

CABINET

DATE	4 th November 2020
REPORT OF	Councillor Callum Procter, Portfolio Holder for Tourism, Heritage and Culture
RESPONSIBLE OFFICER	Clive Tritton, Director of Economy, Growth and Environment
SUBJECT	Playing Pitch Provision
STATUS	Report – Open Appendix – NOT FOR PUBLICATION. Contains exempt information within paragraph 3 of Schedule 12A to the Local Government Act 1972 (as amended)
FORWARD PLAN REF NO.	CB 11/20/10

CONTRIBUTION TO OUR AIMS

The provision of high quality, efficient and effective sport, recreation and leisure services in North East Lincolnshire directly supports the Council's aims, Stronger Economy and Stronger Community. These are key to ensure residents and visitors to the Borough experience sustainable communities, whilst enjoying the health and wellbeing benefits high quality sport, leisure and recreation services offer.

Both the capital investments and balanced income and expenditure projections associated with the delivery of the recommended investment proposal at the Clee Fields/King George V Stadium (KGV), as outlined within the report, if implemented, support the Council in its delivery of its budget and the Medium Term Financial Plan (MTFP). Delivery will release Council owned unused playing pitch sites, to deliver housing and attracting additional investment/employment into the area, creating quality homes and additional council tax revenue.

The Council has developed an Outcomes Framework which sets out five (5) high level outcomes that the Council and its partners aspire to deliver to ensure prosperity and wellbeing for residents of North East Lincolnshire. The investment proposal will contribute towards achieving these outcomes i.e. all people in North East Lincolnshire will:

- fulfil their potential through skills and learning
- benefit from sustainable communities,
- enjoy good health and wellbeing, and
- help to grow our strong economy.

EXECUTIVE SUMMARY

The report seeks approval for the recommended/preferred option and proposed investment into the Clee Fields and KGV Stadium site, to deliver the first (centrally located) improvement in pitch provision as outlined in the Playing Pitch Strategy. The investment has a direct link in supporting the Council's Local Plan, delivering more housings and approval of this report recommendations should enable the Council to

meet Homes England's external grant funding criteria, for the £2.1 million grant, issued to fund construction enabling works at the Western site.

RECOMMENDATIONS

It is recommended that Cabinet:

1. approve the recommended Option 3 in this report (listed as Option 5 in the associated feasibility study), determined by a thorough consultation and feasibility process resulting in the Clee Fields/KGV Stadium investment proposal set out in this report.
2. authorises the Director of Economy, Growth and Environment and the Director of Resources and Governance in consultation with both the Leader of the Council and the Portfolio Tourism, Heritage and Culture to ensure that all necessary actions are carried out in order to commence, conduct and complete any appropriate procurement exercises for implementation of the anticipated scheme of works in order to achieve the necessary planning submissions; and
3. authorises the Chief Legal and Monitoring Officer to the Council to complete all requisite legal documentation in relation to the matters outlined in the points above.

REASONS FOR DECISION

This decision is the first part in the realisation of necessary playing pitch improvements at hub sites as set out in the Playing Pitch Strategy (PPS). This decision determines which investment option Cabinet agree for officers to progress through to a planning submission and delegates the authority to officers to undertake all the necessary technical and detailed work to that stage.

This decision is required due to the interdependencies associated with the Council's Housing delivery programme. Specifically, that the Council must provide assurance (by way of a detailed planning application) to government agencies including Homes England and Sport England regarding the Council's intention to invest in playing pitch provision.

Without this decision and assurance would likely result in objections from these government agencies to any detailed planning application for either the former Western, Lindsey Lower and Matthew Humberstone development sites.

Furthermore, the Council will risk significant reputation damage in respect to the delivery of the Local Plan and Playing Pitch Strategy and the potential loss of £2.1m accelerated housing grant funding that has already been secured from Homes England to support proposed residential developments, and the work already commenced on the former Western site.

