

## MID SUFFOLK DISTRICT COUNCIL

<b>TO:</b> Council	<b>REPORT NUMBER:</b> <b>MC/23/36</b>
<b>FROM:</b> Cabinet Members for Environment, Culture and Wellbeing / Thriving Towns and Rural Communities	<b>DATE OF MEETING:</b> 25 January 2024
<b>OFFICER:</b> Fiona Duhamel, Director – Economic Growth and Climate Change	<b>KEY DECISION REF NO.</b> N/A

This report is open for public inspection. However, Appendices A and B referred to within the report are not open for public inspection as they contain exempt information by virtue of which the Council are likely to exclude the public during the discussion of the agenda item to which the report relates.

The description of the exempt information under Schedule 12A of the Local Government Act 1972 (as amended) is as follows: -

1. Information relating to the financial or business affairs of any particular person (including the authority holding that information)

*The author(s) confirm(s) that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.*

### **STOWMARKET HEALTH, EDUCATION AND LEISURE FACILITIES (SHELF)**

#### **PURPOSE OF REPORT**

- 1.1 To report to Council the progress made since the initial Outline Business Case (OBC) for the Sports, Health, and Leisure Project in Stowmarket in June 2022. The Council has continued to assess the viability and develop the project as deliverable work packages, alongside ongoing discussions with key stakeholders and partners.
- 1.2 Council to note Cabinets endorsement of the Full Business Case (FBC) for Work Package 1 - which incorporates all pitch based facilities, specifically this includes the lengthened and improved rugby pitch for Chilton Fields, new 3G pitch, multi-use games area (MUGA), athletics mini-track, active track, cricket nets and trim trail alongside other improvements to grass pitches and connectivity routes with some car parking improvements.
- 1.3 Council to note Cabinet's approval to proceed with the full delivery of Work Package 1, subject to securing the necessary external funding as detailed in confidential Appendix B AND subject to the recommendations within this report which propose an appropriate officer delegation for the completion of essential assessments, land agreements, contract procurement and due diligence.

1.4 Council to note Cabinet's approval of the proposed funding strategy (Appendix B – confidential) including the financial contribution of £450k and for Cabinet to make an onward recommendation to Council for addition of this project to the capital programme.

## 2. OPTIONS CONSIDERED

2.1 **DO-NOTHING. Not Recommended.** A 'do-nothing' approach will fail to deliver improved facilities for Stowmarket to meet current and future identified community needs. Without investment and partnership interventions the decline in provision and facilities will continue.

2.2 **CONTINUE TO WORK WITH PARTNERS AND STAKEHOLDERS TO DEVELOP A FULLY VIABLE SCHEME WHICH INCLUDES ALL WORK PACKAGES TO BE DELIVERED IN A SINGLE PHASE** – due to the different funding milestones attached to various elements of the project (as outlined in the business case) and due to the need to replace the existing sports infrastructure on the site as soon as possible, as they have reached the end of their economic life, it is recommended that the scheme is delivered in specific work packages.

2.3 **TO APPROVE THE FULL BUSINESS CASE (FBC) AND FUNDING STRATEGY FOR WORK PACKAGE 1 WHILST CONTINUING TO WORK ON REMAINING PACKAGES AND MOVE TOWARDS THE DELIVERY OF THE FIRST COMPONENTS OF THE SCHEME AS SOON AS POSSIBLE. Recommended.** To now take forward work package 1 for full delivery in accordance with the milestones outlined in the business case in appendix A confidential. Enabling this part of the project to go first will see much needed delivery of significant components of the scheme which in part will see replacement of some facilities which have reached the end of their economic life. By taking forward Work Package 1 the Council can then focus on the funding strategy and deliverability of further work packages to ensure they are brought forward in a timely way.

## 3. RECOMMENDATIONS

3.1 That Council approve the addition of this project to the Capital Programme as outlined in the recommended funding strategy, specifically the Council's commitment of £450,000 from the Council's Strategic Reserve towards the total cost of delivery of Work Package 1.

