

## **FOR PUBLICATION**

### **PROVISION OF A NEW SPORTS PAVILION AT EASTWOOD PARK (E000)**

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MEETING	1. CABINET 2. EXECUTIVE MEMBER FOR ENVIRONMENT
DATE	1. 7 JULY, 2014 2. 24 JUNE, 2014
REPORT BY	HEAD OF ENVIRONMENT HEAD OF FINANCE
WARDS	ALL
COMMUNITY ASSEMBLY	ALL
KEY DECISION REFERENCE	355

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### **FOR PUBLICATION**

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#### **1.0 PURPOSE OF REPORT**

- 1.1 To update Members on progress with the proposals for a new sports pavilion at Eastwood Park.
- 1.2 To seek approval of the capital and revenue implications for the new sports pavilion at Eastwood Park.

#### **2.0 RECOMMENDATIONS**

- 2.1 That members approve proceeding with the provision of a new sports pavilion for Eastwood Park as set out in this report.
- 2.2 That members approve the revised financing arrangements (para 10.9) including the Councils reduced match funding requirement of £201,000.

- 2.3 That members approve the additional revenue implications of £4,200 per annum for the financial year 2015/16 as set out in this report.
- 2.4 That members approve the appointment of the Councils Operational Services Department (OSD) as the Councils preferred supplier for the sports pavilion and public toilet contract at Eastwood Park.
- 2.5 That members approve the closure of the public conveniences on Hasland Road subject to further consultation with the South Community Assembly.

### **3.0 BACKGROUND**

- 3.1 Recently the Council has commissioned a playing pitch and outdoor sports strategy which will set out a framework for the provision, management, maintenance and delivery of playing pitches and outdoor sports facilities across the borough.
- 3.2 The strategy will help to deliver on the broader agenda of increasing participation in sport and physical activity, which is key to improving health and wellbeing outcomes and which can also play an important role in the development of community cohesion and integration.
- 3.3 The strategy helps to inform key investment needs for community sport and health related projects or initiatives.
- 3.4 The strategy has been developed through full engagement with the local sporting community as well as local and national representatives of the relevant sporting Governing Bodies and in consultation with Sport England.
- 3.5 The strategy has identified that across all sports the quality of changing accommodation is variable – while most sites have changing accommodation, this is largely provided in portacabins, most of which do not include showers or toilets. The lack of showers in some changing rooms, as well as the internal quality of changing rooms is also evidently a key concern for some clubs. This is certainly the case at Eastwood Park.
- 3.6 At present there are no permanent changing/showering facilities for football, cricket, bowls and netball teams using the park. Existing accommodation is temporary and basic in nature and not in keeping with the newly restored park.

- 3.7 The existing bowls pavilion is of part brick and timber construction and is nearing the end of its useful life. From time to time the building is prone to vandalism.
- 3.8 There are no public toilets available in the Park. It has proved difficult to make the toilets in the Village Hall available to the public given the operational requirements of and the design and layout of the current building.
- 3.9 The nearest available public conveniences are situated on Hasland Road. This has given rise to a persistent problem of some players taking part in sport in the Park urinating up against the eastern boundary of the park leading to a large number of complaints from local residents and other park users.
- 3.10 A new sports pavilion was seen as a key component of the restoration project by a wide range of existing and potential user groups, as current provision is inadequate.
- 3.11 A new sports pavilion would enable the existing teams based at the park to increase their activity and get more people participating in sport whilst contributing towards the council's aim of improving health and well-being outcomes and is in accordance with the initial findings of the playing pitch and outdoor sport strategy.
- 3.12 In January 2013 Sport England confirmed that we had been successful in securing a grant of £125K from its Inspired Facilities Fund towards the provision of a new sports pavilion at Eastwood Park.
- 3.13 At the Cabinet meeting on 19 February 2013 it was resolved at minute no. 0206:
- that it be recommended to Full Council that the new sports pavilion for Eastwood Park be included in the Capital Programme.
  - that officers be authorised to accept the offer of grant aid from Sport England for a sports pavilion at Eastwood Park.
- 3.14 A copy of the initial report presented to Cabinet is attached at **Appendix A** for information.
- 3.15 At the Cabinet meeting on 19 February 2013 officers were authorised to proceed with the detailed design and specification of the new sports pavilion and public conveniences.