1. BACKGROUND AND ISSUES

- 1.1 Cabinet adopted North East Lincolnshire's Playing Pitch Strategy (PPS) in 2018, and in doing so delegated to officers the authority to make the necessary changes to the document as a result of any ongoing discussion and negotiation with Sport England and National Governing Bodies (NGB) of Sport. All negotiations with these agencies have now been completed.

- 1.2 This decision is the first part in the realisation of necessary playing pitch improvements at hub sites as set out in the PPS. This report sets out the process of consultation and evaluation which officers have completed with partners and national and local stakeholders in order to be able to present a recommended investment proposal based on a variety of factors which are set out in this report.
- 1.3 This report seeks approval to progress the recommended investment proposal to a planning submission stage and delegates the authority to officers to undertake all the necessary technical and detailed work to that stage.
- 1.4 Furthermore this report outlines the implications of this important strategic investment not just in terms of the need to improve the sports, recreation and leisure estate owned and managed by the Council, but to offer greater opportunities for improved health, wellbeing and sustainable communities due to the clear and vitally important interdependencies to the Council's Housing Delivery Programme.
- 1.5 The delivery of the recommended investment proposal is the first phase of the Council's obligation to fulfil its commitment in terms of improvement to pitch provision to government agencies and partners such as Sport England and Homes England.
- 1.6 There is a mix of approaches to management of facilities across the two sites, with long term leases for various elements of the site to 3 different organisations. The facilities across the Clee Fields and KGV sites currently comprise:
 - Clee Fields
 - Natural turf playing fields
 - Disused hockey artificial grass pitch (AGP)
 - Sports hall
 - Former youth centre
 - Changing rooms
 - Car parking.
 - KGV Stadium
 - 400m floodlit athletics track and infield
 - Grandstand with changing rooms, small gym and studio space
 - 2 Third Generation (3G) 5v5 AGPs
 - Car parking.

2. PROPOSAL

- 2.1 NELC's Project Team engaged external consultants specialising in extensive knowledge and skills in the formation of site requirements using local, national recognised intelligence and methodology to undertake a Feasibility Report (listed in the Background Papers to this report) of the site, located at Clee Fields, Ladysmith Road, Grimsby will also include the adjacent King George V Athletics Stadium, Weelsby Road, Grimsby (as shown on plans attached at Appendix 1) to provide the first scheme of investment required to fulfil the requirements of the Playing Pitch Strategy and in turn release land for Housing

development.

- 2.1 The process, as outlined in the Executive Summary (attached as Background Papers) concluded an evaluation of 19 site variations, leading to four (4) possible options which resulted in the preferred option and this proposal.
- 2.2 The mix of facilities proposed, is in line with the Local Plan and PPS requirements and has been developed in consultation with local stakeholders and potential partners. The feasibility has been developed by using examples of industry best practice, local and across the country intelligence, in order to provide as close to realistic revenue costs and where possible cost neutral proposals.
- 2.3 The outcome of the preferred option will provide access to high quality sporting facilities for citizens in adjacent local neighbourhoods which are in the 10%-30% most deprived in the country; additional Football demand for 3G pitch capacity – to meet training and competitive needs identified in the PPS - and meet Rugby Union demand for additional floodlit training capacity.
- 2.4 As outlined in the Feasibility Study (as per the Background Paper) and set out in the Playing Pitch Strategy, proposes investment of:
 - One (1) floodlit 3G AGP (106 x70m) suitable for Football
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 - A new changing room to serve the AGPs (Clee Fields)
 - Car Park Resurfacing (Clee Fields)
 - Car Park Extension – Grasscrete, x-grid or similar (KGV Stadium)
 - Athletics Track Refurbishment (Track Mark)
 - Athletics Track Grandstand and Changing Rooms investment
 - Existing Sports Changing Rooms Refurbishment (Clee Fields)
 - Grass Pitch Improvements
- 2.5 The Project Team, including Lincs Inspire Ltd representatives would seek an alternative provider, other than the Council, to manage and operate the site once complete. Under existing contractual arrangements, Lincs Inspire Ltd are to be given first refusal (subject to a mutually beneficial agreement being in place) to operate the site in the first instance. Until or unless Lincs Inspire Ltd choose not to do so, then other options for operators would be explored.
- 2.6 A capital allocation of £3,187,000 is required for completion of the works to achieve this proposal, consisting of Council Capital funding of £2,187,300 and anticipated Football Foundation external grant funding for two (2) 3G pitches of approximately £1,000,000 (as yet unsecured).
- 2.7 NELC Officers will confirm with partners the opportunity for any external grant funding in support of the schemes outlined in the time available. However, the schemes outlined should not be delayed as a result of being unable to secure additional external grant funding as full dependency on grant funding would create consequential risks to the wider Borough Housing development

schemes.