3.2 That Council note the Full Business Case (FBC) for Work Package 1, approved by Cabinet, in respect of the Stowmarket, Health, Education and Leisure Facilities as attached as Appendix A (confidential).

3.3 That Council note the full delivery of this element of the project as outlined in the FBC which will include pitch and land-based elements of the overall masterplan.

3.4 That Council note Cabinet's approval of the recommended funding strategy detailed in Appendix B (confidential) as the preferred method of delivering the project, SUBJECT TO the securing all internal and external funding outlined in the recommended funding strategy.

3.5 That Council note work carried out to date on a sustainable management model for the wider Stowmarket, Health, Education and Leisure Facilities (as outlined in Appendix A – Business case confidential) and that a further recommendation on the preferred model will be brought back to Cabinet for consideration early in 2024.

## REASON FOR DECISION

To maximise the opportunities available to the Council to lead the delivery of a new project which supports multiple health, sports, and wellbeing outcomes.

To meet the goals set out in the Council's Sport and Leisure Strategy (refreshed in 2021) and Wellbeing Strategy whilst meeting the priorities in the emerging Corporate Plan for Mid Suffolk.

To support and grow new and existing partnerships on the site and in the local areas, between local clubs, health and wellbeing providers, leisure operators and the local education sector to help improve local health determinants which are consistently below regional and national averages.

To ensure locally provided facilities are fit for purpose and meet the needs of a growing population in Stowmarket and wider Mid Suffolk

## 4. KEY INFORMATION

- 4.1 This project relates to the delivery of Work Package 1 of the wider Stowmarket, Health, Education and Leisure Facilities which specifically relates to pitch and land-based sports – which includes:
- A new 3G football pitch (synthetic turf with rubber infill)
  - A new mini-track for athletics
  - A new multi-use games area (MUGA)
  - Improvement to grass pitches including the provision of an improved first team pitch for Stowmarket Rugby Club
  - A community track
  - Other outdoor provision (trim trail and cricket nets)
  - Associated connectivity infrastructure including improved car parking provision
- 4.2 On 6<sup>th</sup> June 2022 the Council (via Cabinet Paper MCa/22/05) approved the Outline Business Case gateway stage and authorised the next phase of work to commence towards a Full Business Case, which was reported back to Cabinet in January 2024 (see Cabinet minute attached).
- 4.3 The Full Business Case document is attached at Appendix A (confidential) – together with its supporting Annexes (confidential) attached as Appendices B (confidential) and appendix C to this report - and is the primary reference point for this report and its recommendations. The approval is only being sought for Work Package 1 at this stage given the complexity, risks, and cost of delivering all stages together. The clear priority, including key stakeholder feedback, is that existing sports infrastructure on the site should be upgraded as soon as possible as they are not fit for purpose.
- 4.4 A number of the facilities will be new, replacing existing structures e.g. the 3G pitch or adding to the sporting mix on the site with the mini-track. All elements of the scheme have been designed to as sustainable as possible with the current certified and approved surfaces by the National Governing Bodies. Discussions are underway to enhance bus services to the site and improvements to cycle route 51 that passes the scheme, to encourage alternative methods of travel to the location.