- 3.16 Architects Frank Shaw and Associates have been appointed through tender to provide the necessary architectural services to develop proposals for the new building through to tender of the contract works and delivery on site.

#### **4.0 CONSULTATION**

- 4.1 In preparing the Heritage Lottery funded restoration proposals for Eastwood Park the various sports clubs currently using the Park were consulted on the proposals for the Park and their current and future accommodation requirements.
- 4.2 Currently there is one bowling club, two football teams and one cricket club active in the Park.
- 4.3 A new sports pavilion would open up further opportunities to extend the range of sports and physical activities currently undertaken at Eastwood Park, for example, establishing a Jog Derbyshire hub, a Walking for Health group, a venue for ladies netball leagues and enable Sporting Futures to work with young people across a wide range of diversionary activities.
- 4.4 Shortly after the appointment of Frank Shaw and Associates in the summer of 2013, the sports clubs using the Park were invited to a meeting to review their initial comments and requirements for the new accommodation.
- 4.5 Further consultation on the detailed design aspects of the project took place externally with the Friends of Eastwood Park and internally with other sections of the Council and local ward members.
- 4.6 A formal planning application for the project was made in late October 2013 opening the scheme up to further public comment and scrutiny. Planning permission was granted in February 2014.

#### **5.0 PROPOSALS**

- 5.1 Plans of the detailed proposals for the sports pavilion are attached at **Appendix B**.
- 5.2 The proposed accommodation for sports activity comprises home and away changing, umpires room, shower and toilet facilities, tea room, kitchen, multi purpose room and storage.

- 5.3 Male, female and disability toilets have now been incorporated into the scheme along with baby changing facilities.
- 5.4 The proposals also include for the demolition and removal of the existing bowls pavilion, its reinstatement and re-housing of the bowling green irrigation controls.
- 5.5 Once the new building is fully operational, it is proposed that the public conveniences on Hasland Road are closed and replaced by those in the Park. Officers will also consider options for the future use and/or demolition of the building. However given their location, size and the costs associated with any changes, the likelihood of identifying a sustainable future use of the building is low.
- 5.6 This high quality facility will support our local amateur sport teams and provide a base for new community sports activities.

## **6.0 BENEFITS OF THE PROJECT**

- 6.1 This project meets the Councils current Corporate Plan priority of improving the quality of life for local people.

This project will help meet the Councils Corporate aims of:

- To encourage people to lead healthy and active lifestyles
- To deliver regeneration projects that make the borough a better place
- To reduce anti-social behaviour and the fear of crime
- To keep our parks and open spaces clean, tidy and well managed

## **7.0 FUNDING OPPORTUNITIES**

### **Inspired Facilities**

- 7.1 Sport England has made an offer of grant from its Inspired Facilities fund of £125K.

## **Land off Hollythorpe Close**

- 7.2 In the Cabinet report of 19 February 2013 it was suggested that the land off Hollythorpe Close adjacent to Eastwood Park could be sold for housing infill and a contribution from that sale be used as the Councils match funding requirement for the project.
- 7.3 The Council is currently consulting on identifying which sites could be used for residential development over the next 20 years. Hollythorpe Close has been identified as a possible housing site in the Councils Strategic Housing Land Availability Statement.

Consultation on the sites inclusion as a housing site in the Local Plan will take place when the preferred options for the Local Plan Sites and Boundaries document is consulted on this autumn.

Formal allocation of the site for housing will be subject to the outcome of consultation and formal adoption of the Local Plan following public examination.

The Kier estates section has advised that it would be preferable to market the site once it is designated as residential development.

- 7.4 At a recent Financial Planning Group meeting the Head of Kier Contract Chesterfield indicated that he anticipated that the land sale would not now go through until the financial year 2015/16.

## **Section 106**

- 7.5 £18,663 will become available from the Section 106 agreement arising from the development of land at 102 Storforth Lane by Coverland UK Ltd although this is not yet banked and therefore is not included in our scheme financing options.

## **Prudential Borrowing**

- 7.6 The £211K of prudential borrowing approved in the February 2013 report was subsequently reduced to 21K when the Capital Programme was last approved by the Council in February 2014.

