

## **HAMBLETON DISTRICT COUNCIL**

**Report To:** Cabinet  
7 November 2017

**Subject:** **SOWERBY SPORTS VILLAGE**

**Sowerby and Topcliffe Ward**  
**Portfolio Holder for Leisure: Councillor B Fortune**

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### **1.0 PURPOSE AND BACKGROUND:**

- 1.1 This report informs Cabinet as to the position with and proposed steps for the Sowerby Sports Village development. The report outlines the suggested phased approach for delivery of the village and proposes recommendations in order to achieve this.
- 1.2 The proposed sports village is an integral part of the broader Sowerby Gateway development scheme. This scheme encompasses retail, hospitality, education, care provision, employment land and residential development, with an allocation for 920 new homes 173 of which are built and occupied.
- 1.3 The Hambleton Local Development Framework (LDF) 2010 includes a land allocation adjacent to Gravel Hole Lane in Sowerby for community facilities as part of the wider Sowerby Gateway development master plan. There are aspirations for these facilities to include an extensive array of formal and informal recreation provision, referred to as the Sowerby Sports Village. The Council's role with this project is to provide community leadership in facilitating the scheme's development and to bring together stakeholders to deliver the project, as well as oversee the transfer to a community operator.
- 1.4 Prior to submitting a planning application for the sports village in 2015, work was undertaken to produce a master plan for the site in order to provide more detail to the LDF proposals and reflect the needs of the community. This included consultation with local sports clubs, voluntary groups and residents. In 2015 reserved matters planning permission was granted for the Sowerby Sports Village development, with the revisions being made to the masterplan as the project progresses. By December 2016 all the required land had been transferred into Council ownership.
- 1.5 The Section 106 Agreement for Sowerby Gateway has supplied the land and also a £1.5 million contribution to develop the site which will be paid to the Council when 250 dwellings have been occupied.
- 1.6 The revised master plan (Appendix 1) incorporates 11 football and rugby grass pitches, a full size all-weather 3G pitch, a sports pavilion including changing facilities, a 1km fitness trail, allotments, a youth facility, BMX track and an extension to the existing all-weather pitch (on the school site) to be used as a warm-up area for the hockey clubs; as well as car parking and other infrastructural amenities.
- 1.7 A stakeholder group was established to keep interested partners engaged in the long term development of the scheme. Membership includes representation from the three key sports clubs (football, rugby and hockey), Sowerby Parish Council, Thirsk School and Sixth Form College, Thirsk and Sowerby Harriers, The Clock and North Yorkshire Sport.

- 1.8 Further consultation has also been undertaken with the community as an integral element in the preparation of three key sport and leisure strategies. Produced over the previous 12 months to underpin the Local Plan these plans, the Sports Facilities Strategy; the Playing Pitch Strategy; and the Open Spaces Plan, help identify the strategic needs for the Hambleton district area and are vital in facilitating funding; without such a strategic platform the sports village will not receive funding from national organisations. Sport England, the Football Association, the Rugby Football Union and England Hockey have been involved with the production of these strategies and support the strategic direction for development of a Sports Village in Sowerby. Their support does not, however, necessarily mean that they will provide financial grant aid.
- 1.9 As part of the site is former landfill, an assessment as to its suitability had to be undertaken. Surveys have identified that significant remedial works are required to make the site safe and useable. The intention is to remediate and landscape the area so that it is suitable for informal recreation, prior to progressing to the phases that will provide the pitches, facilities and infrastructure.

#### Implementation and Phasing of the Development

- 1.10 The scale and reliance on external funding provision for this scheme will mean that it needs to be delivered in phases, subject to funding availability. The intention is therefore to deliver the scheme in discrete phases that are well timed and provide measured access for the community. The estimated cost for phases 1 and 2 of the scheme is £5,235,035 (see 4.0), with the aim being to maximise external funding in order to bridge the gap between developer's contributions and overall scheme costs. Work is ongoing with external organisations to secure funds to match fund the developer contribution.
- 1.11 Table 1 below provides a summary of each phase, the outcomes that each will achieve and the approximate timescales which are subject to change as they will be determined by external funding availability:

Table 1

Phase	Development details	Outcome	Approximate Timescale
1	Land remediation, sustainable drainage, allotments and small car park, fitness trail and soft landscaping	Access to public open space for informal sport and recreation	2018/19
2	Pitches (grass and artificial), access road, utilities, pavilion, main car park, pedestrian entrance and square	Access to formal sport and facilities	2019/20
3	BMX pump track, hockey warm up area and youth facility	Individual projects providing enhanced sport and recreation provision	To be determined

- 1.12 In order to deliver phase 1, which will provide safe and accessible open space, and the platform for future developments, £1,491,561 is required in 2018/19. The intention therefore is to submit an application to the European Regional Development Fund (ERDF) whose European Structural and Investment Fund (ESIF) provides for such works for £643,000. An initial expression of interest has been submitted, with a positive response received and an invitation to submit a full application given. A response to this bid is expected by March 2018. Whilst discussions are ongoing with other potential funders, a positive response from the ERDF is fundamental to getting phase 1 achieved.

