
Meeting: Executive

Date: 11 January 2011

Subject: Flitwick Community Football Development Centre and Leisure Centre

Report of: Cllr David McVicar, Portfolio Holder for Safer Communities and Healthier Lifestyles

Summary: The report presents options on the potential way forward for the Flitwick Community Football Development Centre and Leisure Centre in the context of the review of the Capital Programme for 2011/12 and beyond.

Advising Officer: Gary Alderson, Director of Sustainable Communities

Contact Officer: Jill Dickinson, Head of Leisure Services

Public/Exempt: Public

Wards Affected: Flitwick and Ampthill

Function of: Executive

Key Decision Yes

**Reason for urgency/
exemption from call-in (if
appropriate)** N/A

CORPORATE IMPLICATIONS

Council Priorities:

The investment in new or improved leisure facilities supports priorities in the Sustainable Communities Strategy (SCS) that will enable Central Bedfordshire to build strong and sustainable communities. The project also helps deliver the five Every Child Matters outcomes outlined in the Central Bedfordshire's Children's Plan.

Financial:

The funding requirement for the scheme depends on which option is preferred, and is set out in the main body of the report. This differs from the provision in the current capital programme where Flitwick is listed as a 2010/11 reserve scheme.

Legal:

Land Exchange

Mid Bedfordshire District Council Executive on 21 January 2009 agreed Heads of Terms with Flitwick Town Council (FTC) on land exchange to enable a mutually agreed site to be developed for a new leisure centre. Those Heads of Terms are not exhaustive and are not intended to be legally binding and do not create any legal obligations, and the parties will have no legal obligations or liability with respect to the possible agreement unless and until the parties enter into a legally binding Agreement. A legally binding agreement has not yet been entered into.

The Heads of Terms were revised to reflect the establishment of CBC, but have not yet been signed off by FTC. Correspondence from CBC to FTC solicitors in March 2010 has not yet progressed, but outlines the exchange of land between CBC and FTC and the intention by CBC to provide a new leisure centre which will include the provision of football facilities.

The project involves 5 parcels of land, and the land exchange with Flitwick Town Council (FTC) involves 3 of them, as follows.

FTC owns the freehold of the current Leisure Centre and surrounding land of approximately 4.45 acres (identified as land A) situated at Steppingly Road, Flitwick and a long lease is granted to CBC for the existing Leisure Centre but excluding the sports hall and football pitches.

CBC owns land B, approximately 71 acres situated at the junction of Maulden Road and the A507 and this is to be transferred to FTC to be used for the purposes of a Country Park and FTC shall enter into a covenant with CBC to use the land only as a Country Park.

Land C is the land adjacent to the existing Leisure Centre currently used as football pitches comprising approximately 7.6 acres.

CBC and FTC mutually agreed to exchange their freehold interests in land B with A & C respectively. The deed of exchange will provide rights of access over Land A to the Allotments, the Seed box and the Tractor Store. It is also agreed that CBC will not seek to impose any restrictions on FTC's ability to negotiate with any other landowner to amend the boundaries for the use as a Country Park following the exchange of the land.

Land D is the fourth parcel of land, owned by CBC on Ampthill Road opposite the 101 garage. CBC will covenant to construct a new Leisure Centre, to include a swimming pool, on land C and to sell land A to use the proceeds of sale to fund the development. CBC will re-provide the football pitches on land adjacent to Maulden Road on Land D. In addition an All Weather Pitch will be constructed on a 5th parcel of land within the grounds of Redbourne School, Ampthill. Each party will pay its own costs of the transaction including legal fees, tax advice and property marketing fees.

Land Valuation

Property services instructed the District Valuer on 3 September 2010 for a valuation on the land involved. i.e. land A land B. The Heads of Terms have agreed that in the event of the value of the land transferred by FTC exceeds the value of the land transferred to CBC, the FTC contribution will be acknowledged. The market value of Land A is £2,500,000.

