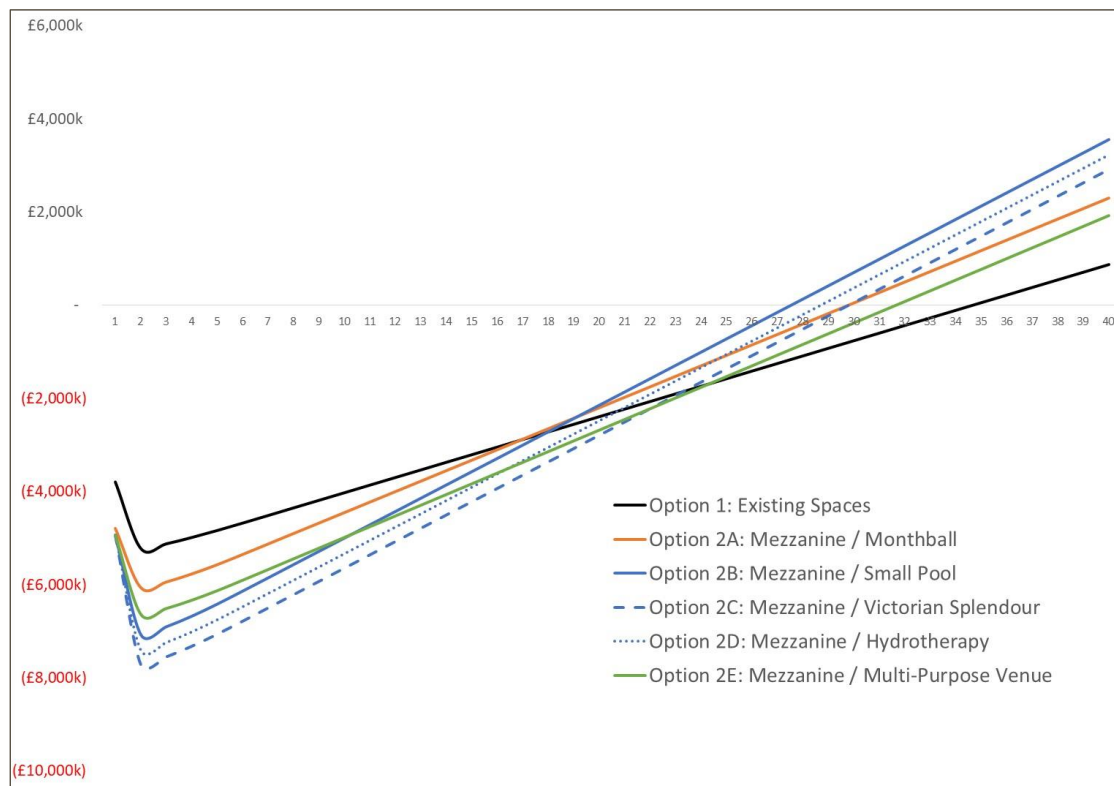
However, looking over a longer timeframe of say, 40 years, the merits of option 2 over option 1 become more apparent. Furthermore, for Options 2B, 2C and 2D, the additional income afforded by the re-commissioning of the small pool and the knock effects positions these options more favourable, from a financial perspective.

The Net Present Values for each option, based on the 40-yr cashflow and a discount rate of 3.5%, are summarised below together with a graphic, illustrating their comparative merits. Option 2B comes out most favourable with the lowest negative value. Option 2E is the least favourable.

**Figure 8. NPVs for options**

	NPV
Option 1: Existing Spaces	(£1,916k)
Option 2A: Mezzanine / Monthball	(£1,596k)
Option 2B: Mezzanine / Small Pool	(£1,393k)
Option 2C: Mezzanine / Victorian Splendour	(£1,987k)
Option 2D: Mezzanine / Hydrotherapy	(£1,704k)
Option 2E: Mezzanine / Multi-Purpose Venue	(£2,041k)

**Figure 9. 40-yr cashflow illustration for all options**





## 7 Qualitative & risk assessments

### 7.1 Qualitative assessment

The options have also been subjected to a qualitative assessment.

The non-financial benefits that could arise from investment in the Hydro have been used as criteria, against which each option has been scored.

Criterion 1	Contribution to public health and <b>improving health outcomes</b> for those who live and work in the area
Criterion 2	Adding to Swindon's <b>leisure and cultural offer</b> for residents, workers and visitors
Criterion 3	Its positive contribution and catalyst for further <b>regeneration in the heritage quarter</b>
Criterion 4	The increased confidence afforded to <b>inward investment</b> and regeneration opportunities across Swindon
Criterion 5	The <b>conservation benefit</b> and the opportunity to reveal, showcase and engage broader audiences in the history and heritage of the building and its wider context
Criterion 6	Changing <b>external perceptions</b> of Swindon for the better through the positive signals and messages communicated by bringing one of Swindon's iconic heritage assets back up to a standard commensurate with its significance
Criterion 7	The <b>reputational benefits</b> for Swindon and its stakeholders

The steering group members were invited to weight each criterion, based on their relative importance and then score every option against each criterion.

At the time of writing this report, six of the eight steering group members had completed the assessment.

A clear pattern has emerged.

Overall (Figure 10), Option 2B comes out as the most favoured option although Option 2C and 2D are close behind.

Interestingly, the variance in scores given by each steering group member, between the lowest and highest options, was fairly marked (from 55% to 235%) – meaning there is a clear distinction in the qualitative value between the lowest and highest scored options.

**Figure 10. Combined scores and ranking**

Option 1: Existing Spaces	Option 2A: Mezzanine / Mothball	Option 2B: Mezzanine / Small Pool	Option 2C: Mezzanine / Victorian Splendour	Option 2D: Mezzanine / Hydro-therapy	Option 2E: Mezzanine / Multi-Purpose Venue
280	264	484	433	437	321
5th	6th	1st	3rd	2nd	4th

Looking at the steering group members' individual scores (Figure 11 and Figure 12), the highest-ranking option was either Option 2B, 2C or 2D i.e. the options that include the recommissioning of the small pool.

**Figure 11. Individual scores by steering group members**

Option 1: Existing Spaces	Option 2A: Mezzanine / Mothball	Option 2B: Mezzanine / Small Pool	Option 2C: Mezzanine / Victorian Splendour	Option 2D: Mezzanine / Hydro-therapy	Option 2E: Mezzanine / Multi-Purpose Venue
20	22	57	64	65	35
58	57	119	73	122	57
64	69	78	99	79	80
104	78	130	104	78	104
44	46	112	84	82	38

**Figure 12. Individual ranking by steering group members**

Option 1: Existing Spaces	Option 2A: Mezzanine / Mothball	Option 2B: Mezzanine / Small Pool	Option 2C: Mezzanine / Victorian Splendour	Option 2D: Mezzanine / Hydro-therapy	Option 2E: Mezzanine / Multi-Purpose Venue
6	5	3	2	1	4
4	5	2	3	1	5
6	5	4	1	3	2
2	5	1	2	5	2
5	4	1	2	3	6

## 7.2 Risk Assessment

A high-level risk assessment has been prepared.

For this, a number of risks have been defined and consideration to the *probability* of them arising and the severity of their *impact*.

Option 2A is considered to represent the greatest risk – mainly due to the combination of introducing a mezzanine, the cost of this and the impact on the heritage aspects of the building resulting from mothballing the small pool.

Option 1 is considered to represent the lowest risk – mainly due to the lower cost, lesser physical intervention with the building and the easier route through planning and delivery.

While this assessment is subjective, what is noticeable is the fact that all options carry some degree of risk and the variance between options is less marked than the results of the qualitative assessment.

