

1. **HEADING** Clayton Sports Centre
- Submitted by:** Executive Director, Operational Services  
Executive Director, Regeneration and Development
- Portfolio:** Leisure, Culture and Localism, Planning and Assets
- Ward(s) affected:** All, particularly Clayton

**Purpose of the Report**

To seek approval to progress the redevelopment of Clayton Sports Centre and safeguard it for the future through resilient partnership arrangements.

**Recommendations**

- a) That Cabinet note the progress made in securing the future of Clayton Sports Centre and agrees the actions below to ensure the necessary building work is completed for the indoor cricket season this autumn.
- b) That the Executive Director for Operational Services, in conjunction with the Cabinet Member for Leisure Culture and Localism be authorised to enter into a funding agreement with the England and Wales Cricket Board.
- c) That the Executive Director for Regeneration and Development in conjunction with the Cabinet Member for Planning and Assets be authorised to enter into a contract for the refurbishment works with the preferred contractor subject to:
  - The preferred contractors tender fee being in accordance with the available capital budget for the project.
  - The risk of claw back for the grant funding from Sport England and the England and Wales Cricket Board is mitigated through either a guarantor or as a condition of the lease.
  - All funding for the project having been secured and the conditions of the funding providers being met.

**Reasons**

To facilitate the award of external grant funding that will secure the future of Clayton Sports Centre which benefits the residents of the Borough as well as meeting the Council's and partners objectives through the development of cricket and other sports.

1. **Background**

- 1.1 The Council lease the land on which Clayton Sports Centre is built to Stone and District Sports Association (SDSA) who own the building, having constructed this with their own funds in the 1970's. SDSA do not have the reserves to redevelop the facility. If the sports centre is not redeveloped parts of it will fail. This could cause SDSA to fold and the liability for the sports centre will fall on the Council as land owners since once the current lease terminates, both the ownership of the land and the building reverts to the Council. Therefore there is a distinct possibility that an important venue for cricket and the local community

would be lost. Cabinet recognised this in and resolved at their meeting in November 2012 to be the funding applicant for external grants and receive a further report identifying the outcome of the funding applications and progress made on the project

1.2 A project budget of £250,000 was arrived at following the undertaking of a full stock condition survey. Without the Council acting as the lead applicant and project sponsor, the required level of external funding would not be accessible to the SDSA. In addition, to unlock the required level of grant funding it was necessary for the Council to provide a financial contribution as below.

1.3 The role of each partner involved in delivery or funding of the project is summarised in the following table:

<b>Funding Partner</b>	<b>Application Status</b>
1) Newcastle Borough Council £10,000	Funding towards the project was agreed as part of the budget approval by Full Council on 26 <sup>th</sup> February 2014.
2) England and Wales Cricket Board £80,000	Funding towards the project has been agreed in principle. It is anticipated a final decision on the funding will be made no later than July 2014. Without this funding the project will not go ahead.
3) Stone and District Sports Association £24,400	Just over 60% of this funding has already been committed at risk for design services so that a contract can be awarded immediately on receipt of funding from ECB
4) Staffordshire County Cricket Limited £15,000	Funding towards the project secured subject to all other funding agreements being in place
5) Sport England £129,400	Funding towards the project secured subject to all other funding agreements being in place.

1.4 Based on the above funding partners and stakeholders agreed that the following works would be a priority:

- The replacement of the sports hall roof and associated building works.
- The replacement of the sports hall lighting system to comply with national governing bodies of sport guidelines.
- The upgrade on the heating and ventilation system in the sports hall.
- The replacement of the cricket nets.
- The refurbishment of the male and female changing rooms.
- The cost of professional advisors for the project including an architect, structural engineer, quantity surveyor etc.

- Project contingency

2. **Issues**

- 2.1 Both Sport England and the England and Wales Cricket Board funding requirements state that there is the potential for a claw back of the grant on a pro rata basis if Clayton Sports Centre should close permanently during a period of ten years following the completion of the works. Should this be the case, as applicant the Council would be liable for these costs. Negotiations are taking place between the Council and the Staffordshire County Cricket Board who have expressed their willingness to underwrite any claw back either as a guarantor or as a lease condition, dependant on appropriate VAT and legal advice.
- 2.2 The timing of the decision of ECB on their funding means that the project needs to start immediately on receipt of this grant, so that the conditions of the Sport England grant are met in terms of project completion. i.e. this grant needs to be drawn down against incurred expenditure on the project by January 2015
- 2.3 Given the value of this appointment the opportunity has been advertised nationally and a two stage restricted procurement approach will be adopted. Dependant on the number of responses received there is the option to use Sport England's framework agreement for this appointment.
- 2.4 The selection criteria for the appointment of the preferred contractor will be determined on the most economically advantageous tender. In this instance the ratio between quality and price will be 50% quality and 50% price.
- 2.5 Following full evaluation of the tenders it is intended to award the contract by the middle of July 2014 and the contractor will start on site after a short mobilisation period with the works expected to be completed by autumn 2014 in time for the indoor cricket season.