- 4.5 A detailed planning application, which also covers Work Package 2 and Work Package 3 in outline, has already been submitted to the Council's Planning Department and will be determined early in 2024. This is one of a number of milestones which need to be delivered to bring forward Work Package 1. Other key milestones include;
- Submission of various external funding bids to Football Foundation, National Lottery, A full funding strategy is attached as Appendix B of this report.
  - Release of third-party developer S106 monies – the funding for a multi-use games area (MUGA) has already been allocated from a neighbouring development but must now be drawn down to use on the scheme.
  - Internal application for Community Infrastructure Levy monies to support the scheme infrastructure.
  - Identification and agreement regarding an operator of the completed facilities. Considerable work has already been undertaken with partners and stakeholders to explore a management model for the wider site. A further report to Cabinet will be brought back in early 2024 to recommend a sustainable management option for the site.
- 4.6 Officers are taking external legal and internal commercial and property advice to ensure the structure of current and future land-based agreements to facilitate the delivery of all work packages are optimal and allow for any future redevelopment.
- 4.7 In Stowmarket, and particularly Chilton Ward, the health inequalities are significantly worse in comparison to the local area and nationally. There is a detailed data pack attached as Appendix C outlining these statistics. Delivering the scheme where identified is essential for targeting the health improvements needed for the community in this locality. In summary:
- Stowmarket obesity prevalence **12.2%** compared to England at 10.1%. Chilton ward **13.5%**
  - **26.4% of children in Stowmarket are obese or overweight.** 79% of obese children are found to remain obese in adulthood
  - Stowmarket asthma prevalence 8.1% compared to England 6%, found as a comorbidity with obesity
  - Stowhealth based in Chilton Ward **higher depression prevalence 12.1%** compared to England 10.7%
  - **38%** of children in Mid Suffolk meet physical activity recommendations against an England rate of 47%
- 4.8 The Council appointed Saunders Boston Architects and REAL Consulting who have continued to support the design process and viability considerations within the Full Business Case alongside FMG consulting who are specialists in sporting and leisure provision.

## **5. LINKS TO CORPORATE PLAN**

5.1 The Council administration new priorities include a focus on supporting communities to thrive with specific actions which are delivered through this project.

These include:

- . Improved physical and mental wellbeing
- Respecting, harness and promoting local culture
- Access to green spaces
- 
- Addressing inequalities (including health, poverty, educational and employment)

5.2 The project will enable a wider range of opportunities for the local community to become more active. The growing partnerships between health providers, sports clubs, the onsite leisure provider and local education can provide targeted interventions to increase activity and promote wellbeing. This will specifically seek to 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

## **6. FINANCIAL IMPLICATIONS**

6.1 Appendix B outlines the recommended funding strategy for Work Package 1. It is a mix of external funding, S106, CIL application and a contribution from the Council's strategic reserve of £450k which will cover the external works, professional fees and surveys and contractor overheads and preliminaries which are not covered by the external funding streams. All external funding streams have different application timescales which means creating a fully funded scheme is complex and requires careful management of funding deadlines, risks and scheme interdependencies.

6.2 The scheme costs have been developed by the Council's cost consultant and have been subject to ongoing review to ensure they are realistic and allow for cost inflation taking into account national build cost fluctuations over the last 2 years. A detailed cost plan for Work Package 1 can be found in Appendix B. All financial information and forecasting will be kept regularly updated in response to inflationary costs, economic evidence base, business rate forecast modelling and other data and intelligence.

6.3 'Whole life' (assumed as 30 years) operational, management and maintenance costings, not just up-front capital costs have been considered and are being built into the management model that will come back to Cabinet for consideration at a later stage. Whilst the scheme is not being developed for commercial profit, it is generally recognised that it is good practice to ensure a model is created which allows the future running of all facilities to be as financially sustainable as possible and to not place a future revenue burden on the Council.

- 6.4 Within the Appendix B – financial and funding strategy there are projected financial forecasts for the 3G pitch, mini track and MUGA. It specifically details the projected expenditure and income for each element including a cost for life cycle maintenance and depreciation.

## **7. LEGAL IMPLICATIONS**

- 7.1 The sites are broadly in two freehold ownerships; Mid Suffolk District 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 national guidelines exist in respect of sale or alternative uses of school land.
- 7.2 The Council's Sport and Leisure consultants have outlined models in respect of the 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 in the New Year.
- 7.3 The Council will also be taking procurement advice regarding the appointment of an operator in due course. The Public Contracts Regulations 2015 remain in force in the UK until the Procurement Act 2023 comes into force, anticipated in autumn 2024.

## **8. RISK MANAGEMENT**

- 8.1 The initial key risks are set out below relating specifically to work package 1. For this gateway reporting stage, risks are mainly confined to the high level strategic, plus the 'missed opportunity' risks should the authority not endorse the project's continuation to delivery. However, there are some key operational risks around not securing the

external required to deliver the proposals. See also Section 2 above on options considered.