Figure 13. Risk assessment summary

		Option 1: Existing Spaces	Option 2A: Mezzanine / Mothball	Option 2B: Mezzanine / Small Pool	Option 2C: Mezzanine / Victorian Splendour	Option 2D: Mezzanine / Hydro- therapy	Option 2E: Mezzanine / Multi-Purpose Venue
<b>RISK</b>	<b>TOTAL:</b>	<b>51</b>	<b>81</b>	<b>71</b>	<b>74</b>	<b>74</b>	<b>75</b>
Market appeal and take up	PROBABILITY	4	3	5	5	5	3
	IMPACT	3	3	3	3	3	3
	<b>SCORE</b>	<b>12</b>	<b>9</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>9</b>
Ability to secure planning	PROBABILITY	3	5	3	4	4	3
	IMPACT	3	3	3	3	3	3
	<b>SCORE</b>	<b>9</b>	<b>15</b>	<b>9</b>	<b>12</b>	<b>12</b>	<b>9</b>
Ease of delivery	PROBABILITY	1	4	4	4	4	4
	IMPACT	2	2	2	2	2	2
	<b>SCORE</b>	<b>2</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>
Ability to secure funding	PROBABILITY	2	5	4	4	4	5
	IMPACT	3	3	3	3	3	3
	<b>SCORE</b>	<b>6</b>	<b>15</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>15</b>
Quality of management	PROBABILITY	3	3	3	3	3	3
	IMPACT	4	4	4	4	4	4
	<b>SCORE</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>
Ability to secure political support	PROBABILITY	2	4	3	3	3	4
	IMPACT	3	3	3	3	3	3
	<b>SCORE</b>	<b>6</b>	<b>12</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>12</b>
Reputational impact	PROBABILITY	2	5	3	3	3	5
	IMPACT	2	2	2	2	2	2
	<b>SCORE</b>	<b>4</b>	<b>10</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>10</b>

## 8 Towards a Preferred Option

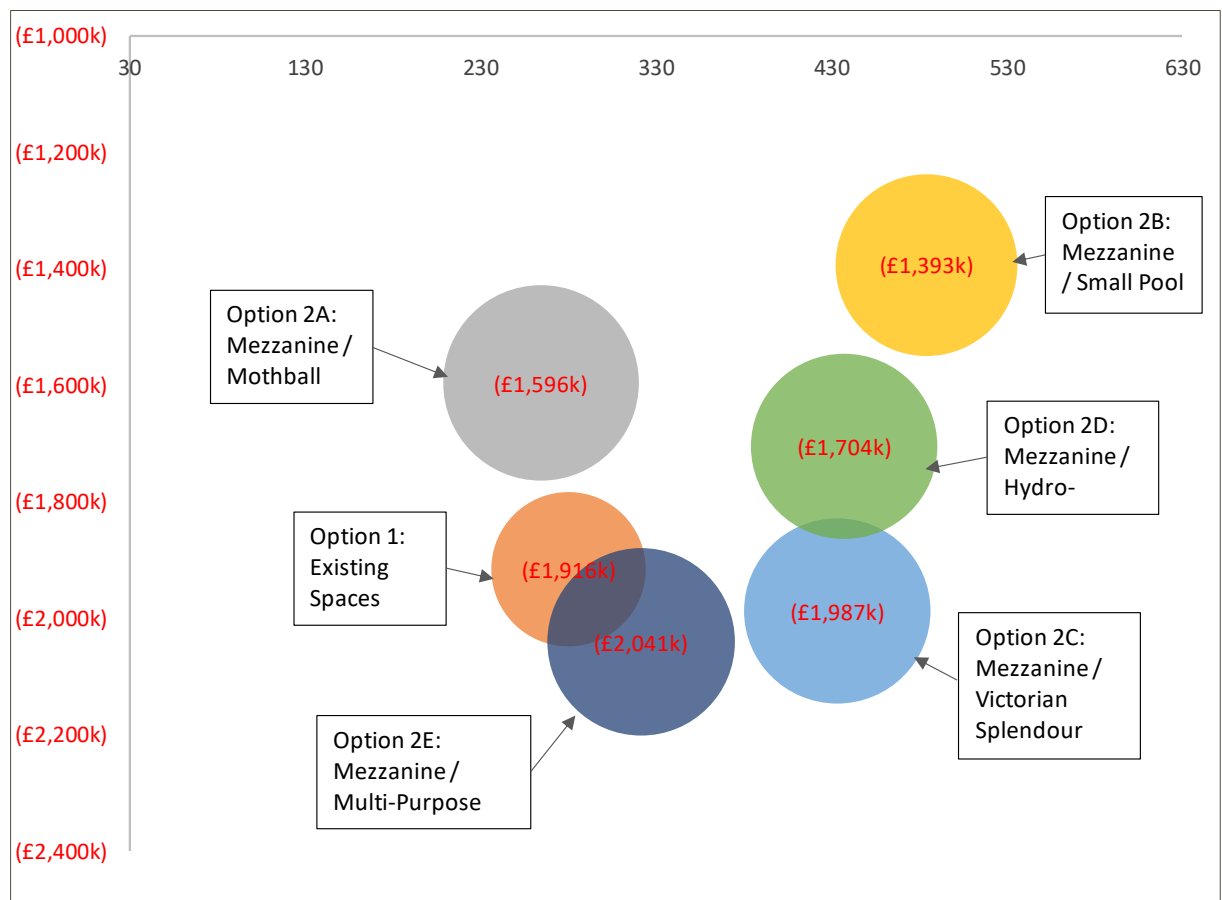
The graphic below in Figure 14 plots the NPVs (y-axis), qualitative scores (x-axis) and risk ratings (size of bubble) for each of the options.

Ideally, one is looking for the smallest bubble (lowest risk) and located in the top right corner of the graph, meaning it scores positively on both NPV and qualitative measures. Rarely does this arise.

Instead, the option with the lowest perceived risk (option 1) scores poorly on both NPV and qualitative measures.

While option 2B has a higher perceived risk but scores highest on both the NPV and qualitative measures. As such, it is this option that is considered to have emerged from this appraisal process as the preferred option.

**Figure 14. Combination of NPV, qualitative and risk assessments**



## 9 Next Steps

### 9.1 Detailed feasibility

This appraisal has lighted on a preferred option (Option 2b) that proposes the careful insertion of a mezzanine (above the location of the original public baths and existing wet change areas) to provide substantial new accommodation for gym and dry change facilities, the re-commissioning of the small pool and the development of the wellbeing areas for health professionals and related activities.

While this preferred option is deemed to present slightly higher risk than Option 1 (due mainly to the more onerous planning and funding requirements), its performance against both the financial and non-financial measures exceeds all other options considered.

This appraisal exercise has primarily focused on assessing the comparative merits and trade-offs between options. A critical next step will be to consider in greater detail the financial and design feasibility of the preferred option and in doing so, inform a more detailed development proposal and business case.

### 9.2 PESTLE Analysis

Set out below is a PESTLE analysis, which summarises key issues arising from this study and provides an initial framework to help guide the subsequent and more detailed stages of feasibility assessment.

