

MID SUFFOLK DISTRICT COUNCIL

TO: Mid Suffolk Cabinet	REPORT NUMBER: MCa/22/46
FROM: Cabinet Member for Economic Growth and Cabinet Member for Communities, Health and Wellbeing	DATE OF MEETING: 6 February 2023
OFFICER: Fiona Duhamel	KEY DECISION REF NO. CAB401

STOWMARKET, HEALTH, EDUCATION AND LEISURE FACILITIES (SHELF) UPDATE

1. PURPOSE OF REPORT

- 1.1 To provide an update on the ongoing development of the full business case for the Stowmarket, health, education, and leisure facility (SHELF) scheme. There has been significant progress on the scheme since the Cabinet report in June 2022.
- 1.2 To ask Cabinet to agree the recommendation to progress the scheme to the next gateway which includes submitting a full planning application, detailed design, and full cost plan for the scheme.

2. OPTIONS CONSIDERED

- 2.1 Several options for the scheme were considered with the partners, other landowners and key stakeholders, and the option presented in this report provides for the optimum use of the land available and the right management structure to secure maximum wellbeing outcomes.

3. RECOMMENDATIONS

- 3.1 That Cabinet notes the work and progress made on the scheme to date, including extensive public engagement, design and cost planning and scheme viability.
- 3.2 To also note the future gateways for decision making for the scheme including bringing the full business case, funding strategy and optimal operating model to Cabinet and Council later this year for a formal decision.
- 3.3 To approve the recommendation to submit a full planning application and develop detailed designs for the scheme.
- 3.4 To recommend to Council further spend of £250,000 from the Growth and Efficiency fund to enable the works outlined in 3.3 to progress.

REASON FOR DECISION

Further work is now required to identify and secure occupiers and end users for the scheme, particularly the Wellbeing hub, to enable completion of the full business

case. In addition, several external funding streams can only be submitted once a planning permission has been secured.

Therefore, it is recommended that work continues on the scheme to enable the next set of milestones to be met, at which point the full business case detailing final draft cost plan, levels of income and expenditure for the whole site, a proposed management model and a detailed funding strategy, will be brought back for formal decision. The full business case may outline options for the phased delivery of the site

4. KEY INFORMATION

4.1 The initial scheme proposal was brought to Mid Suffolk Cabinet on 6th June 2022, and Council 23rd June 2022 and it was approved to continue the scheme to develop to a full business case and funding strategy. The Council and its partners have continued to work on creating the strong partnerships required to maximise use, increase sports participation, and provide positive health and wellbeing impacts for the local community.

Design Update

4.2 The Council with support from its partners, commissioned local architects Saunders Boston, alongside specialist sports management consultants FMG, who have continued to work with a range of stakeholders to design the comprehensive scheme across the two sites, so that it provides real accessibility to the local community.

4.3 The scheme as detailed in the masterplan, appendix A, has benefited from some revisions since June 2022 shaped through ongoing wide stakeholder engagement through the Stowmarket stakeholder forum and the partner project meetings. The communication plan: Phase 2 (appendix C) details the engagement since June 2022.

4.4 The facilities currently include:

- 3G football pitch
- Mini athletics track
- Sport pavilion
- Well-being hub
- Two multi use games areas
- A new 4 sport courts hall
- Improvement to all grass pitches
- Community track
- Outdoor provision (trim trail and children play area)
- Additional parking at the Wellbeing hub and pavilion

4.5 The most significant change to the masterplan facilities on the scheme is the change from a 4G pitch to a 3G pitch and the change from a 2G to grass pitches. The 3G now proposed will benefit from the latest surface treatment that has been accredited by both football and rugby governing bodies. Both surfaces provide an all-weather alternative for training when outdoor surfaces are unplayable from grassroot to professional playing.

- 4.6 The change from 2G pitch to grass pitches is to provide more flexibility. The 2G pitch can only be used for hockey, netball, and recreational football. Following on from the public engagement it was clear that to maximise the use of this area grass pitches would be more beneficial than a 2G pitch.
- 4.7 There has been additional change to the pavilion with a changing place facility added to maximise the accessibility for users to the site. There has been extensive engagement with the organisations, groups and clubs that currently use the site as well as potential new users to ensure that the scheme is fit for purpose and has been future proofed. This has included more clubs wanting to class the pavilion as the 'base' for their club and to work with other clubs and groups.
- 4.8 Design "freeze" has now been reached with partners, which has enabled work on the cost plan and operational management model to commence fully.

Engagement

- 4.9 In July through to October, there was a combination of pop-up events, online engagement and surveys, alongside direct engagement with the schools and a face-to-face public engagement event through the What's next in Stowmarket? As part of the Stowmarket Vision Programme.
- 4.10 We received nearly 200 responses to the survey. We had a wide range of ages respond to the survey, with 79% of the respondents supportive of the ambition for the scheme, this included 70% of Stowmarket residents. This is outlined alongside the full details of the engagement carried out to date in Appendix C.