## **7.7 Capital Receipt**

Even though the scheme has been funded from other capital resources in the short term to minimise the need for prudential borrowing, the potential capital receipt from Hollythorpe Close has been included in the

Councils Capital Programme for 2015/16, therefore it is imperative that the land is sold to support future capital projects.

## **8.0 PROJECT PHASING**

8.1 It is anticipated that the contract works could commence on site by mid-August 2014 with completion by the end of December 2014, approximately a 20 week build programme.

## **9.0 TENDER PROCEDURE**

9.1 Tenders for the contract works were invited via the Source Derbyshire website and four tenders were received by the Council. Tenders were evaluated on a 60% Price and 40% Quality basis.

9.2 The tendered sums ranged from £400K to £582K.

## **10.0 FINANCIAL IMPLICATIONS**

10.1 Following evaluation of the tenders received, the lowest priced bid (£400K) was considered by the Councils Financial Planning Group as an option for the provision of the sports pavilion.

10.2 This price is £102K over the original estimated construction budget of £298K and as such was not considered an affordable option.

10.3 In order to reach an affordable option and achieve value for money, the Councils Operational Services Department were also asked to provide a price for the project on a like for like basis.

10.4 The Councils OSD have submitted a price of £320K to undertake the contract works.

10.5 In order to reduce the amount of match funding required from the Council, officers have also revisited the scheme to see if any value engineering can take place to further reduce costs without affecting the overall quality of provision and maintaining the integrity of the accommodation required. Further savings of £11K have been identified and OSD will be asked whether there are further value engineering savings that can be achieved without significantly compromising the design integrity.

- 10.6 The cost of procuring a new sports pavilion and public toilets for Eastwood Park now at stands at £351K (£42K fees included). Scheme costs and suggested financing options are set out below.
- 10.7 In order to contain the amount of match funding required from the Council, officers have been back to Sport England to report the potential for uplift in cost and to seek additional support from Sport England. Sport England has offered an uplift on grant of £25K to further support the project.
- 10.8 This takes the amount offered by Sport England to £150K, the maximum amount they can give under the Inspired Facilities programme.
- 10.9 Estimated Scheme Costs and Financing

The table below tracks the changes in the financing arrangements from the original report in February 2013 to the latest proposals:

	Feb 2013 Approval	Last approved Capital Programme	Latest Estimates	
	<u>£'000</u>		<u>£'000</u>	<u>%</u>
<b><u>Scheme Costs:</u></b>				
Contract Works	298	298	309	88
Fees	38	38	42	12
<b>Total Costs</b>	<b>336</b>	<b>336</b>	<b>351</b>	<b>100</b>
<b><u>Financing:</u></b>				
Sport England Inspired Facilities grant	125	125	150	43
Prudential Borrowing	211	21	11	3
Other resources within the Cap Prog	-	190	190	54
<b>Total Financing</b>	<b>336</b>	<b>336</b>	<b>351</b>	<b>100</b>

Although the cost of the scheme has increased by £15K the Council's contribution has reduced by £10K due to the increase in external grant funding of £25K.

- 10.10 A contingency of £20K is built into the overall cost of the project.

### **Revenue Implications**

- 10.11 It is estimated that future revenue costs for the sports pavilion and toilets following its construction will increase by £4.2K per annum from the financial year 2015/16 onwards.



10.12 A copy of the projected income and expenditure profile for the scheme is attached at **Appendix C**.

10.13 In the earlier report presented to Cabinet on 19 February 2013 the projected increase in revenue costs stood at 2K per annum.

10.14 In order to meet the requirements of building regulations energy efficiency measures a gas powered heating, water and ventilation system has had to be incorporated into the building. This has had a significant knock on effect on the level of ongoing maintenance and future replacement costs associated with the scheme, giving rise to a £4,200 uplift on overall running costs in a full financial year.

10.15 Officers will work to develop an action plan to further increase use of the new facility to try and reduce the net operating subsidy.

