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**Meeting:** Executive  
**Date:** 8 June 2010  
**Subject:** Creasey Park Community Football Development Centre  
**Report of:** Cllr David McVicar, Portfolio Holder for Safer Communities and Healthier Lifestyles  
**Summary:** That the Executive approve a budget of £3,041,000 to undertake the development of Creasey Park Community Football Development Project, and subject to that decision approve appointment of the preferred contractor.

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**Advising Officer:** Gary Alderson, Director of Sustainable Communities  
**Contact Officer:** Jill Dickinson, Head of Leisure Services  
**Public/Exempt:** Public  
**Wards Affected:** Dunstable  
**Function of:** Executive  
**Key Decision** Yes  
**Reason for urgency/ exemption from call-in (if appropriate)** The decision is urgent in order for consideration to be given to the Football Foundation Grant position.

## **CORPORATE IMPLICATIONS**

### **Council Priorities:**

The investment in new or improved leisure facilities in Dunstable supports the Central Bedfordshire Council's (CBC) Strategic Plan 2009-11 adopted by Executive 5 August 2008 and this project supports all five priorities for 2009-2011. The project also helps deliver the five Every Child Matters outcomes outlined in the Central Bedfordshire Children and Young People's Plan.

### **Financial:**

Following a procurement exercise, the project costs total £3,041,000. External funding includes a Football Foundation grant of £700k, and £1.43 million section 106 funding to be received between 2009/10 - 2013/14. However, the project requires an additional £511k, and the Football Foundation have expressed concern about delays on the project due to the intention to include the project in the Capital Programme Review which will be considered by Executive in September 2010. The Football Foundation is stating that this delay puts the £700k at severe risk. A copy of the Football Foundation letter is at Appendix 1.

Therefore, it is proposed to utilise a Growth Area Fund grant of £420k, and £91k from two schemes in the 2010/11 Capital Programme Reserve - Capital grant aid and Play and open space strategy. This has the effect of reducing those funds available from £210k to £119k. Based on this proposal, the total CBC contribution is £491k or 16% of the project costs.

### Project budget £000's

Year	09 -10	10 -11	11-12	12 - 13	13 - 14	Total
Gross project cost	210	2,831	0	0	0	3,041
Football Foundation Income	0	-700	0	0	0	-700
Section 106 Income	-100	0	-307	-683	-340	-1,430
GAF		-420				-420
Net project cost	110	1,711	-307	-683	-340	491

The capital programme expenditure in 2010/11 for Creasey Park is £2,290m. External Funding is £700k and the net contribution is £1,590m.

The difference in budget requirement for 10/11 is £121k. This is made up of the additional £91k from the capital grant aid reserve scheme and £30k that will be received from Section106 monies in 2011.

Due to the dilapidated state of Creasey Park, costs associated with not delivering the project totals £752k and is detailed at Appendix 2. The added risk of not delivering this project now is that the Football Foundation grant will be lost, with no certainty that the scheme could attract a grant in the future. In addition, the Growth Area Fund grant needs spending by 31 March 2011, so this would be lost if the scheme did not go ahead. The implication of both would mean an increase in CBC contributions.

With regard to Section 106 monies, the developer covenants with the Council to pay contributions when they are due and failure to do this would result in a breach of the agreement and action as necessary would be taken by the Council. All instalments have to be spent within 10 years of receipt. Since the Capital Programme was confirmed in February instalments for the Section 106 funds have been confirmed as follows; First instalment - £101,419 – received, Second instalment - £307,400 - now payable on 150th occupation - Est. Date Early 2011, Third instalment - £683,000 - now payable on 300th occupation - Est. Date Mid 2013, Fourth instalment - £315,000 - now payable on 370th occupation – Est. Date Mid 2014, Final instalment - £25,000 - now payable on 370th occupation - Est. Date Mid 2014

A section 106 contribution of £107,000 from Carter's Yard development for the management of Creasey Park supports the business plan to manage the facilities.

In addition, from 2011/12 there will be a requirement for a modest annual capital and revenue provision for all major plant and landlord costs for operating the building including building insurance, and potentially, budget provision for rates payable. Based on a rateable value which is estimated at £99,500, rates payable is £42,000. If rate relief was granted to a body to manage the facilities, it would cost CBC 25% of the rates payable.

**Legal:**

The footprint of the buildings and playing fields will be owned by CBC and the new facility will also become an asset of the council. Management arrangements need to be concluded but Dunstable Town Council has agreed to manage the facility at their meeting on 7 December 2009. Dunstable Town Council has agreed to surrender the lease on Peppercorn Park after a decision has been made by CBC Executive on progressing the project. Following advice from Legal Services the Grant conditions set by the Football Foundation have been accepted. A formal contract between CBC and the Football Foundation is not formed until all preconstruction conditions are discharged and the Football Foundation has given permission to start on site.

**Risk Management:**

The project is managed within Prince 2 methodology, and a risk analysis has been undertaken as set out in the Project initiation Document

**Staffing (including Trades Unions):**

None

**Equalities/Human Rights:**

An Equality Impact Assessment has been undertaken and is available as a background document.