- 2.8 There is a necessity to provide a commitment to proceed with the investment to the scheme outlined in line with the Local Plan and PPS to enhance existing facilities to meet current, unmet and future need of pitch provision across the Borough which will enable the Council to develop unused former playing pitch sites for much needed housing at the following sites:
- Former Western School and Playing Field Site (including former Grange Primary surplus land), Grimsby
 - Former Lindsey Lower Playing Field Site, Cleethorpes
 - Former Matthew Humberstone Playing Field Site (part), Cleethorpes
- 2.9 The Council are in contract with Homes England, through its Accelerated Construction Funding programme, providing enabling works to the value of £2.1m on the Former Western School and Playing Field Site (including former Grange Primary surplus land), Grimsby providing 390 new homes.
- 2.10 The Council are currently in talks with Homes England in relation to £543,000 to fund: enabling works at the Former Lindsey Lower Playing Field Site, Cleethorpes (96 new homes).
- 2.11 The Accelerated Construction funding provides delivery of enabling works, including outline planning permission, access routes and mains services provided up to the sites. Homes England have advised that whilst the funding is allocated to the Council, Homes England will not release the funding until the Playing Pitch mitigation as outlined in the PPS, is agreed.
- 2.13 In addition, the Former Matthew Humberstone Lower Playing Field Site (part) (circa.130 new homes) is a proposed site for Extra Care. The developer will submit full detailed planning permission, once the playing pitch mitigation has been resolved with Sport England, in relation to the Extra Care site.
- 2.14 A report will be presented to shortly be presented to cabinet, providing an update of the Housing Delivery Project.

3. RISKS AND OPPORTUNITIES

Project Delivery Risks

- 3.1 A risk exists in the ground conditions being inappropriate for the recommended investment proposal, this will be assessed and determined through appropriate ground condition survey as part of the detailed design stage. Should adverse ground conditions be uncovered, officers will work with technical experts to either mitigate these conditions or design an alternatively suitable layout/position.
- 3.2 Planning approval for these projects is subject to an independent process and such there are inherent risks in these types of projects as they are complex and difficult to deliver and can become controversial to some residents. In mitigation the Council will ensure any development is in line with policy and best practice, and extensive consultation with local stakeholders will be undertaken. Any scheme put forward for planning permission will be balanced between

operational need and any local community requirements.

Financial Risk

- 3.3 Should the Council be unable or unsuccessful in securing the £1m external grant funding in the time available, officers would need to determine (via delegation to the Director or Resources and Governance) a revised approach in order to successfully continue with the project. This is likely to include either or both:
- a) A revised approach to the capital financing of the scheme (utilising greater corporate capital finance)
 - b) A phasing or scaling down of the scheme within the available resources available.
- 3.4 Similarly, if the tendered quotations returned to the Council for the works are significantly in excess of current estimates and above project budget then additional sources of funding will be reviewed and appropriate applications will be considered.
- 3.5 There is a risk that any operator will be unable to generate the predicted level of income to cover running costs. However, the Council intends to transfer this risk to the operator. Therefore, it will be the responsibility of the operator to mitigate the risk through their operational practices. Regular budget monitoring will identify pressures early on and enable the initiation of appropriate interventions.
- 3.6 The Council has been awarded £2.1m Accelerated Construction Funding by Homes England and should the Council be unable to adhere to all the conditions associated with the grant award, the Council risks; being required to return the funding to Homes England (in all or in part) resulting in a loss to the Council as funds are already committed to the project, reputational damage incurred with developers and government bodies such as Homes England, Sport England and National Governing Bodies (NGBs) loss of potential construction and supply chain jobs and loss of the wider impact on the local economy.