Planning issues

Two full planning applications have been agreed for Phase 1 which include the grass pitches at land D in October 2009 and for the artificial football pitch at Redborne school in November 2009, both to be commenced within 3 years. An outline application for the Leisure centre was agreed in October 2009 to be commenced within 3 years subject to statutory consultation with Sport England their comments being adhered to, i.e. football facilities to be replaced before the leisure centre can be built on the current facilities. The Football facilities needs replacing before the leisure centre can be built on the current site due to the short fall of grass pitches within the Flitwick area currently. In regards to the two football applications these both expire on 21 October 2012 (land adjacent to 94 Ampthill Road) and 10 November 2012 (Redbourne School) and both have pre commencement conditions which would need to be discharged prior to any development occurring. There is then a further two years from the date of approval of the reserved matters consent for implementation.

Sport England advise that in the event of there being a planned delay in delivering the leisure centre CBC record with Sport England that there has been agreement reached between the two parties that the football facilities are delivering the re provision of football pitches required and as set out in the original planning condition. This will strengthen the link between the two facilities in the event of a delay between delivery.

Further more, although there is some potential risk that further additional pitches may be required if the leisure centre is delayed, quantifying that requirement now is difficult. If the current planning application deadline is not met, a future application would be subject to obtaining archaeological and ecological information prior to making a planning application due to the changes to the Planning Policy Statements rules.

Risk Management:

The project is managed within Prince 2 methodology, and a risk analysis has been undertaken as set out in the Outline Business Case

Staffing (including Trades Unions):

None

Equalities/Human Rights:

An Equality Impact Assessment will be undertaken 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): That Executive determine the way forward for the Flitwick Community Football Development Centre and Leisure Centre by;

1. **Proceeding with the scheme as originally planned, delivering the football facility immediately followed by the leisure centre, or**

<p>2. Plan the project delivery into two distinct phases which enables the first phase to be delivered, followed by the leisure centre at a later date to be determined as and when funding can be provided as set out in paragraph 1 of this report, or</p> <p>3. Not proceed with the scheme.</p> <p>4. Proceed with a rescope scheme by providing grass pitches only and review requirements of the pavilion (changing facilities), car parking and access works to reduce overall cost.</p>
<p><i>Reason for Recommendation(s): To determine the preferred way forward for the Flitwick Community Football Development Centre and Leisure Centre in the context of the review of the Capital Programme for 2011/12 and beyond.</i></p>

Introduction

- 1 The project involves the redevelopment of Flitwick Leisure Centre and the re provision of football facilities which would be lost by the building of the new leisure centre on existing football pitches. There are 3 potential options to deliver this scheme.

Option 1 Deliver the scheme as originally planned, delivering the football facility immediately followed by the leisure centre.

Option 2 Plan the project delivery into two distinct phases which enables the first phase to be delivered followed by the leisure centre at a later date to be determined as and when funding can be provided. Phase 1 is the procurement and build of the replacement football facilities and, concluding the legal agreement to swap land with Flitwick Town Council, Phase 2 is appoint consultants to set out the requirements of and act as agents for the new Leisure centre and prepare tender documentation, undertake a tendering exercise for the new leisure centre and appointing a preferred contractor to build it.

Option 3 Not proceed with the scheme.

Option 4 Rescope the scheme to reduce capital expenditure by providing grass pitches only and review the requirements for the pavilion (changing facilities), car parking and access works to reduce costs further. This would reduce the cost of Phase 1 the scheme by a minimum of £535,000.

Background

- 2 The project has been developed over a number of years prior to 1 April 2009 following the identification of increasing maintenance and running costs of Flitwick Leisure Centre. In 2004 an additional cost of £3 million for maintenance and running the centre over 5 years was compared to the cost of £4.2 million to replace it.
- 3 Agreement was reached with Flitwick Town Centre (FTC) in January 2009 to build a new leisure centre on football pitches adjacent to the existing leisure centre. The football element of the project is a planning requirement because the site identified for the new leisure centre takes away football provision, and the planning condition is that the pitches will need replacing before the leisure facility can be built.