- 1.13 Phase 2 is a significant stage, turning an informal open space into formalised leisure provision. This is also the most expensive phase as external funders will only provide grants if the pitches are serviced by suitable infrastructure such as changing rooms and car parking. Similarly the income generated by a pavilion equipped with bar and social facilities will be necessary to attract a community operator. The provision of potential external grants for this phase is most likely to come from the key sport's National Governing Bodies (NGB's), however the commitment and scale of their contribution is by no means certain. Should significant funds be made available, co-ordination of these across NGB's would need to take place. It is feasible that, once the Council knows of the position with external funding, the delivery of elements of phase 2 may need to be sequenced at different times.
- 1.14 Phase 3 represents further enhancements of the scheme, elements of which could be undertaken at any stage should funding be available.
- 1.15 Glenrate Project Management Ltd was appointed at an early stage through a tender process to support the Council with the feasibility, technical and design elements of the scheme and they are currently in the process of completing the detailed designs in preparation for procurement. They are an integral partner in the scheme, with unique knowledge of the project. The existing contract with Glenrate extends to March 2018. It is therefore proposed that the Council's procurement rules are waived so that the contract with Glenrate can be extended to include the delivery and project management of phase 1. This is permissible within Council policy.

## **2.0 LINK TO COUNCIL PRIORITIES:**

- 2.1 The sports village is a key component part of the Sowerby Gateway scheme. This project will make a significant contribution to the 'Enhancing Health and Wellbeing' and 'Providing a Special Place to Live' priorities and has been identified as a key project in the Council Plan 2015-19.
- 2.2 Outcomes from the project will include an increase in the number of people participating in physical activity which will contribute to improved health and wellbeing, as well as a reduction in health threatening conditions.

## **3.0 RISK ASSESSMENT:**

- 3.1 Risks in approving the recommendations:

<b>Risk</b>	<b>Implication</b>	<b>Prob*</b>	<b>Imp*</b>	<b>Total</b>	<b>Preventative action</b>
Not obtaining sufficient external funding to complete the overall project, or phases of it, within a timely manner	Additional funding would have to be obtained to fund any shortfalls. Only individual phases, or elements of these, could be completed. Project delivery could take a long time	3	5	15	Manage project to identify issues early. Work closely with funders/partners. Apply to less traditional sources of funding. Consider a revision of the masterplan.
Difficulties in establishing a community based operator(s) to manage the facility	The Council would be left with operational and revenue responsibilities.	3	5	15	Comprehensive engagement and early, with the key stakeholders.

<b>Risk</b>	<b>Implication</b>	<b>Prob*</b>	<b>Imp*</b>	<b>Total</b>	<b>Preventative action</b>
The committed sum thresholds are not met by the developers in a timely fashion	A shortfall in the funding could delay the project and result in external funding opportunities being missed due to lack of match funding.	4	3	12	Budgets are managed through the Council's capital programme so that funds are released and returned when grant claims are processed. Appropriate legal agreements are upheld with the developers
Capital costs increase, especially if the scheme takes a long time to deliver	Additional funding would have to be identified or elements/phases reduced.	3	4	12	Manage project to identify issues early and identify parts of project that can be adapted. Deliver in a phased programme

3.2 The key risks in not approving the recommendations are as shown below:-

<b>Risk</b>	<b>Implication</b>	<b>Prob*</b>	<b>Imp*</b>	<b>Total</b>	<b>Preventative action</b>
The site remains undeveloped	The Council will have possession of an unrealised asset that will require maintenance. The stakeholders and residents will have a negative view which will have a reputational impact. The Section 106 agreement will be breached.	5	5	25	Planning permission has been secured; a funding strategy is in development; a detailed master plan has been produced; stakeholders and residents are engaged.
The vision for providing a holistic, integrated residential development is not achieved	The potential for the overall quality of development is not achieved	5	5	25	Look to deliver a holistic scheme
The recreational and health and well-being needs of the Sowerby, Thirsk and local areas are not met	Local sports club requirements cannot be met, resulting in diminishing member numbers and participants. The quality of health and well-being of local residents is not supported	4	4	16	Engage with residents and sports/health and well-being representatives to identify alternative actions

Prob = Probability, Imp = Impact, Score range is Low = 1, High = 5

3.3 Overall the risks of agreeing with the recommendations outweigh the risks of not agreeing them and are considered acceptable.