Occupier Engagement

- 4.11 In the case of the Wellbeing Hub, we have been working with the Ipswich and East Suffolk Alliance who have a well-established programme for developing the integrated delivery of health and care services at a Neighbourhood level. A significant part of this programme of work seeks to bring community teams together at common locations. Regional examples of similar cross service collaboration have shown that such models serve local communities better and enhances the outcome to provide fully integrated delivery of services, both pro-actively and reactively.
- 4.12 Work with the Stowmarket teams suggests a strong desire to co-locate and join with other community-based teams that are focused on responsive health and care services for people in the local community.
- 4.13 Stowmarket High School and Waveney Valley Academy Trust are important key partners in the SHELF project. The scheme is so important to the school because our future workforce needs to be educated, fit, healthy, active, and supported, and the Academy Trust believes the project will significantly improve its ability to meet those needs. To have access to athletics facilities, a new sports hall, an all-weather football pitch, improved multi games areas, and have physical links to specialist cricket and rugby facilities would mean that Stowmarket High School students, surrounding primary school partners, plus the schools they compete against, would all have access to the highest quality sports facilities in the district.
- 4.14 Work is now underway with a range of potential tenants and hirers/site users to quantify potential income levels which is a key element of the financial business case to be presented to the Council later in the year.

Funding Strategy Update

- 4.15 Surveys and detailed assessments of the sites have commenced. These will inform the next stage of further detailed design work to support the submission of the full planning application and a detailed cost plan for the scheme.
- 4.16 However, work continues to de risk identified sources of funding for the capital scheme. This work ranges from on site discussions with potential national funders to internal discussions regarding S106 contributions applicable to elements of the development and it includes opportunities for some recycling of capital receipts from part of the site.
- 4.17 Further work on securing funding will continue over the next few months and will be brought back to the Council later in the year.

5. LINKS TO CORPORATE PLAN

- 5.1 Our organisational vision is “Great communities with bright & healthy futures that everyone is proud to call home” alongside our mission to provide strong, proud, and inspirational leadership; striving for excellence, and together building great communities for everyone to live, work, visit and invest in. This project is more than buildings, the site will enable stakeholders to form stronger partnerships to deliver a range of provision and services to benefit local communities, ensuring that provision is accessible to all.
- 5.2 The project will encourage and provide a wider range of opportunities for the community to become active. The partnerships between health, sport clubs, leisure provider and education can provide targeted interventions linked to increased activity and promote wellbeing. This will specifically address the pockets of health inequality within Stowmarket.
- 5.3 The project links directly to the Council’s Communities and Wellbeing Strategies and its Economic Recovery Plan but also meets partners strategic outcomes and the recently launched Sport England “Uniting the Movement” strategy 2022-25. Alongside the Council’s outcomes this scheme aligns with our partners and local and national strategies objectives and outcomes.

6. FINANCIAL IMPLICATIONS

- 6.1 The detailed design work will provide more cost certainty for the scheme. Currently the council have a set of outline costs which are detailed in appendix B (restricted). Such costs have a high level of assumptions currently whilst survey work is underway resulting in design risk and high design contingency.
- 6.2 These costs will continue to be refined to ensure that the resulting business case ensures any required borrowing to deliver the scheme is affordable and based on solid income projects for the site. Whilst the primary objective for the development is not one of commercial return, it must be financially sustainable in the medium to long term and not become an annual financial pressure for the Council.
- 6.3 Work continues on the Funding Strategy (see above and appendix B (restricted)). Several bids which the Council now needs to submit require a scheme with planning consent.

- 6.4 It is therefore recommended that further funding of £250k is allocated to the scheme to enable a full planning application to be made and to see the design phase of the project to RIBA 4a detailed design. Achieving this next gateway will bring some further clarity to the cost plan for the scheme.
- 6.5 Once the full business case returns for a formal decision it is also proposed to consider how phasing of the scheme delivery might further de risk any financial commitment for the Council.
- 6.6 In respect of the modelling and economic forecasting for the income and cost projections for the scheme, several assumptions have been made.
- The operation of the site will be revenue cost neutral to the Council except for the early years of the scheme which may require some seed funding
 - That all net revenues from site operations will be re invested into the long-term maintenance (whole life cost) and management of the site to achieve set objectives and meet Council outcomes around sport, physical activity, and wellbeing.
 - That existing partners operating on the site will be left in no worse financial position from the new facilities and operating model
 - Options still under review in terms of management and operation of the facilities.