- 4 An alternative site for grass pitches, pavilion and car park has been identified on Ampthill Road adjacent to the A507 roundabout, and agreement reached with Flitwick Town Council, Flitwick Eagles Football Club and Redborne Upper school for the location of a new artificial pitch at Redborne Upper School. Planning applications for both sites have been agreed.
- 5 In August 2009, Executive agreed to authorise funding to appoint consultants and undertake a procurement exercise for contractors to build the football centre. A budget of £130,000 to undertake this work was authorised to undertake the following;
 - submitting an outline planning application for the leisure centre
 - submitting full applications for the football facilities
 - planning fees
 - ground surveys and investigation work,
 - employers requirements for the football facilities
 - production of a detailed business case for football development
 - submission of a football development bid to the Football Foundation
 - preparation of tender documentation and to undertake the tendering exercise.
- 6 It had been anticipated for Executive to appoint the contractor in April 2010 but the project was put on hold due to the March 2010 Executive decision to undertake a review of the capital programme. Consequently, all work authorised to prepare for tendering the project was undertaken, but going out to tender was suspended. No work was undertaken on advertising for consultants to draw up the requirements for the leisure centre.
- 7 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 was successful in bidding for £600,000. 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 Flitwick area area, and how the scheme will increase participation rates in playing sport and volunteering, and adults becoming qualified coaches.
- 8 Delaying the procurement exercise authorised in August 2009 has put pressure on the Football Foundation grant, and subsequently it has not been possible to retain the grant. The Football Foundation is encouraging CBC to apply again for a grant in 2011/12 to a maximum value of £500,000.
- 9 The principal stakeholders in the project are CBC (asset owners), Flitwick Town Council, Redborne Upper School, Flitwick Eagles, the Football Association (FA) and Bedfordshire County FA.

Condition of Current Flitwick Leisure Centre

- 10 The current costs of running Flitwick Leisure Centre is included within the Leisure Management Contract. The contractual arrangements identify maintenance responsibilities which are split between CBC and the contractor, with a limit of anything below £3,000 the responsibility of the contractor.
- 11 The Sport England benchmarking process (October 2010) has identified these costs as being among the highest within their benchmarking group for both maintenance and utilities (within the poorest 25%) showing that the facility lacks sustainability. A condition survey undertaken in 2002 identified a requirement to undertake works totalling 3 million pounds by 2016 to ensure the centre remains open but these works have not been progressed due to the discussion regarding the replacement of the centre, with only some short term measures carried out.
- 12 Some £700,000 identified in the 2002 survey included repair/maintenance to the building structure: roof, cladding, renewal of the sports floor, pool treatment plant and electrical installation works. Limited work has been undertaken since 2002, primarily repairs to equipment, not the major items. However, as time goes on, the likelihood of structural failings increases and as a result, there will be a need to undertake more substantial repair and renewal works if a replacement scheme is not progressed,
- 13 An alternative to repair/renewal of key items is to close the part of the building affected. However, this would lead to a claim for loss of income from the management contractor (contract condition due to loss of business.)

Revised Budget position

- 14 The cost of replacing the leisure centre has been estimated at £12.5m (May 2010). The cost of the football facility is estimated to be £2.883m (May 2010). The combined projects are estimated at £15,383,000 gross expenditure.
- 15 The market value of the leisure centre site is £2,500,000 (December 2010). A £500,000 football Foundation grant could be applied for in 2011/12.
- 16 The final net cost to the council will be subject to the actual cost of the football facilities when tendered, the scope of the leisure centre being revised and the actual level of income received from the sale of the existing leisure centre site, and potential Football Foundation grant.
- 17 The following table in paragraph 20 sets out the cost of Option 2 to CBC. If the project was delivered as one project over consecutive years (Option 1) then an additional £3,000,000 would be required in 2012/13 and the remainder of £9,000,000 in 2013/14.
- 18 The cost of the scheme now reflects the most recent land valuation of £2,500,000 undertaken by the district valuer in November 2010, and not the previous land valuation of £5,275,000 undertaken by the district valuer in 2007.
- 19 This funding profile for Option 1 and 2 differs to what is in the current capital programme where there is an allocation of £10,057 gross, £4,782 net in 2010/11 capital reserve programme.