#### 9.2.1 Political

Key issues	Framework for feasibility
<ul style="list-style-type: none"> <li>➤ Success will require strong and collaborative partnership involvement.</li> <li>➤ Political and stakeholder support from the highest levels will be required – spurred by the broad range of outcomes that a successfully regenerated Hydro can deliver i.e. activity, sport and leisure, health and wellbeing, learning, culture, economy and regeneration.</li> <li>➤ This support will need to focus not only on the Hydro itself, but on the necessary changes that will influence the environment in which it operates e.g. local regeneration, positive population etc.</li> <li>➤ Significant capital commitments will be required from partners to redress the long-term under-investment in the building and these will need to be secured from multiple sources. This will demand a strategic and co-ordinated approach to fundraising.</li> </ul>	<ul style="list-style-type: none"> <li>➤ How could political support for the project be raised at the highest levels?</li> <li>➤ What public policies could influence the feasibility or be addressed through the investment?</li> <li>➤ What grant funding opportunities might be available and how could such investment best meet their individual priorities and objectives? For example, the Heritage Lottery Fund and UK Sport.</li> <li>➤ What other forms of funding and investment might be considered? For example, Prudential borrowing, partner investments, community investment models, fundraising campaigns, charities, trusts and foundations.</li> <li>➤ What are the decision-making processes and milestones within each partner organisation and what inter-dependencies might there be?</li> <li>➤ What other partners could play a significant role in realising the vision e.g. HLF, National Trust, English Heritage etc.</li> </ul>

### 9.2.2 Economic

Key issues	Framework for feasibility
<ul style="list-style-type: none"> <li>➤ The success of the Health Hydro cannot be divorced from its local setting and economic context.</li> <li>➤ While there is acknowledged growth across the health and fitness market, Swindon has experienced considerable supply-side investment. As such, the offer within the Hydro needs to be carefully assessed and planned to sufficiently differentiate it from the competition.</li> <li>➤ Delivering on the vision for the Health Hydro offers a significant opportunity to positively change perceptions of the locality and Swindon more generally. To this end, recognition must be given to the positive influence it can have on inward investment, along with the rest of the leisure and cultural offer.</li> <li>➤ On the back of long-term stakeholder buy-in to the vision, shorter-term opportunities have been identified where incremental revenue improvements can be achieved.</li> </ul>	<ul style="list-style-type: none"> <li>➤ How is the economy of Swindon town centre and its hinterland anticipated to change over the coming years and what effect will this have on the performance of the Hydro?</li> <li>➤ What impact will North Star Village have on the local economy and Hydro more specifically?</li> </ul>

### 9.2.3 Social

Key issues	Framework for feasibility
<ul style="list-style-type: none"> <li>➤ Investment in the Health Hydro must reflect the changing demography of the area notably: the population in Swindon being comparatively younger than the rest of England; the significant population growth projected through new housing provision and anticipated increase in the proportion of BMEs; employment levels and education attainment; and, the specific demographic variances and challenges faced in the immediate ward areas surrounding the Hydro compared to the rest of Swindon.</li> <li>➤ The role of health and wellbeing has become increasingly important and embedded within traditional sport, leisure and recreation facilities. The opportunity afforded through a contemporary expression of the Hydro's original intent aligns strongly with current policies at local and national levels.</li> </ul>	<ul style="list-style-type: none"> <li>➤ How is Swindon's demographic make-up anticipated to change over time?</li> <li>➤ How is Swindon's cultural offer anticipated to change over time?</li> <li>➤ What impact could the Hydro have on health and lifestyle choices in Swindon and nationally?</li> <li>➤ How can the Hydro's offer reflect changes in working practices?</li> <li>➤ How far would people be willing to travel to experience the Hydro's future offer?</li> <li>➤ What learning opportunities exist within the proposals and the Hydro's future offer?</li> </ul>

### 9.2.4 Technology

Key issues	Framework for feasibility
<ul style="list-style-type: none"> <li>➤ Services and technologies supporting the day-to-day operation of the Hydro are generally outdated and have been under-invested in.</li> <li>➤ Technology plays an increasing role across all facets of life. There are numerous ways in which technology could influence the future performance and success of the Health Hydro, whether through SMART building, wayfinding and navigation in the town centre, to consumer products and services e.g. Health monitoring, booking interfaces etc.</li> </ul>	<ul style="list-style-type: none"> <li>➤ How can technology play a role in the future Hydro's offer and service?</li> <li>➤ What technological infrastructure is being planned in and around Swindon that could link into the Hydro?</li> <li>➤ What consumer technologies can be harnessed to raise awareness of the Hydro and improve consumer experiences and outcomes?</li> </ul>

### 9.2.5 Legal

Key issues	Framework for feasibility
<ul style="list-style-type: none"> <li>➤ The break clause included in GLL's lease agreement for the Health Hydro (October 2019 but requiring 12 months' notice to be enacted) has had a significant influence on the commissioning and timing of this appraisal.</li> <li>➤ To achieve a long-term sustainable solution for the Health Hydro will require significant investment and commitments to be made from a range of partners. This will take considerable time to resolve and will therefore likely require supplementary agreements to be established, while the detailed feasibility and development plans are assessed and worked up.</li> </ul>	<ul style="list-style-type: none"> <li>➤ What obligations and requirements will be demanded from different funders?</li> <li>➤ How might the ownership, governance and management of the Hydro and its constituent parts evolve?</li> <li>➤ What is the likely timescale and sequencing of implementation?</li> <li>➤ How might the necessary works and services for the restoration and development be best procured and managed?</li> </ul>

### 9.2.6 Environmental

Key issues	Framework for feasibility
<ul style="list-style-type: none"> <li>➤ The history and heritage of the Health Hydro and the wider context in which it lies is extraordinary and is of local, regional and national significance.</li> <li>➤ The restoration of the Health Hydro presents a significant opportunity to garner the support and influence of major partners and be a beacon for others to follow.</li> </ul>	<ul style="list-style-type: none"> <li>➤ What are the planning and heritage implications of the proposals?</li> <li>➤ How does the project relate to its immediate context and the heritage area in which it's located?</li> <li>➤ How can the future building services be designed to improve the Hydro's environmental impact?</li> <li>➤ What necessary change is required to forge better connections within and around the town centre and its infrastructure to facilitate and optimise the performance of the Hydro?</li> </ul>

### 9.3 Short-term opportunities

The success of the Hydro cannot rely on a single partner nor a single function to enable the rest of the vision to be supported and realised. An integrated development approach with strong partnerships is vital.

It is also unrealistic to assume that the realisation of the vision can be achieved over a short timescale. The public's perception of the Health Hydro will need to be changed, its success will be dependent on the continuing uplift and regeneration of its local area and, the scale and cocktail of capital funding required is anticipated to be complex and take time to assemble and secure.

There are however a number of shorter-term projects that could act as stepping stones towards the longer-term vision and provide a means of testing and refining the longer-term development and delivery plans before being fully committed. These include:

- **Master-planning:** Developing a more comprehensive and detailed masterplan for the historic area in which the Health Hydro is located. This would build on outline work already undertaken and the recent proposal to designate the area as a Heritage Action Zone<sup>14</sup>.
- **Car parking:** Secure an appropriate car parking deal for Health Hydro users.
- **Health professional cluster:** Improvements designed to encourage more health practitioners and related professionals to take up occupation within the Health Hydro (on either temporary, part-time or permanent basis), which may include re-opening a dedicated entrance, minor improvements to internal decoration, specialist equipment, and the development and co-ordination of an effective marketing and promotional campaign.
- **Small pool re-commissioning:** Necessary investment to re-commission the small pool with the primary objective of increasing the learn to swim participation and club hires in the short to medium term.
- **Partnerships:** Exploration of partner opportunities through targeted dialogue e.g. Oxford Brookes in relation to their Swindon healthcare-related campus; other education providers with a sector or geographic interest; the National Trust – noting their Swindon headquarters at Heelis and recent statements by the new Director General to increase the Trust's 'urban reach'; national and local health service providers; and the Heritage Lottery Fund.
- **Operations:** Improvements to the day-to-day operation and general 'housekeeping' of the Health Hydro, to improve the customer experience. This may benefit from greater collaboration between the existing operational and user groups within the Hydro.
- **Meanwhile use:** Exploration of meanwhile uses hosted within the Hydro's unoccupied spaces that could add positively to the vibrancy and activity of the place in the short-term. These are unlikely to be significant revenue generators but could help garner support for the longer-term

<sup>14</sup> <https://content.historicengland.org.uk/content/docs/haz/haz-explanatory-notes-guidance-may17.pdf>



vision or be used to trial and test concepts either for longer term deployment within the reconfigured Hydro (e.g. health and wellbeing networking events) or elsewhere in the locality (e.g. cultural uses that may sow the seeds for activity that eventually migrates to the Mechanics' Institute once renovated).