7. LEGAL IMPLICATIONS

- 7.1 The current legal structures on the site are complex and require further analysis before any final business case is approved. The sites are broadly in 2 ownerships; Mid Suffolk Council who own the leisure centre, land adjacent and the Chilton Fields Sports sites and Suffolk County Council who own the high school site as education authority. The school site is leased to the Waveney Valley Academies Trust and strict guideline exist in respect of sale or alternatives uses of school land.
- 7.2 The Chilton Fields sports site whilst in MSDC ownership is subject to a lease to the Stowmarket Rugby Club. Negotiations regarding a new lease to the club are currently on hold whilst we move forward discussions around the new facilities.
- 7.3 Whilst it is assumed that no existing clubs or partners will be left in any worse position in terms of site occupancy than they currently have, there is a need to review all structures to ensure that future operation of the whole site is managed in accordance with a set of agreed outcomes and principles.
- 7.4 The Council's Sport and Leisure consultants have outlined options in respect of future management of the site and respective legal structures but as outlined above, further work is required with stakeholders to conclude this area of work and any future recommendations will be brought back to Cabinet as part of the final business case.
- 7.5 The new Wellbeing Hub building is likely to have a range of partners sharing space and consequently will need to have careful consideration of long terms management and legal and operational structures. This will also form part of the final report and Business case to be presented to Cabinet at a later stage.

8. RISK MANAGEMENT

8.1 This report is most closely linked to the Councils' Significant Risk Register, Risk no. SRR009; "The Councils may not be carbon neutral by 2030" and SRR013, "additional cost pressures for MSDC may result in a significant overspend that needs to be funded from reserves". There are three significant operational risks which are No.5 "we may not understand the needs and aspirations of our businesses"; No.6 "Lack of business growth and investment in the districts and No.7 "Lack of workspace delivered in the districts due to market failure".

8.2 The key risks for the scheme are set out below:

Key Risk Description	Likelihood 1-4	Impact 1-4	Key Mitigation Measures	Risk Register and Reference*
Phasing or loss of funding	3	4	Work with funding bodies Qualifying requirements of funding source to be met	SRR013
Failure to obtain Secretary of State approval to dispose of any school playing field, as required by section 77 of the school standards framework Act 1998	3	4	Consent to be sought as soon as possible Demonstrate the benefit of change for the community especially for the pupils	Significant operational risks No.6 and No.7
Core partner requirements changing, or requirement not met	3	4	Continual consultation required with mutual stakeholders to ensure desired outcomes are achieved. Consultation to ensure expectations are managed	SRR013 and SRR009
lack of early commitment from partners/occupiers	3	4	Continual work openly and with honest discussions to ensure the outcomes for the partnerships are aligned. Memorandum of understanding to secure commitment	Significant operational risks No.5
Lack of alignment with partners gateway	4	4	Memorandum of understanding to secure commitment Continual work openly and with honest discussions with decision makers	SRR013 -

9. CONSULTATIONS

- 9.1 Extensive engagement and consultation have been carried out with a range of partners. A summary of the engagement from the survey attached in Appendix C.
- 9.2 Work is ongoing in terms of consultation and engagement with sports clubs, national governing bodies, NHS partners and other potential occupiers of the site. The partnership project group continues to provide overarching governance to the project through monthly meetings and internal officer project group also meets monthly.
- 9.3 Formal consultation will be carried out as part of any future planning application.

10. EQUALITY ANALYSIS

- 10.1 An initial screening has been completed, please see appendix D. During the next stage of works with the detailed designs a full equality impact assessment will be completed.

11. ENVIRONMENTAL IMPLICATIONS

- 11.1 Development of the site would have associated environment impacts requiring assessment and mitigation, some of which can be achieved through design. The council views this new development as an exemplar in terms of environmental sustainability and therefore will continue to seek funding to improve carbon reduction through the next phase of design.
- 11.2 The initial scheme concept benefits from roof mounted solar PV and air source heat pumps, to provide self-consumption energy opportunities and cost savings for occupiers. Electric vehicle and bicycle charging points and biodiversity planting and features are proposed to further embed green infrastructure and mitigate carbon impacts.

12. APPENDICES

Title	Location
(a) Masterplan	Attached
(b) Cost plan and funding for the scheme - RESTRICTED	Attached
(c) Communication plan: Phase June 2022	Attached
(d) EQIA Initial Screening SHELF	Attached

13. BACKGROUND DOCUMENTS

- 13.1 Leisure, Sport, and Physical Activity Strategy – Update 2021
- 13.2 Wellbeing Strategy 2021 – 2027
- 13.3 Communities Strategy 2019 – 2036

13.4 Link to Cabinet and Council paper in June

14. REPORT AUTHORS

14.1 Kate Parnum, Project Regeneration Manager