## **11.0 EQUALITIES IMPACT ASSESSMENT**

11.1 A full Equalities Impact Assessment has been carried out and is attached at **Appendix D**.

## **12.0 RISK MANAGEMENT**

<b>Description</b>	<b>Impact</b>	<b>Probability</b>	<b>Existing controls</b>	<b>Action required</b>
<b>Strategic Risk</b>				
Not proceeding with the project and failing to meet the objectives of the Park and Open Spaces Strategy, and Corporate Plan objectives.	High	Medium	Strong project management for the development of the detailed proposals, delivery of the contract works and business plan	Deliver the contract works on time  Develop a clear vision for the future management and maintenance of Eastwood Park linked to Green Flag submission and ongoing monitoring and evaluation by the both Sport England and the Heritage Lottery Fund.
<b>Compliance Risk</b>				
Claw back from funders	Medium	Low	On-going dialogue	Ensure monitoring obligations are met.

<b>Description</b>	<b>Impact</b>	<b>Probability</b>	<b>Existing controls</b>	<b>Action required</b>
for non-compliance with any grant offered			through monitoring reports and monthly monitoring reports e.g. cash flow, project team meetings	Ensure project milestones and outputs as projected are met by on-going review of the project. Develop performance indicators for delivery of Sport Development Plan
Delivery of project falls outside funders timescales	High	Medium	On-going dialogue through monitoring reports and quarterly monitoring reports to ensure compliance.	Ensure project milestones and outputs are met. Careful project planning, use of gantt charts etc. to ensure project stays on track and in line with programme deadlines.
<b>Financial Risk</b>				
The project runs over budget	Medium	Medium	Monitor actual costs against tendered prices to identify any drift at an early stage and take appropriate action where possible	Strict adherence to contract works tender return. Build contingency in to contract works package to allow for variation where appropriate. Monitor cash flow and report to Sport England/Corporate Management Team as required
<b>Operating Risk</b>				
Severe weather conditions.	High	Medium	Include relevant clauses in tender documents to highlight action required in the event of severe	Apply to funding partners for extension of time and re-schedule work to accommodate severe weather conditions. Key driver here is the availability for bowls cricket and football use.

<b>Description</b>	<b>Impact</b>	<b>Probability</b>	<b>Existing controls</b>	<b>Action required</b>
			weather.	
There are construction problems and the project runs over time	Medium	Low	Relevant clauses in specification section of tender documents.	On-going contract management and supervision of contract works.
Conflict with other Park users whilst the contract works are undertaken	High	Medium	Define haul routes, demark site boundary, ascertain programme of events in the Village Hall/Park.  Review method statements.	Communication strategy in place.  Signage and public notices  Press release  Inform local ward members and Friends of Eastwood Park.
<b>Procurement Risk</b>				
Legal Challenge for breach of contract from preferred bidder due to the aborted procurement process	Low	Possible	Bidder has been advised that Council cannot proceed to contract as the tender was considerably more than the Council's budget	Take further legal advice from the Governance Service in the event of any challenge

### **13.0 RECOMMENDATIONS**

13.1 That members approve proceeding with the provision of a new sports pavilion for Eastwood Park as set out in this report.

13.2 That members approve the revised financing arrangements (para 10.9) including the Councils reduced match funding requirement of £201,000.

- 13.3 That members approve the additional revenue implications of £4,200 per annum from the financial year 2015/16 as set out in this report.
- 13.4 That members approve the appointment of the Councils Operational Services Department (OSD) as the Councils preferred supplier for the sports pavilion contract at Eastwood Park.
- 13.5 That members approve the closure of the public conveniences on Hasland Road subject to further consultation with the South Community Assembly.

#### **14.0 REASONS FOR RECOMMENDATIONS**

- 14.1 To meet the Council's Corporate Plan priority of improving the quality of life for local people
- 14.2 To comply with the Council's policy of providing and improving parks and sports facilities for all parts of the community.
- 14.3 To reduce levels of vandalism and anti-social behaviour experienced at Eastwood Park and in the surrounding area.
- 14.4 To improve access to Eastwood Park for all parts of the community.
- 14.5 To progress the development of Community Parks in line with the Parks Open Spaces and Play Strategies.

Further information on this report can be obtained from  
John Ramsey/Environmental Services (Ext.5097)

HEAD OF ENVIRONMENT  
HEAD OF FINANCE

Officer's recommendation supported/not supported/modified as below or Executive Member's recommendation/comments if no officer recommendation.

Signed

A handwritten signature in black ink, appearing to read "B. Sullivan". The signature is written in a cursive style with a large, rounded loop at the end.

Executive Member

Date

24 June, 2014

Reference E000