- **Heritage awareness:** Continue and expand the programme of engagement, interpretation and activity that raises the awareness and profile of the history and heritage of the building and its role within the wider heritage context.

# Appendices

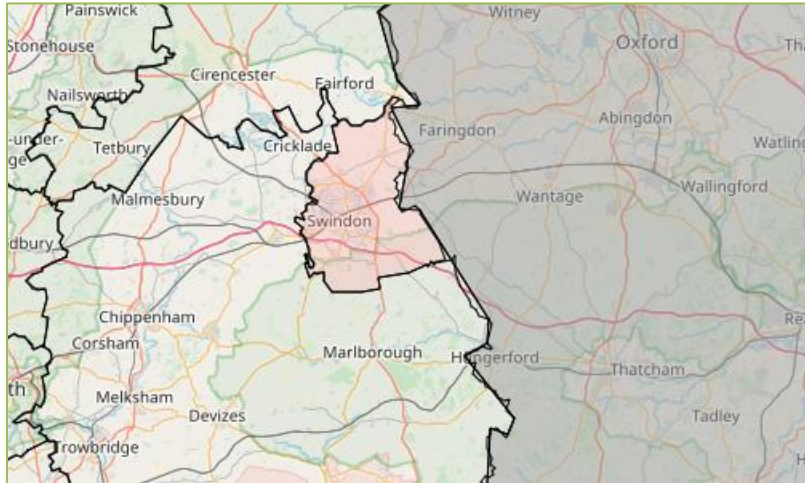
## 1 List of consultees

- Andrea Christmas, member of the Health Hydro Action Group and swimming clubs' representative
- Andy Brown, Development Management, Swindon Borough Council
- Cherry Jones, Director of Public Health, Swindon Borough Council
- Cllr Keith Williams, Cabinet Member for Corporate and Customer Services, (Shaw ward) Swindon Borough Council
- Daniel Rose, Executive Director of the Mechanics' Institute Trust and member of the Health Hydro Action Group
- David Tackray, member of the Health Hydro Action Group
- Dennis Yeoman, swimming club representative and member of the Health Hydro Action Group
- Gerry Hannon, member of the Health Hydro Action Group (and former council officer)
- Jamie Coleshill, Regional Director, Greenwich Leisure Ltd
- Jeremy Sutton, Partner of Keningtons (real estate agent, Swindon)
- John Armat, Head of Service, Greenwich Leisure Ltd
- Liz Smith-Gibbons, Conservation Officer, Swindon Borough Council
- Rhys Jones, Partnership Manager, Greenwich Leisure Ltd
- Richard Voyce, Sports Massage therapist operating out of Health Hydro and member of the Health Hydro Action Group
- Rob Richards, Head of Property Assets, Swindon Borough Council
- Gerry Hannon, member of the Health Hydro Action Group and former council officer (sport and recreation)
- Sally Burnett – Strategic Commissioner, Route to Employment, Swindon Borough Council

## 2 Local Population Demographics

### 2.1 Socio-Demographics

Figure 15: Swindon Local Authority



#### 2.1.1 Population

Compared to the rest of England, Swindon has a predominantly young population. The proportion of people who are aged 60+ is lower than the national average. However, those aged between 45-64 make up around 25% of the population. This means that over 50,000 people in Swindon will be approaching retirement age in the next few decades.

The population is also projected to increase by 14% from 2011-2021 and a further 10% from 2021-2031. The proportion of BME people is set to increase from 8.5% to 15.4% from 2011-2021.

	Number	% of Population	Index vs % of English pop.
Age 0 to 4	14,100	6.7%	108
Age 5 to 7	7,600	3.6%	105
Age 8 to 9	4,700	2.2%	104
Age 10 to 14	12,400	5.9%	102
Age 15	2,600	1.2%	101
Age 16 to 17	5,100	2.4%	98
Age 18 to 19	4,700	2.2%	87
Age 20 to 24	12,900	6.2%	91
Age 25 to 29	15,100	7.2%	105
Age 30 to 44	48,300	23.1%	112
Age 45 to 59	41,800	20.0%	103
Age 60 to 64	11,000	5.3%	88
Age 65 to 74	15,200	7.3%	85
Age 75 to 84	9,900	4.7%	86
Age 85 to 89	2,600	1.2%	85
Age 90 and over	1,200	0.6%	75
<b>Total Population</b>	<b>209,200</b>		

### 2.1.2 Social Grade

The proportion of people in Swindon who are in higher and intermediate managerial/ admin/ professional roles or supervisory, clerical, junior managerial/ admin/ professional role is slightly lower than the English average. There is a slight over-representation of those in skilled manual occupations and semi-skilled and unskilled manual occupations.

	Number	% of Population	Index vs % of England pop.
AB: Higher and intermediate managerial/ admin/ professional	29,900	21.6%	94
C1: Supervisory, clerical, jr managerial/ admin/ professional	40,400	29.2%	96
C2: Skilled manual occupations	31,900	23.0%	105
DE Semi-skilled and unskilled manual occupations, unemployed and lowest grade occupations	36,300	26.2%	106

### 2.1.3 Education

A high proportion of Swindon's population is educated up to apprenticeship standards compared to the national average. This indicates that there is a good education provision up to this level. The lower than average proportion of people with 'No Qualifications' also indicates that residents in Swindon are gaining greater exposure to these services than is usual amongst the rest of the English population. However, those with 'No Qualifications' do still account for around 20% of Swindon's population.

The number of people who go on to higher education (AS/ A levels and beyond) is lower than the national average. This could indicate a lack of higher education provision in the area or a difficulty/ unwillingness to access it if it is there.

Level of Education	Number	% of Population	Index vs % of England pop.
No Qualifications	34,400	20.5%	91
Level 1 (GCSE D-G)	29,300	17.5%	131
Level 2 (GCSE A*-C)	29,100	17.3%	114
Apprenticeship	7,600	4.5%	127
Level 3 (AS & A level)	19,500	11.6%	94
Level 4 and above (BA's, BSC's etc.)	38,100	22.7%	83
Other Qualifications	9,800	5.8%	102

### 2.1.4 Long Term Disability and General Health

'General Health' is a self-assessment of a person's general state of health. During Nomis 2011 data collection people were asked to assess whether their health was very good, good, fair, bad or very bad. The assessment was not based on a person's health over a specified period of time. The results showed that Swindon is in quite good health compared to the rest of England. The proportion of people who put 'Bad' or 'Very Bad' health was noticeably lower than the rest of the country. This could be a result of the relatively young population which is likely to have less health issues.

General Health	Number	% of Population	Index vs % of English pop.
Very Good Health	100,900	48.2%	102
Good Health	73,600	35.2%	103
Fair Health	25,100	12.0%	91
Bad Health	7,600	3.6%	86
Very Bad Health	2,000	1.0%	77

An assessment of 'Long Term Health & Disability' also shows that Swindon is in relatively good health as the number of people describing their ability to carry out activities as 'limited' or 'very limited' was lower than the national average. Once again, this is most likely due to the young population.

### 2.1.5 Central & Eastcott Wards

Figure 16: Central and Eastcott Wards



The Central and Eastcott Wards also have a predominantly young population, but they do have a much higher proportion of people aged between 20-44 than the rest of Swindon and England. There are also far more people who are semi-skilled and unskilled (DE grading) in the two wards than in the rest of Swindon. Educationally, the two wards have a higher proportion of people with university degree level education and other vocational/ work-related qualifications than the rest of Swindon.