	2011/12 £000's TOTAL	2012/13 £000's TOTAL	Notional date of 2014/15 £000's TOTAL	Project total £000's
Gross Expenditure				
Football Facilities	1,700	1,100	-	2,800
Leisure Centre	-	-	12,500	12,500
GROSS EXPENDITURE TOTAL	1,700	1,100	12,500	15,300
EXTERNAL FUNDING				
Football Foundation	350	150	-	500
Leisure Centre land sale			2,500	2,500
EXTERNAL FUNDING TOTAL	350	150	2,500	3,000
NET EXPENDITURE	1,350	950	10,000	12,300

Relative strengths and weakness of each option

- 21 Option 1 Proceed with the scheme as originally planned, delivering the football facility immediately followed by the leisure centre

Relative strengths

- Retains the project as originally planned meeting the expectations of current partners
- Meets current planning application timetable of 21 October 2012 (land adjacent to 94 Ampthill Road) and 10 November 2012 (Redbourne School) and both have pre commencement conditions which would need to be discharged prior to any development occurring. There is then a further two years from the date of approval of the reserved matters consent for implementation
- Limits the expenditure required for maintaining the existing leisure centre

Relative weaknesses

- Adds pressure to the capital programme
- Land valuation is less than anticipated

- 22 Option 2 Plan the project delivery into two distinct phases which enables the first phase to be delivered in 2011/12 followed by the leisure centre at a later date to be determined as and when funding can be provided.

Relative Strengths

- Spreads the financial cost of the project over a number of years with a net requirement of £1,350,000 in 2011/12 and £950,000 in 2012/13.

- Meets current planning application timetable of 21 October 2012 (land adjacent to 94 Ampthill Road) and 10 November 2012 (Redbourne School) which both have pre commencement conditions which would need to be discharged prior to any development occurring. There is then a further two years from the date of approval of the reserved matters consent for implementation.
- Land values may recover in future years.

Relative weaknesses

- Requires agreement with partners to vary the delivery of the project over a number of years and may impact on current agreements reached on Heads of Terms with FTC.
- Adds pressure to the existing leisure facility condition and may require capital programme funding to keep the facility open.
- Delays resolution of the current issues of over demand on swimming and fitness facilities.
- Delays opportunity to further increase the profitability of the centre.
- Requires a communication exercise to be undertaken with key stakeholders
- No certainty as to when the leisure centre phase could be delivered and so the current outline planning application could expire.
- Potential risk of being required to provide additional football pitches However, Sport England's current view is that it is difficult to anticipate what, if any, will be the strategic requirement for additional pitches in the area. In addition, Sport England advise that in the event of there being a planned delay in delivering the leisure centre CBC record with Sport England that there has been agreement reached between the two parties that the football facilities are delivering the re provision of football pitches required and as set out in the original planning condition. This will strengthen the link between the two facilities in the event of a delay between delivery of the two schemes and limit the risk of being required to provide further football pitches.
- If the current planning application deadline is not met, a future application would be subject to obtaining archaeological and ecological information prior to making a planning application due to the changes to the Planning Policy Statements rules.

23 Option 3 Not proceed with the scheme

Relative strengths

- Takes the revised project budget pressure of £12.3m off the capital programme.

Relative weaknesses

- Adds pressure to the existing leisure facility condition and requires capital programme funding to keep the facility open.
- Fails to resolve current issues of over demand on swimming and fitness facilities.
- Limits the opportunity to further increase the profitability of the centre.
- Requires a communication exercise to be undertaken with key stakeholders

24 Option 4 Rescope the scheme

Relative Strengths

- Re-scoping of the scheme should reduce the overall cost of Phase 1 by a minimum of £535,000, possibly more.

Relative Weaknesses

- Re-scoping to remove the all weather pitch and review pavilion requirements, car parking to access arrangements may result in CBC not being eligible to apply for a grant from the Football Foundation.
- Remaining weaknesses as set out for Option 2.

Conclusion and Next Steps

- 25 Executive are requested to determine the way forward for this scheme in the context of the review of the Capital Programme for 2011/12 and beyond.
- 26 Should Executive determine to select Options 2, 3 or 4, it is recommended that an up-to-date condition survey be undertaken to determine essential works required to maintain the Leisure Centre in a satisfactory operational condition to 2015.

Background Papers: (open to public inspection)

Appendix A Outline business Case

Appendix B Executive report Redevelopment of Flitwick Leisure Centre and football development project August 18 2009.

Location of papers: (CBC Priory House)