**Community Safety:**

Through sport we can work with hard to reach groups and other areas of the community to develop understanding and promote cohesion through the provision of sport opportunities for different groups within the same geographical area. Provision of football will enhance community cohesion through the provision of sport and healthy lifestyle opportunities. We will enhance family development through engagement of the full family in sports programmes and social activities. Many of the adults targeted will be parents, guardians or friends of young people. The development plan seeks to raise standards of behaviour through the Football Association, (FA) Charter Standard and Respect campaign, and increase the levels of and opportunities for the involvement of new volunteers. The football development manager will seek to ensure the local community safety agenda be supported by this facility.

**Sustainability:**

As this will involve a new development then there is scope to ensure that the new buildings are as energy efficient as possible. The architects/project management brief considers how energy efficiency is incorporated in the proposal

**Summary of Overview and Scrutiny Comments:**

- The project has not been subject to consideration by the Overview and Scrutiny Committee.

## **RECOMMENDATION(S):**

- 1. To approve a project budget of £3.041 million to build a new Community Football Development at Creasey Park, Dunstable using income and Council funds as set out in paragraphs 7 and 8 of this report.**
- 2. That subject to 1. above appoint the preferred contractor detailed in Appendix 4 to carry out the building works.**
- 3. That authority be delegated to the Director of Sustainable Communities in consultation with the Portfolio Holder for Safer Communities and Healthier Lifestyles to agree management arrangements for the facility in accordance with the Community Engagement Strategy.**

*Reason for Recommendation(s): So that the redevelopment of the football facilities can be undertaken and the Section 106 money and Football Foundation and Growth Area Fund grant can be utilised.*

## **Background**

1. The football facility is dilapidated and is falling down. It requires substantial investment to bring it up to an acceptable standard. There are temporary changing facilities and flood lights, and a spectator stand that has been condemned as a dangerous structure. The project is to provide a sporting opportunity for all and at the same time, use sport to deliver wider social outcomes of inclusion, crime reduction, health improvement and civic pride. The facility will be the home of Dunstable Town Football Club, AFC Dunstable and links the Brewers Hill Middle School site with Peppercorn Park to provide additional community pitches within the area.
2. The land for this project is identified in the South Bedfordshire Local Plan as an area of new urban open space to make good existing and future deficiencies and provide recreational opportunities for the residents of new housing areas. Associated development is providing £1.43 million section 106 to deliver this project. The identified recreational use will enhance the area and provide appropriate management of existing open space.
3. Due to the deficit in quality football facilities in the area, the Football Foundation and Football Association (FA) identified the project as a strategically relevant scheme for funding in 2009/10 and the Council has been successful in bidding for £780k (£700k capital and £80k revenue). The application had to demonstrate that there is a genuine requirement for the improvement and addition to existing artificial and grass football facilities within the Dunstable area, and how the scheme will increase participation rates in playing sport and volunteering, and adults becoming qualified coaches.

4. A 5 year sports development plan submitted as part of the bid had to demonstrate how the project would improve facilities, increase and sustain participation rates across a number of age groups, including schools and local clubs, girls and women, black and minority ethnic communities and disability users groups, raise standards of behaviour through the Football Association, (FA) Charter Standard and Respect campaign, increase the levels of and opportunities for the involvement of new volunteers, and increase the number, skills and opportunities for coaches. The sports development plan is underpinned by a set of key performance indicators that will measure and monitor the effect of the new facilities against the targets agreed by the Football Association. The Football Foundation £80k revenue funds helps supports a Football Development Officer to deliver the development plan.
  
5. The principal stakeholders in the project are CBC (asset owners), Dunstable Town Council, Dunstable Town Football Club, AFC Dunstable and Brewers Hill Middle School, the Football Association (FA) and Bedfordshire County FA. The local community have been consulted on a number of occasions and the former Portfolio Holder for Culture and Skills held a ward member meeting on 3 August 2009 and 19 February 2010 where all ward members supported the project.
  
6. The scope of the contracted building works includes the following costs:

Item	£000's
Preliminaries – Staffing (Supervision and Attendances), plant (i.e. dumpers, hoists etc), site hutting (Site Set Up) and scaffolding.	105
Demolitions	46
A new purpose built pavilion with community facilities and changing rooms linked to sporting use	963
Grounds maintenance equipment storage	51
1 full size football pitch with perimeter barrier and spectator stand 1 adult and Under 18 11 aside pitch 3 junior pitches 3 mini soccer	244
A full size 3 <sup>rd</sup> generation artificial turf grass pitch	432
Relocated BMX Track	65
External Works -car park and paving, planting, fencing and gates, turnstiles dugouts cycle shelter	282
Drainage	56
Incoming Services	11
Provisional Sums	216
	£2,471

## **Budget position**

- 7 The project costs total £3,041,000. External funding includes a Football Foundation grant of £700k, and £1.43 million section 106 funding to be received between 2009/10 - 2013/14. However, the project cost requires an additional £511k. Due to the project cost exceeding the budget available, the scheme was scheduled to be part of the capital Programme Review, which would draw its conclusions for Executive to consider in September 2010. However, the Football Foundation has expressed concern about delaying the scheme and their offer of £700k is at severe risk. A copy of the Football Foundation letter is attached at Appendix 1.
- 8 Therefore, it is proposed to utilise a Growth Area Fund grant of £420k, and reduce two 2010/11 Capital Programme Reserve Schemes by £91k. These are Capital Grant Aid of £135k and Play and open space strategy of £75k. Based on this proposal, the total CBC net contribution is £491k, £91k over the original budget. This represents 16% of the project costs and is detailed at Appendix 3.