General Health is reasonably good in the two wards, although there are a higher proportion of people who list their health as 'Very Bad' compared to the rest of Swindon. Those whose day to day activities are limited 'a lot' or 'a little' are lower than the rest of Swindon. This could once again be a result of a younger population.

### 3 Case Studies: Baths

#### Ashton Old Baths, Manchester

From its opening in 1870, the Grade II Listed Baths have been repurposed as an orchestra venue, restaurant and indoor tennis court, and as of June 2017, it is functioning as a business hub.

The business hub offers workspace for digital and creative industries. It provides four floors of office space (£425 p/m), co-working spaces (£99 p/m), shared desk space (£175 p/m), virtual offices (£40 p/m) meeting rooms (for up to 20 people) and event space for up to 50 people. The development includes 4,000sqft of space for meeting rooms, breakout spaces and a rooftop terrace and a 6,000sqft free standing office pod.

The business hub runs a 'Digital Dozen' incubation programme which provides a desk, co-working space and tailored support for creative businesses for 6-12 months. It also offers one-on-one mentoring, workshops and access to social events to help build a community of supportive peers, suppliers and advocates.

The £4m refurbishment of Grade II Listed building received £1m from the ERDF and £1.7m from the HLF (Heritage Enterprise) and was developed by PlaceFirst who acquired the building in 2014.



#### Victoria Baths, Manchester

In 1993, Manchester City Council closed the Baths and the building was left derelict. Restoration of the Grade II Listed building began in 2007, it was awarded £3.4m from the HLF, appearing on BBC television show Restoration, where community support funded the restoration further.

Currently, the Victoria Baths is open as a heritage visitor attraction, events and arts venue from April to October each year, attracting around 40,000 visitors annually. The building is only partially restored at present, but aims to re-establish the facilities to enhance fitness, health and general well-being.

In 2011, the Baths were used as a filming location, a concert venue and an exhibition centre. In 2017, the Baths were reopened for an invite only acid house dance pool party hosted by Boiler Room, The Warehouse Project and Fac 51 The Warehouse. Events for 2018 include a photography workshop, midsummer picnic concert, movie screenings, giant games, DJ nights, live cooking demonstration and themed dinner events.



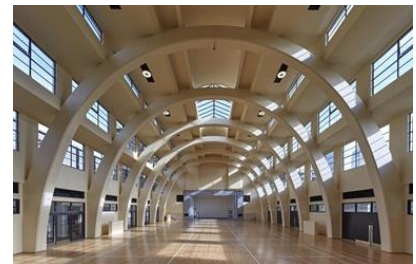
### Poplar Victorian Bath

Poplar Baths east London reopened in 2013 following a major renovation after being closed and left derelict for 25 years. The original Victorian structure in the East India Dock Road (Tower Hamlets, London) was commissioned under the 1846 Baths & Washhouses Act to provide leisure and bathing facilities for slum-dwellers of the old East End and was rebuilt in 1933 in an art deco style, with the capacity to floor-over the pool for use as a 1,400-seat theatre, a dance hall, exhibition gallery or sports hall. Its popularity declined in the 1970/80s and was closed in 1988. A public campaign was launched in 2006.

In August 2016 the building was brought back to life, designed by Pringle Richards Sharratt architects, to become a vibrant community leisure and fitness facility, projected to host over a thousand people each week. The £15m leisure centre now houses a large sports hall (698m<sup>2</sup>), community pool (25 x 12.5m), learner pool (12.5 x 7m), gym (400m<sup>2</sup>), two studios for exercise classes (165m<sup>2</sup>), a rooftop multi-use games area (594m<sup>2</sup>), play area and café with a small exhibition space.

It was delivered as part of a wider public private-partnership that had 100 new socially let apartments and a new youth centre.

The centre is operated by GLL.



### Ironmonger Row Baths, Islington

In May 2010, the Ironmonger Row Baths went through extensive renovations as part of a £16.5m restoration project. The project was co-funded by Islington Council and EC1 New Deal for Communities.

Open from November 2012, the baths include a 30m long swimming pool and separate shallow pool for children and is used by the Tom Daley Diving Academy.

In addition to this, the Baths include a sauna, steam room, a Victorian-style Turkish bath comprising of a series of three hot rooms, marble slabs for massage and body scrubbing and an icy plunge pool. There are also two relaxation areas. The Baths offer over 50 health, beauty and relaxation treatments including international spa brands, modern beauty treatments and massage therapies.

There is a modern gym on site, with energy and functional training zones as well as space for racket sports.

The centre is operated by GLL.





### Kentish Town Baths

As part of Camden Councils £25.3m plans, the Kentish Town Baths re-opened in autumn of 2010 after two years of refurbishment.

The Kentish Town Sports Centre now offers three swimming pools, with the largest pool (Willes pool, 30m) having its ceiling removed to reveal the Victorian roof. The new Grafton pool is 25m with 4 lanes and a smaller teaching/learning pool of 9m x 7m. The sports centre also houses a large health and fitness suite with 125 machines and two dance studios.

The agreed plans allow for a small number of private Town Houses and flats to help pay for the refurbishment. The rest comes from a combination of capital receipts and borrowing.

The building utilises the natural ventilation and two existing bore-holes to make the building eco-friendly and cheaper to run.

The facility is operated by Better Leisure.



### Hastings White Rock Baths

The Hastings White Rock Baths were closed in 1978 but reopened as an ice rink and roller skating venue, which closed in 1997.

After refurbishment, designed by Saville Jones Architects, the Bath reopened as The Source Park skate and BMX complex in February 2016. The building is owned by the Hastings and St Leonards Foreshore Charitable Trust and has been let on a 10-year lease to The Source, a Hastings-based company which was voted National 2014 BMX retailer of the year.

The large indoor BMX and skate park also contains a shop and café. It offers lessons for learners as well as hosting events and parties. In 2018, the park hosted the Flip Skateboards Demo, the only Flip Demo in the UK.

To help fund the £1m cost of the project, Hastings Borough Council successfully applied for a Regional Growth Fund grant through East Sussex County Council and a smaller grant from the government's Coastal Communities Fund. The project was mainly funded by the council and the Hastings and Foreshore Trust.



### Bramley Baths, Leeds

Bramley Baths is the only remaining Edwardian bath-house in Leeds. The Grade II Listed building was saved from closure by the campaigning of local residents who took over management of the leisure centre in January 2013. The community-led social enterprise, operates as an independent leisure centre with a gym, a 22m glass-roofed pool and a Russian steam room. It also offers a lifeguard training programme for young people in the local area to develop local job opportunities.

Many events take place at the Baths including the UK's first swim-along cinema, aquatic dance performances, underwater photo booths for families and an immersive visual-art installation. The car park is also used for boot-camp sessions and summer fairs. Such initiatives allowed the business to generate a surplus in its first year of trading and are paying off a loan secured from the Yorkshire Venture Philanthropy Programme. The group has received a £50,000 loan and £25,000 grant.