#### 4.0 **FINANCIAL IMPLICATIONS:**

- 4.1 The intention is to deliver a scheme that is funded through developer contributions and external grant funds, with no reliance upon Council capital funds. The provision of adequate external grants will be reliant upon a number of factors but particularly upon the regional availability and cyclical nature of funding streams and the attractiveness of the scheme to meet funder's outcomes; these are often based upon increasing participation, for example, with specific sports. Based on the detailed master plan the estimated costs are shown below. At this stage these can only be approximate until requisite specifications are completed and procurement exercises are undertaken.
- 4.2 The aim of the scheme once built is for it to be operated by a community facilitated group, such as a charity and/or non-profit making entity, entirely independent of the Council. This organisation will retain all of the income generated from bookings, hires, catering finance streams etc. They will also meet all of the expenditure associated with the operation of the facilities, with any surpluses being re-invested into the sports village. At this stage of the project there are no revenue implications for consideration, however as the scheme develops revenue costs will be incurred. It is estimated that these will be incidental in 2018/19 with no formal budget necessary. After the delivery of phase 1 a report will be submitted to Cabinet detailing any future requirements.

<b>Capital Expenditure</b>	<b>2017/18 £</b>	<b>2018/19 £</b>	<b>2019/20 £</b>	<b>2020/21 £</b>	<b>Total £</b>
<b><u>Master planning and oversight</u></b> Design, planning fees, planning condition discharges, professional and project management fees	129,082	68,900	161,155	0	359,137
<b><u>Phase 1</u></b> Land remediation, landscaping, allotment and fitness track	0	1,422,661	0	0	1,422,661
<b><u>Phase 2:</u></b> Pitches (grass and artificial), access road, utilities and main car park; pavilion, entrance and square	0	0	3,453,237	0	3,453,237
<b><u>Phase 3:</u></b> BMX track; hockey warm up area and youth facility	0	0	TBC	TBC	TBC
<b>Total expenditure</b>	129,082	1,491,561	3,614,392	TBC	5,235,035
<b><u>Financed by:</u></b>					
Section 106	129,082	848,561	522,357	0	1,500,000
European Regional Development Fund	0	643,000	0	0	643,000
Football Foundation*	0	0	500,000*	0	500,000
Rugby Football Union*	0	0	350,000*	0	350,000
Sport England*	0	0	150,000*	0	150,000

<b>Capital Expenditure</b>	<b>2017/18 £</b>	<b>2018/19 £</b>	<b>2019/20 £</b>	<b>2020/21 £</b>	<b>Total £</b>
Other external funding to be identified			2,092,035	0	2,092,035
Total income	129,082	1,491,561	3,614,392		5,235,035
Balance	0	0	0	0	0

\*These are potential funding partners presently engaged with the project with indicative capital grants

4.3 Costs related to phase 3 are not yet known but these elements of the project will be developed independently of phases 1 and 2 as external funding is secured.

## **5.0 LEGAL IMPLICATIONS:**

5.1 There is an extensive range of issues with this project that will have legal implications. At this stage these will include advice and guidance:

- to ensure that the terms and conditions of the Section 106 agreement are adhered to.
- to ensure that Council procurement policies and procurement regulations (including OJEU regulations) are adhered to.
- to ensure all planning conditions in the Reserved Matters application ref 14/01945/REM are met and duly discharged.
- to ensure all external funding terms and conditions are attainable and met.
- related to land ownership to ensure all legal requirements are adhered to.

5.2 As the scheme progresses further legal issues will require consideration, for example, the operation of the site by a community group once the facilities are developed.

## **6.0 EQUALITY/DIVERSITY ISSUES**

6.1 Equality and diversity issues have been considered and an Equality Impact Assessment has been completed to ensure that the facility will be fully inclusive for all sections of the community regardless of their protected characteristic.

## **7.0 HEALTH AND SAFETY ISSUES**

7.1 There will be health and safety issues related to the works required to develop the site. All health and safety requirements will be detailed in tender specifications and managed by the appointed project manager.

## **8.0 RECOMMENDATIONS:**

8.1 That Cabinet approves:

- (1) submission of a grant application to the European Regional Development Fund for the Sowerby Environmental Space Project (phase 1 detailed in 1.11);
- (2) the waiving of Council procurement rules to allow the continued appointment of Glenrate Project Management Limited to provide technical and design advice and support including project management to completion of phase 1;
- (3) that tenders are sought for phase 1 works subject to the award of sufficient external grant funds;

- (4) Phase 1 of Sowerby Sports Village in the Capital Programme to fund expenditure for grants that have to be claimed retrospectively or to meet costs should the developer contribution thresholds not be met in a timely fashion; and
- (5) that a further report is submitted for Cabinet consideration with regards to subsequent phases and project progress in June 2018.

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**Background papers:** Sports Facility Strategy; Playing Pitch Strategy; Open Space Plan

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