3. **Proposal**

- 3.1 It is proposed that so the building works are completed within the permitted timeframe to access the Sport England grant that the Executive Director for Operational Services, in conjunction with the Cabinet Member for Leisure Culture and Localism, be authorised to enter into a funding agreement with the England and Wales Cricket Board and,
- 3.2 That the Executive Director for Regeneration and Development, in conjunction with the Cabinet member for Planning and Assets, be authorised to enter into a contract for the refurbishment works with the preferred provider subject to:
  - The preferred contractors tender fee being in accordance with the available capital expenditure for the project.
  - That the risk of claw back for the grant funding from Sport England and the England and Wales cricket board is mitigated through either a guarantor or as a condition of the lease.
  - That all funding for the project has been secured and the conditions of the funding providers have been met.

4. **Reasons for Preferred Solution**

4.1 To secure the future of Clayton Sports Centre which benefits the residents of the Borough as well as meeting the Council's and partners objectives through the development of cricket.

5. **Outcomes Linked to Sustainable Community Strategy and Corporate Priorities**

5.1 The long term sustainability of Clayton Sports Centre contributes towards the delivery of all the Council's Strategic Priorities.

6. **Legal and Statutory Implications**

6.1 The Council has the power to provide sport and recreation facilities.

6.2 The procurement of this contract complies with Public Procurement Regulations.

6.3 The Council will have a legal duty to comply with the conditions of the funding agreements with Sport England and the England and Wales Cricket Board.

7. **Equality Impact Assessment**

7.1 Despite Clayton Sports Centre not being owned or operated by the Council, your officers have noted that there are some accessibility issues with the design of Clayton sports Centre and it is envisaged that these will be addressed as part of the project, where reasonably practicable to do so, in order to optimise access from all sections of the community.

8. **Financial and Resource Implications**

8.1 Through the Council making a contribution of £10,000 towards the project this has levered into the authority external funding grants of £240,000. The Council's funding towards the project was agreed as part of the budget approval by Full Council on 26<sup>th</sup> February 2014.

8.2 The Stone and District Sports Association and the Stafford County Cricket Board funding will be held by the Council. The Sport England grant and the England and Wales Cricket Board Grant will be drawn down monthly arrears on completion of agreed stages of the work.

9. **Major Risks**

9.1 A full risk assessment/log has been developed in conjunction with the Council's Corporate Risk Manager and this is reviewed on a monthly basis by the Officer working group.

10. **Key Decision Information**

10.1 The operation of Clayton Sports Centre which is operated by the SDSA, is a well used sports facility with an annual attendances of circa 35,000 per annum. The centre not only contributes to the Council's strategic priorities but is also vital for the development of cricket in the County and the playing of badminton.

11. **Earlier Cabinet/Committee Resolutions**

11.1 On the 14<sup>th</sup> November 2012 Cabinet received a report that highlighted the key issues of concerning the long term sustainability of Clayton Sports Centre. At the meeting Cabinet resolved that the Council should be the funding applicant for external grants and a further report should be submitted to Cabinet identifying the outcome of the funding applications and progress made on the project

13. **Recommendations**

- 13.1 a. That Cabinet note the progress made in securing the future of Clayton Sports Centre and agrees the actions below to ensure the necessary building work is completed for the indoor cricket season this autumn.
- b. That the Executive Director for Operational Services, in conjunction with the Cabinet Member for Leisure Culture and Localism be authorised to enter into a funding agreement with the England and Wales Cricket Board.
- c. That the Executive Director for Regeneration and Development in conjunction with the Cabinet Member for Planning and Assets be authorised to enter into a contract for the refurbishment works with the preferred contractor subject to:
- The preferred contractors tender fee being in accordance with the available capital budget for the project.
  - The risk of claw back for the grant funding from Sport England and the England and Wales Cricket Board is mitigated through either a guarantor or as a condition of the lease.
  - All funding for the project having been secured and the conditions of the funding providers being met.

14. **List of Appendices**

None

15. **Background Papers**

Bid documentation, notes of working group and procurement documentation

16. **Management Sign-Off**

Each of the designated boxes need to be signed off and dated before going to Executive Director/Corporate Service Manager for sign off.

	Signed	Dated
<b>Financial Implications Discussed and Agreed</b>		
<b>Risk Implications Discussed and Agreed</b>		
<b>Legal Implications Discussed and Agreed</b>		

<b>H.R. Implications Discussed and Agreed</b>		
<b>ICT Implications Discussed and Agreed</b>		
<b>Report Agreed by: Executive Director/ Head of Service</b>		