## 4 Capital Cost Estimate (detail)

### 4.1 Option 1 – Existing Spaces (excluding Backlog repairs and M&E)

	Amount	Totals
<b>Health and Fitness - Wet Zone</b>		
Uplifting group change and wet change - new cubicles, sanitary fittings, doors	218,960	
Uplifting reception - new desk and fittings	25,000	
Uplifting public baths; retiling, new sanitaryware, new doors, new fittings	64,800	
Uplifting Turkish baths retiling modern tiles; deep cleaning existing	79,800	
Contingency on the above	77,712	
Prelims on the above	60,615	
		<b>527,000</b>
<b>Original entrance lobby</b>		
Repair and remedial work to reinstate access	10,000	
Platform lift	22,500	
Entrance desk and fittings	25,000	
M&E alterations	10,000	
Contingency on the above	13,500	
Prelims on the above	10,530	
		<b>92,000</b>
<b>Health and Fitness - Dry Zone</b>		
Repurposing small pool as gym		
overboarding pool and sprung floor	62,100	
sundry alterations	5,000	
re-decoration	6,900	
reinstating stained glass	40,000	
Studio		
repair and remedial work for repurposing	78,600	
Dry Change		
repair and remedial work for repurposing; refitting changing areas	48,000	
Contingency on the above	48,120	
Prelims on the above	37,534	
		<b>326,000</b>
<b>Wellbeing</b>		
Ground floor		
Minimal alteration/upgrading of existing spaces	20,600	
Reinstating entrance from Milton Road incl new desk & fittings	15,000	
New staircase	10,000	
Lift reused (included in backlog repairs)		
First floor		
Minimal alteration/upgrading of existing spaces	55,200	
Contingency on the above	20,160	
Prelims on the above	15,725	
		<b>137,000</b>

## 4.2 Option 2 – Mezzanine (excluding Backlog repairs and M&E)

	Amount	Totals
<b>Health and Fitness</b>		
Ground floor		
Main pool - as Option 1		
Reception		
uplifting reception - as Option 1	25,000	
new lift in shaft; allowance for shallow pit and structural work	60,000	
platform lift to outside steps	25,000	
Uplifting public baths - as Option 1	64,800	
Uplifting wet change - as Option 1 (group change deducted)	148,120	
Uplifting Turkish baths - as Option 1	79,800	
Small pool change included with Small pool options	0	
Mezzanine		
Introducing new mezzanine structure in steel and timber; soundproofed; partitions; finishes; fittings; M&E	668,050	
Slimline double glazing to rooflights	70,038	
Spacetherm and dummy boarding to soffit	42,023	
First Floor		
Group change included with Small pool options		
Contingency on the above	236,566	
Prelims on the above	184,521	
		<b>1,604,000</b>
<b>Wellbeing</b>		
Ground floor		
Alteration/upgrading of existing spaces	178,000	
New staircase	10,000	
Lift reused (included in backlog repairs)		
First floor		
Minimal alteration/upgrading of existing spaces	140,250	
Contingency on the above	65,650	
Prelims on the above	51,207	
		<b>445,000</b>

### 4.3 Small Pool Sub-options B, C, D & E

	Amount	Totals
<b>Sub Option B - restore pool</b>		
Reinstate entrance lobby from Faringdon Street - as Option 1	67,500	
Restore small pool - as Trident figures	216,336	
Reinstate stained glass	40,000	
Accessibility improvements to pool (hoist, ramp)	25,000	
Porous removable base in pool to raise level	50,000	
Uplifting small changing rooms (new tiling, cubicles, sanitaryware etc)	63,480	
Contingency on the above	92,463	
Prelims on the above	72,121	
		<b>627,000</b>
<b>Sub Option C - restore to Victorian Splendour</b>		
Reinstate entrance lobby from Faringdon Street - as Option 1	67,500	
Additional work to last to reintroduce Victorian feel	50,000	
Restore small pool - as Trident figures	216,336	
Reinstate stained glass	40,000	
Reinstate clerestory fenestration	40,000	
Accessibility improvements to pool (hoist, ramp)	25,000	
Porous removable base in pool to raise level	25,000	
Demolish guard wall	2,000	
Reinstate timber clad partitioned cubicles	96,000	
New Victorian floor tiles	10,750	
Retile pool; re-render	66,600	
Repair holes and copy tiles wher vent ducts inserted	5,000	
Reinstate balcony in wrot iron and timber; decorated	100,000	
Dummy exit doors at balcony level	8,000	
Reinstate pool rail	5,000	
Allow for hanging baskets, furnishings, light fittings, etc	15,000	
Uplifting small changing rooms (new tiling, cubicles, sanitaryware etc)	63,480	
Contingency on the above	172,133	
Prelims on the above	134,264	
		<b>1,167,000</b>
<b>Sub Option D - hydrotherapy suite</b>		
Reinstate entrance lobby from Faringdon Street - as Option 1	67,500	
Reinstate stained glass	40,000	
Conversion costs as per Penguin Pools guidance	500,000	
Uplifting small changing rooms (new tiling, cubicles, sanitaryware etc)	63,480	
Contingency on the above	134,196	
Prelims on the above	104,673	
		<b>910,000</b>
<b>Sub Option E - Multi-purpose space</b>		
overboarding pool and sprung floor	62,100	
sundry alterations	5,000	
redecorating	6,900	
reinstating stained glass	40,000	
Uplifting small changing rooms (new tiling, cubicles, sanitaryware etc)	63,480	
Contingency on the above	35,496	
Prelims on the above	27,687	
		<b>241,000</b>

#### 4.4 Building Services

	Amount	Totals
<b>Building services</b>		
General strip out and refit incl BWIC - incl emergency systems localised air-con	1,845,000	
Contingency on the above	369,000	
Prelims on the above	287,820	
		<b>2,502,000</b>

## 5 Cashflow: Capital & Revenue (7yrs)

### 5.1 Option 1: Existing Spaces

		OPTION 1: Capital spending profile						
	TOTAL	Yr1	Yr2	Yr3	Yr4	Yr5	Yr6	Yr7
<b>Main Works</b>								
Backlog repairs (building work) - Trident Report	£878k	£878k						
M&E services general replacement	£2,502k	£1,251k	£1,251k					
Alterations/upgrades:								
Health and Fitness	£853k	£853k						
Reintroduce Faringdon Rd entrance	£92k	£92k						
Wellbeing	£137k	£137k						
<b>SUB-TOTALS</b>	<b>£4,462k</b>	<b>£3,211k</b>	<b>£1,251k</b>	-	-	-	-	-
Professional fees	£803k	£578k	£225k	-	-	-	-	-
<b>TOTALS</b>	<b>£5,265k</b>	<b>£3,789k</b>	<b>£1,476k</b>	-	-	-	-	-
<b>Sub-Options to Option 2 for Small Pool (Including allowance for fees)</b>								
A - Mothball	-							
B - Restore pool to use	-							
C - Restore to Victorian Splendour	-							
D - Hydrotherapy/specialist	-							
E - Multi-purpose space	-							
<b>GRAND TOTAL</b>	<b>£5,265k</b>	<b>£3,789k</b>	<b>£1,476k</b>	-	-	-	-	-

		OPTION 1: operational ramp up						
Net Income contribution (ramp up factors)	TOTAL	Yr1	Yr2	Yr3	Yr4	Yr5	Yr6	Yr7
General swimming	£10k	-	-	£7k	£10k	£10k	£10k	£10k
Facility hire (swimming pool(s))	-	-	-	-	-	-	-	-
Junior & Courses	£26k	-	£6k	£13k	£19k	£26k	£26k	£26k
Health & Fitness	£84k	-	£21k	£42k	£63k	£71k	£80k	£84k
Turkish Baths	£41k	-	£21k	£37k	£41k	£41k	£41k	£41k
Wellbeing centre (rents)	£2k	-	£1k	£2k	£2k	£2k	£2k	£2k
Multi-purpose venue (small pool)	-	-	-	-	-	-	-	-
	<b>£163k</b>	-	<b>£49k</b>	<b>£101k</b>	<b>£136k</b>	<b>£150k</b>	<b>£159k</b>	<b>£163k</b>