## **Growth Area Fund**

- 9 £1.045m was set aside in 2009 for a Rolling Social and Community Infrastructure Fund as part of the Luton and South Beds Growth Area Fund Round 3 (GAF3). The purpose was to support the early provision of social and community infrastructure or early delivery with the programme.
- 10 In January 2010 Executive endorsed a reduction in the budget to £500k as part of savings which had to be secured to meet a cut in the overall GAF3 allocation from Government. The Executive report referred to options for spending the £500k being under consideration by officers, with a focus on bringing forward community facilities for the new housing development south of Leighton Buzzard. The spend deadline for this budget is 31<sup>st</sup> March 2011 so the Council must be confident that any project chosen to receive this financial support is in a position to achieve the spend deadline. A review of potential projects in south Leighton Buzzard has revealed that with the exception of a contribution towards the Community House project, other projects have delivery problems within the timescale of needing to spend the GAF3 funds by 31 March 2011.
- 11 Creasey Park is a project that can be delivered in 2010/11, and provides an important leisure/community facility for the Dunstable and Houghton Regis part of the Growth Area. By utilising £420k GAF at Creasey Park, it fills a significant part of the funding gap, enabling the project to proceed. Importantly, both GAF and the Football Foundation grants are at severe risk of being returned if not spent in 2010/11.

## **Capital Programme Reserve Schemes - Capital grant aid and Play and open space strategy.**

- 12 In order to meet the remaining shortfall of £91k, it is proposed to reduce two 2010/11 Capital Programme Reserve Schemes by £91k. These are Capital Grant Aid of £135k and Play and Open Space Strategy of £75k. The Play and Open Space Strategy grant scheme supports Town and Parish Councils in the provision of new and improved play, sport and amenity open space sites. The Capital Grant Aid scheme supports community projects, burial ground and cemetery improvements.

## **Procurement for the project**

- 13 The project has been procured following the council's procurement rules. Six companies were invited to tender, which resulted in three tender returns. Following a ward member briefing in February 2010, the options for re scoping the project to help accommodate the project budget concluded that some elements of the project should be reviewed to reduce the cost. Accordingly the Multi Use Games Area has been removed, and the car park and grounds maintenance storage has been reduced in size. Other elements of the project such as the fitting out of the facilities have also been scaled back. Subsequently, the exercise resulted in a lowest tender return of £2.471m, detailed in Appendix 4.
- 14 The Football Foundation grant fund £700k towards the seated accommodation, floodlighting, changing rooms, floodlit artificial pitch and new grass pitches. The terms and conditions of that grant mean that these items must be delivered in order to attract the grant at that level.
- 15 Specific elements that are not funded by the Football Foundation grant include the relocation of the BMX track and the provision of grounds maintenance equipment storage and car parking. Dunstable Town Council currently pays for storage of grounds maintenance equipment elsewhere. The business plan agreed by the Football Foundation included a sum of £10,000 from Dunstable Town Council. This is based on their ability to move their equipment to new facilities on Creasey Park. If the storage is not provided, alternative funding will be required to cover this loss of income.

## **Management arrangements**

- 16 Currently, the preferred partner for managing the facilities is Dunstable Town Council who agreed to this at their meeting on 7 December 2009.

- 17 Central Bedfordshire Council's Community Engagement Strategy sets out the principles for enhancing the role of Town and Parish Councils. The Council will work closely with Town and Parish Councils to devolve budgets for 'quality of life' services to those who want them and where the service will be enhanced by doing so. Each application to deliver a devolved service must be supported by a robust business case that demonstrates improved value for money. This report recommends that the decision for agreeing the preferred management arrangements be delegated to the Director of Sustainable Communities in consultation with the Portfolio Holder for Safer Communities and Healthier Lifestyles.

### **Conclusion and Next Steps**

- 18 The procurement exercise has involved substantial re-scoping and value engineering to secure the best contract cost. The project cost exceeds the capital allocation of £2.5million, requiring £511k additional capital provision.
- 19 Proposals to plug this gap are set out in the report at paragraphs 7 and 8 and Executive is asked to approve a budget of £3,041,000.

### **Appendices:**

Appendix 1. Copy of the Football Foundation letter expressing concern of delaying the scheme until the outcome of the Capital Programme review.

Appendix 2 Details costs for not proceeding.

Appendix 3 Details Project Costs, income and CBC contribution.

Appendix 4 Details of the contractors tender returns.

### **Background Papers:** (open to public inspection)

CBC Executive Report October 2009

Equality Impact Assessment

Project initiation Document

**Location of papers:** (CBC Priory House)