Key Risk Description	Likelihood 1-4	Impact 1-4	Mitigation	Risk Register and Reference
Additional cost pressures for MSDC may result in a significant overspend that needs to be funded from reserves	4	3	Ongoing dialogue with external funders, Realistic and appropriate cost plan inflation has been included in the work to date	SRR013
Decline in our key towns impact upon economic prosperity of the districts	3	4	Whilst clearly some local outcomes and benefits require the whole scheme to be delivered, some very obvious benefits will be realised from delivery of Work Package 1 – these include facilities which are fit for purpose	08 – significant operational risk register
The Councils may be perceived to be untrustworthy and have a poor reputation	4	3	Most stakeholders are aware of the risks in bringing forward a large and complex scheme of this type. Ongoing dialogue with particularly the sports stakeholders through the established forum will mitigate this risk	SRR05

- 8.3 The risk summary from the high-level project risk register has been included in the Full Business Case attached at Appendix A(confidential) and the full risk register is kept regularly updated and within appendix A (confidential). This will be managed operationally and through key programme milestone management, gateways, and programme board exception reporting. Risk identification and management will evolve alongside the project phasing and into detailed construction programme.

## 9. CONSULTATIONS

- 9.1 Extensive engagement and consultation has been carried out with a range of partners and specialists and this is detailed in the FBC. During the summer there was a focus on face-to-face engagement events in order to gather insights on the preferred activities and lifestyle opportunities for children between the ages of 5 and 13. We also wanted to gain parents' opinions on positive changes and additions to active lifestyle options for their children. Throughout the course of these, more than 300 people took part in the survey and voted for their favourite activities. This face-to-face method allowed for direct and personal communication.

- 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 To date this has included regular meetings with an extensive range of sports clubs and societies in a specially created "Sports Stakeholder Forum". This Forum has been running for over 18 months and has provided an essential steer through the evolution of the project.
- 9.3 Formal consultation has been carried as part of the planning application and a number of comments and letters of support for sporting groups have been considered.
- 9.4 The scheme governance includes an internal cross-service meetings to discuss the scheme and to ensure all areas are fully involved in the scheme. As the scheme is broad and complex there are leads nominated to oversee key work streams including funding, legal, comms and operating models.

## **10. EQUALITY ANALYSIS**

- 10.1 A full equality impact assessment has been carried out. The scheme has several positive impacts on several protected characteristics. The full EIA is attached in appendix D. Along the assessment we have been working in partnership with the Mid Suffolk Disability Forum (MSDF).

## **11. ENVIRONMENTAL IMPLICATIONS**

- 11.1 The scheme is based in the North-West side of Stowmarket, on the same site as the existing Mid Suffolk Leisure Centre and Stowmarket High School. Work package 1 has minimal environment impacts as no hedges and trees are being removed. However, some grass is being replaced with artificial surfaces. Where possible the most sustainable alternative will be used and ensuring that these are approved by National Governing Bodies.
- 11.2 In respect of sustainable travel improvements, the Council sustainable officer has been working on viable opportunities to the route that benefits the scheme. There are improvements planned by Suffolk County Council and the Councils Sustainable officer to cycle route 51 which passes the scheme and improves the connectivity. Additional cycle parking will be added for the new provision, and with a service level agreement in place for additional car parking to maximise use of existing car parking - lessening the need for a new parking area and losing green spaces.
- 11.3 Alongside this scheme we are undertaking a feasibility study which is exploring the viability of providing heat to range of premises within North-west of Stowmarket where this scheme is located. The Council secured external funding; £55,000 from HNDU and £25,000 from the Net Zero hub to complete the study.



## 12. APPENDICES

Title	Location
Appendix A: Business case - CONFIDENTIAL	Attached in Part 2
Appendix B: Finance and funding strategy - CONFIDENTIAL	Attached in Part 2
Appendix C: Stowmarket Health Inequality	Attached
Appendix D: EQIA	Attached

## 13. BACKGROUND DOCUMENTS

None other than Appendices above.