<b>Capital + Revenue</b>	<b>(£3,789k)</b>	<b>(£1,427k)</b>	<b>£101k</b>	<b>£136k</b>	<b>£150k</b>	<b>£159k</b>	<b>£163k</b>
<b>Cumulative Capital + Revenue</b>	<b>(£3,789k)</b>	<b>(£5,216k)</b>	<b>(£5,114k)</b>	<b>(£4,979k)</b>	<b>(£4,829k)</b>	<b>(£4,670k)</b>	<b>(£4,507k)</b>

## 5.2 Option 2A: Mezzanine / Mothball

		OPTION 2A: Capital spending profile						
	TOTAL	Yr1	Yr2	Yr3	Yr4	Yr5	Yr6	Yr7
<b>Main Works</b>								
Backlog repairs (building work) - Trident Report	£878k	£878k						
M&E services general replacement	£2,252k	£1,126k	£1,126k					
Alterations/upgrades:								
Health and Fitness	£1,604k	£1,604k						
Reintroduce Faringdon Rd entrance	-	-						
Wellbeing	£445k	£445k						
<b>SUB-TOTALS</b>	<b>£5,179k</b>	<b>£4,053k</b>	<b>£1,126k</b>	-	-	-	-	-
Professional fees	£933k	£730k	£203k	-	-	-	-	-
<b>TOTALS</b>	<b>£6,112k</b>	<b>£4,783k</b>	<b>£1,329k</b>	-	-	-	-	-
<b>Sub-Options to Option 2 for Small Pool (Including allowance for fees)</b>								
A - Mothball	£1k	£1k						
B - Restore pool to use	-							
C - Restore to Victorian Splendour	-							
D - Hydrotherapy/specialist	-							
E - Multi-purpose space	-							
<b>GRAND TOTAL</b>	<b>£6,113k</b>	<b>£4,784k</b>	<b>£1,329k</b>	-	-	-	-	-

		OPTION 2A: operational ramp up						
Net Income contribution (ramp up factors)	TOTAL	Yr1	Yr2	Yr3	Yr4	Yr5	Yr6	Yr7
General swimming	£10k	-	-	£7k	£10k	£10k	£10k	£10k
Facility hire (swimming pool(s))	-	-	-	-	-	-	-	-
Junior & Courses	£26k	-	£6k	£13k	£19k	£26k	£26k	£26k
Health & Fitness	£112k	-	£28k	£56k	£84k	£95k	£106k	£112k
Turkish Baths	£41k	-	£21k	£37k	£41k	£41k	£41k	£41k
Wellbeing centre (rents)	£36k	-	£2k	£9k	£18k	£27k	£36k	£36k
Multi-purpose venue (small pool)	-	-	-	-	-	-	-	-
	<b>£225k</b>	-	<b>£57k</b>	<b>£122k</b>	<b>£172k</b>	<b>£199k</b>	<b>£219k</b>	<b>£225k</b>

<b>Capital + Revenue</b>	<b>(£4,784k)</b>	<b>(£1,272k)</b>	<b>£122k</b>	<b>£172k</b>	<b>£199k</b>	<b>£219k</b>	<b>£225k</b>
<b>Cumulative Capital + Revenue</b>	<b>(£4,784k)</b>	<b>(£6,056k)</b>	<b>(£5,934k)</b>	<b>(£5,761k)</b>	<b>(£5,562k)</b>	<b>(£5,343k)</b>	<b>(£5,117k)</b>

### 5.3 Option 2B: Mezzanine / Small Pool

		OPTION 2B: Capital spending profile						
	TOTAL	Yr1	Yr2	Yr3	Yr4	Yr5	Yr6	Yr7
<b>Main Works</b>								
Backlog repairs (building work) - Trident Report	£878k	£878k						
M&E services general replacement	£2,502k	£1,251k	£1,251k					
Alterations/upgrades:								
Health and Fitness	£1,604k	£1,604k						
Reintroduce Faringdon Rd entrance	-	-						
Wellbeing	£445k	£445k						
<b>SUB-TOTALS</b>	<b>£5,429k</b>	<b>£4,178k</b>	<b>£1,251k</b>	-	-	-	-	-
Professional fees	£977k	£752k	£225k	-	-	-	-	-
<b>TOTALS</b>	<b>£6,406k</b>	<b>£4,930k</b>	<b>£1,476k</b>	-	-	-	-	-
<b>Sub-Options to Option 2 for Small Pool (Including allowance for fees)</b>								
A - Mothball	-							
B - Restore pool to use	£740k		£740k					
C - Restore to Victorian Splendour	-							
D - Hydrotherapy/specialist	-							
E - Multi-purpose space	-							
<b>GRAND TOTAL</b>	<b>£7,146k</b>	<b>£4,930k</b>	<b>£2,216k</b>	-	-	-	-	-
		OPTION 2B: operational ramp up						
Net Income contribution (ramp up factors)	TOTAL	Yr1	Yr2	Yr3	Yr4	Yr5	Yr6	Yr7
General swimming	£20k	-	-	£15k	£20k	£20k	£20k	£20k
Facility hire (swimming pool(s))	£29k	-	£14k	£29k	£29k	£29k	£29k	£29k
Junior & Courses	£47k	-	£12k	£24k	£36k	£47k	£47k	£47k
Health & Fitness	£112k	-	£28k	£56k	£84k	£95k	£106k	£112k
Turkish Baths	£41k	-	£21k	£37k	£41k	£41k	£41k	£41k
Wellbeing centre (rents)	£36k	-	£2k	£9k	£18k	£27k	£36k	£36k
Multi-purpose venue (small pool)	-	-	-	-	-	-	-	-
	<b>£285k</b>	-	<b>£76k</b>	<b>£169k</b>	<b>£227k</b>	<b>£259k</b>	<b>£280k</b>	<b>£285k</b>
<b>Capital + Revenue</b>		<b>(£4,930k)</b>	<b>(£2,140k)</b>	<b>£169k</b>	<b>£227k</b>	<b>£259k</b>	<b>£280k</b>	<b>£285k</b>
<b>Cumulative Capital + Revenue</b>		<b>(£4,930k)</b>	<b>(£7,070k)</b>	<b>(£6,900k)</b>	<b>(£6,673k)</b>	<b>(£6,414k)</b>	<b>(£6,134k)</b>	<b>(£5,849k)</b>



## 5.4 Option 2C: Mezzanine / Victorian Splendour

		OPTION 2C: Capital spending profile						
	TOTAL	Yr1	Yr2	Yr3	Yr4	Yr5	Yr6	Yr7
<b>Main Works</b>								
Backlog repairs (building work) - Trident Report	£878k	£878k						
M&E services general replacement	£2,502k	£1,251k	£1,251k					
Alterations/upgrades:								
Health and Fitness	£1,604k	£1,604k						
Reintroduce Faringdon Rd entrance	-	-						
Wellbeing	£445k	£445k						
<b>SUB-TOTALS</b>	<b>£5,429k</b>	<b>£4,178k</b>	<b>£1,251k</b>	-	-	-	-	-
Professional fees	£977k	£752k	£225k	-	-	-	-	-
<b>TOTALS</b>	<b>£6,406k</b>	<b>£4,930k</b>	<b>£1,476k</b>	-	-	-	-	-
<b>Sub-Options to Option 2 for Small Pool (Including allowance for fees)</b>								
A - Mothball	-							
B - Restore pool to use	-							
C - Restore to Victorian Splendour	£1,377k		£1,377k					
D - Hydrotherapy/specialist	-							
E - Multi-purpose space	-							
<b>GRAND TOTAL</b>	<b>£7,783k</b>	<b>£4,930k</b>	<b>£2,853k</b>	-	-	-	-	-