Reputational Risks

- 3.7 There are significant reputational risks should the Council not deliver on the housing and playing pitch actions outlined in the Local Plan and PPS. Failure to invest in this scheme could result in a no confidence of the Local Plan and PPS which could see Government agencies such as Homes England and Sport England withdrawing funding and support as well as other National Governing Bodies of sport. This could further exacerbate the local Housing demand and significantly affect the aspirations and health and wellbeing of current and potential participants within sporting activities on Council sites.
- 3.8 Any decision to not undertaken an investment proposal as detailed in this report could result in negative reputational damage from Homes England and Sport England and reduce the likelihood of future funding and support from these agencies and other National Governing Bodies of sport. Cabinet's decision to authorise the development of the recommended investment proposal will mitigate the likelihood of further reputational damage with these and other key government agencies.

- 3.9 The Council also risks further reputational damage with local partners and stakeholders such as sports clubs, leagues and other community users and partners, if the PPS is not delivered.

Asset Risks

- 3.10 It also presents the Council with the risk of the further deterioration and depreciation of its existing assets, if the PPS investment is not secured which will require funding to be repaired and maintained even though usage by the public continues on a decreasing level for some sites due to condition which will push use at other sites into overuse requiring higher levels of maintenance and repair than planned for

OTHER OPTIONS CONSIDERED

Option 1 – Do Nothing.

- 3.11 The Council, in partnership with other stakeholders, have considered the “Do Nothing” option before presenting this proposal for approval. This option limits the Council in achieving its objectives under the Local Plan and PPS.

Option 2 – Other Sites Developed.

- 3.12 The existing number of other sites owned by the Council does not meet the current and expected demand in line with projected Housing growth. This is despite the sites identified by the Council as those for potential Housing developments. There has been no consideration of acquiring additional land for playing pitch provision. However, as part of the PPS Action Plan, all Council sites have been assessed by the project team on a case by case basis in terms of their condition and necessary investment opportunities.

- 3.13 The FA and Football Foundation’s Local Football Facilities Plan (as the other major investor/stakeholder) has also concluded that they would prefer to invest in the hub sites proposed in the PPS rather than other sites at this time.

Option 3 – Preferred - Develop the site as proposed.

- 3.14 The scheme outlined represent the best opportunity from a through feasibility exercise of reducing a long list of options to proceed with creating high quality self-sustaining community accessible sporting facilities in the Borough, delivering the Local Plan commitments and the Playing Pitch Strategy and freeing up other unused sites for Housing development.

4. REPUTATION AND COMMUNICATIONS CONSIDERATIONS

- 4.1 There are both potential positive and negative reputational implications for the Council resulting from the decision to approve the recommended Investment proposal.
- 4.2 During the development of both the Playing Pitch Strategy and the Clee Fields Feasibility Study a series of consultation exercises have taken place with stakeholders including: Officers, Members, Sport England, National Governing Bodies of Sport, Site Tenants, Sports Clubs, Football Foundation, Lincolnshire FA, Homes England and members of the Public.

- 4.3 A communications action plan will be developed and agreed with the Council's communication service which will cover the following issues should the approval be given; external stakeholder communications, partner agency/organisation communications, public consultation, technical reporting and information requirements. The developed communication action will also explain the communications channels to be utilised for each issue.

5. FINANCIAL CONSIDERATIONS

Capital Cost of the Recommended Investment Proposal

- 5.1 The Capital cost of the recommended option has been estimated as £3.2m, subject to the tendering process.
- 5.2 The Capital costs have been estimated (for budgetary purposes) as accurately as possible using a combination of Sport England benchmarks, comparable Football Foundation project costs, recently tendered projects in other local authority areas and costs identified in the condition surveys.
- 5.3 Detailed cost will only become available during the next phase of works through tender submissions and any bills of quantities. Equally the availability of grant funding within the available time will be more accurately determined during the next phase (subject to Cabinet approval of the recommended investment proposal).
- 5.4 The Revenue Income and Operating Costs are anticipated to offset each other to a cost neutral position.
- 5.5 The headline capital costs of the proposed works are shown in Appendix 1

6. CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

- 6.1 The recommended investment proposal is likely to have some limited environmental implications, which will be better understood, evaluated and mitigated for during any subsequent detailed design survey and assessment activity as part of any future detailed planning application (subject to Cabinet agree with the recommendations of this report).
- 6.2 Delivery of this proposal will contribute towards the delivery of energy efficient quality homes, with reduced heating costs making it more manageable for those on low incomes, to heat their home. Furthermore, the associated housing sites will set a precedent by using sustainable drainage methods to ease pressure on our drainage network.
- 6.3 Site specific surveys including but not limited to; groundworks, trees and hedges, traffic, sustainable travel planning and parking will all be developed as necessary for a major planning application of this type.
- 6.4 This site is currently used as sports, recreation and leisure facility, is centrally located within the borough, off a main road through Grimsby and Cleethorpes

(A46). This site is well served with bus and cycle routes ensuring it is already well situated to serve as a sustainable community accessible sports hub.

7. CONSULTATION WITH SCRUTINY

- 7.1 The Tourism and Visitor Economy Scrutiny Panel have been consulted periodically throughout the development of the Council's Playing Pitch Strategy (PPS), with the Panel supporting the Council's adoption of the PPS. The PPS specifically stated Clee Fields/KGV Stadium as a site which the Council owned, which should be protected and enhanced to support the future provision of high-quality playing pitches in North East Lincolnshire.
- 7.2 In Oct 2020, the Tourism and Visitor Economy Scrutiny Panel members were briefed on the content of this report and offered the opportunity to discuss the recommended and preferred option for approval as proposed to Cabinet in this report.

8. FINANCIAL IMPLICATIONS

- 8.1 The anticipated Council investment can be covered from the existing approved Playing Pitch capital budget. As outlined within the report the £1m external grant has yet to be secured.
- 8.2 The impact on the revenue budget has been estimated at cost neutral. However, there is currently a requirement to set aside £50k per annum from 2022/23 towards future repair and renewal of the artificial pitches, which is currently not budgeted for.
- 8.3 Discussions are planned with the external funding body to establish whether guarantees of capital investment in the future are able to replace the requirement to set aside an annual sum in a sink fund.
- 8.4 Other alternatives will be explored should the grant funding body not agree to this option. This could include adding a notional annual capital allocation to be set aside and accumulated each year to ensure capital budget is available when required, which would not impact on the Council's revenue budget position.

9. LEGAL IMPLICATIONS

- 9.1 Increasing the facilities at the sites mentioned above is consistent with the Council's Local Plan and Playing Pitch Strategy.
- 9.2 Any procurement exercise will be conducted so as to comply with the Council's policy and legal obligations, specifically in compliance with the Council's Contract Procedure rules and the Public Contracts Regulations 2015.
- 9.3 The delegations sought are consistent with an exercise of this nature.

10. HUMAN RESOURCES IMPLICATIONS

- 10.1 There are no direct HR implications

11. WARD IMPLICATIONS

- 11.1 Clee Fields and KGV stadium sit within the Heneage ward, there are no known ward specific issues at this feasibility stage. However, officers would expect any specific site or ward implications for the proposed investment to come to light (and wherever possible be successfully accommodated), once the detail design implications of the recommended proposal are known, i.e. during the public consultation of the subsequent planning permission application.
- 11.2 This investment proposal at the site would affect those residents participating and enjoying sports and recreation activities from across all wards.

12. BACKGROUND PAPERS

The following background papers are exempt under paragraph 3 of Schedule 12A to the Local Government Act 1972 (as amended):

1. Clee Fields/KGV Stadium Feasibility Study – Executive Summary
2. Clee Fields/KGV Stadium Feasibility Study – Report (stage) 1
3. Clee Fields/KGV Stadium Feasibility Study – Report (stage) 2

13. CONTACT OFFICER(S)

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