		OPTION 2C: operational ramp up						
Net Income contribution (ramp up factors)	TOTAL	Yr1	Yr2	Yr3	Yr4	Yr5	Yr6	Yr7
General swimming	£20k	-	-	£15k	£20k	£20k	£20k	£20k
Facility hire (swimming pool(s))	£29k	-	£14k	£29k	£29k	£29k	£29k	£29k
Junior & Courses	£47k	-	£12k	£24k	£36k	£47k	£47k	£47k
Health & Fitness	£112k	-	£28k	£56k	£84k	£95k	£106k	£112k
Turkish Baths	£41k	-	£21k	£37k	£41k	£41k	£41k	£41k
Wellbeing centre (rents)	£36k	-	£2k	£9k	£18k	£27k	£36k	£36k
Multi-purpose venue (small pool)	-	-	-	-	-	-	-	-
	<b>£285k</b>	-	<b>£76k</b>	<b>£169k</b>	<b>£227k</b>	<b>£259k</b>	<b>£280k</b>	<b>£285k</b>

<b>Capital + Revenue</b>	<b>(£4,930k)</b>	<b>(£2,777k)</b>	<b>£169k</b>	<b>£227k</b>	<b>£259k</b>	<b>£280k</b>	<b>£285k</b>
<b>Cumulative Capital + Revenue</b>	<b>(£4,930k)</b>	<b>(£7,707k)</b>	<b>(£7,537k)</b>	<b>(£7,310k)</b>	<b>(£7,051k)</b>	<b>(£6,771k)</b>	<b>(£6,486k)</b>

## 5.5 Option 2D: Mezzanine / Hydrotherapy

		OPTION 2D: Capital spending profile						
	TOTAL	Yr1	Yr2	Yr3	Yr4	Yr5	Yr6	Yr7
<b>Main Works</b>								
Backlog repairs (building work) - Trident Report	£878k	£878k						
M&E services general replacement	£2,502k	£1,251k	£1,251k					
Alterations/upgrades:								
Health and Fitness	£1,604k	£1,604k						
Reintroduce Faringdon Rd entrance	-	-						
Wellbeing	£445k	£445k						
<b>SUB-TOTALS</b>	<b>£5,429k</b>	<b>£4,178k</b>	<b>£1,251k</b>	-	-	-	-	-
Professional fees	£977k	£752k	£225k	-	-	-	-	-
<b>TOTALS</b>	<b>£6,406k</b>	<b>£4,930k</b>	<b>£1,476k</b>	-	-	-	-	-
<b>Sub-Options to Option 2 for Small Pool (Including allowance for fees)</b>								
A - Mothball	-							
B - Restore pool to use	-							
C - Restore to Victorian Splendour	-							
D - Hydrotherapy/specialist	£1,074k		£1,074k					
E - Multi-purpose space	-							
<b>GRAND TOTAL</b>	<b>£7,480k</b>	<b>£4,930k</b>	<b>£2,550k</b>	-	-	-	-	-

		OPTION 2D: operational ramp up						
Net Income contribution (ramp up factors)	TOTAL	Yr1	Yr2	Yr3	Yr4	Yr5	Yr6	Yr7
General swimming	£20k	-	-	£15k	£20k	£20k	£20k	£20k
Facility hire (swimming pool(s))	£29k	-	£14k	£29k	£29k	£29k	£29k	£29k
Junior & Courses	£47k	-	£12k	£24k	£36k	£47k	£47k	£47k
Health & Fitness	£112k	-	£28k	£56k	£84k	£95k	£106k	£112k
Turkish Baths	£41k	-	£21k	£37k	£41k	£41k	£41k	£41k
Wellbeing centre (rents)	£36k	-	£2k	£9k	£18k	£27k	£36k	£36k
Multi-purpose venue (small pool)	-	-	-	-	-	-	-	-
	<b>£285k</b>	-	<b>£76k</b>	<b>£169k</b>	<b>£227k</b>	<b>£259k</b>	<b>£280k</b>	<b>£285k</b>

<b>Capital + Revenue</b>	<b>(£4,930k)</b>	<b>(£2,474k)</b>	<b>£169k</b>	<b>£227k</b>	<b>£259k</b>	<b>£280k</b>	<b>£285k</b>
<b>Cumulative Capital + Revenue</b>	<b>(£4,930k)</b>	<b>(£7,404k)</b>	<b>(£7,234k)</b>	<b>(£7,007k)</b>	<b>(£6,748k)</b>	<b>(£6,468k)</b>	<b>(£6,183k)</b>

## 5.6 Option 2E: Mezzanine / Multi-purpose Venue

		OPTION 2E: Capital spending profile						
	TOTAL	Yr1	Yr2	Yr3	Yr4	Yr5	Yr6	Yr7
<b>Main Works</b>								
Backlog repairs (building work) - Trident Report	£878k	£878k						
M&E services general replacement	£2,502k	£1,251k	£1,251k					
Alterations/upgrades:								
Health and Fitness	£1,604k	£1,604k						
Reintroduce Faringdon Rd entrance	-	-						
Wellbeing	£445k	£445k						
<b>SUB-TOTALS</b>	<b>£5,429k</b>	<b>£4,178k</b>	<b>£1,251k</b>	-	-	-	-	-
Professional fees	£977k	£752k	£225k	-	-	-	-	-
<b>TOTALS</b>	<b>£6,406k</b>	<b>£4,930k</b>	<b>£1,476k</b>	-	-	-	-	-
<b>Sub-Options to Option 2 for Small Pool (Including allowance for fees)</b>								
A - Mothball	-							
B - Restore pool to use	-							
C - Restore to Victorian Splendour	-							
D - Hydrotherapy/specialist	-							
E - Multi-purpose space	£284k		£284k					
<b>GRAND TOTAL</b>	<b>£6,690k</b>	<b>£4,930k</b>	<b>£1,760k</b>	-	-	-	-	-

		OPTION 2E: operational ramp up						
Net Income contribution (ramp up factors)	TOTAL	Yr1	Yr2	Yr3	Yr4	Yr5	Yr6	Yr7
General swimming	£10k	-	-	£7k	£10k	£10k	£10k	£10k
Facility hire (swimming pool(s))	-	-	-	-	-	-	-	-
Junior & Courses	£26k	-	£6k	£13k	£19k	£26k	£26k	£26k
Health & Fitness	£112k	-	£28k	£56k	£84k	£95k	£106k	£112k
Turkish Baths	£41k	-	£21k	£37k	£41k	£41k	£41k	£41k
Wellbeing centre (rents)	£36k	-	£2k	£9k	£18k	£27k	£36k	£36k
Multi-purpose venue (small pool)	£5k	-	£3k	£4k	£5k	£5k	£5k	£5k
	<b>£230k</b>	-	<b>£59k</b>	<b>£126k</b>	<b>£177k</b>	<b>£204k</b>	<b>£224k</b>	<b>£230k</b>

<b>Capital + Revenue</b>	<b>(£4,930k)</b>	<b>(£1,701k)</b>	<b>£126k</b>	<b>£177k</b>	<b>£204k</b>	<b>£224k</b>	<b>£230k</b>
<b>Cumulative Capital + Revenue</b>	<b>(£4,930k)</b>	<b>(£6,631k)</b>	<b>(£6,505k)</b>	<b>(£6,327k)</b>	<b>(£6,123k)</b>	<b>(£5,898k)</b>	<b>(£5,668k)</b>

*All information, analysis and recommendations made for clients by Fourth Street are made in good faith and represent Fourth Street's professional judgement on the basis of information obtained from the client and elsewhere during the course of the assignment. However, since the achievement of recommendations, forecasts and valuations depends on factors outside Fourth Street's control, no statement made by Fourth Street may be deemed in any circumstances to be a representation, undertaking or warranty, and Fourth Street cannot accept any liability should such statements prove to be inaccurate or based on incorrect premises. In particular, and without limiting the generality of the foregoing, any projections, financial and otherwise, in this report are intended only to illustrate particular points of argument and do not constitute forecasts of actual performance.*