

	Executive – 13 July 2020	Agenda Item No. 9
Title	Community Stadium and Associated Developments	
For further information about this report please contact	Tim Wall Tim.wall@warwickdc.gov.uk	
Wards of the District directly affected	All wards of the District but likely to specifically affect: Myton and Heathcote, Warwick	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?	No	
Date and meeting when issue was last considered and relevant minute number	Executive on 18 th December 2019 minute number 100 Executive on 28 th November 2018 minute number 96 Executive on 30 th August 2018 minute number 62 Executive on 27 th June 2018 minute number 26 Executive on 31 st May 2018 minute number 14 Executive on 5 th April 2018 minute number 161 Executive on 1 st November 2017 minute number 74 Council and Executive on 12/4/17 Executive minute number 129 (non-confidential) & 130 (confidential)	
Background Papers	Local Plan, Submission draft and modifications; Planning Application (W/14/1076); Planning Application (W/14/0967); Report to Executive in October 2014 re Council Housing Programme; Report to Executive in November 2014 re Sports and Leisure Review. Reports to Executive/Council in January and March 2015; April 2017, November 2017, April, May, June, August and November 2018; December 2019.	

Contrary to the policy framework:	No
Contrary to the budgetary framework:	Yes
Key Decision?	Yes
Included within the Forward Plan? (If yes include reference	Yes

number)	
Equality Impact Assessment Undertaken	No
Equality Impact Assessments will be undertaken at the appropriate stage as the project and design develops.	

Officer/Councillor Approval		
Officer/Councillor	Date	Name
Chief Executive/Deputy Chief Executive	29.06.20	Chris Elliott/Andrew Jones
Head of Service	29.06.20	Rose Winship
CMT	29.06.20	Chris Elliott/Andrew Jones/Bill Hunt
Section 151 Officer	29.06.20	Mike Snow
Monitoring Officer	29.06.20	Andrew Jones
Portfolio Holder	29.06.20	Councillor Matecki
Consultation & Community Engagement		
The proposals have been subject to extensive discussion with a variety of parties involved. Consultation and Community Engagement will be undertaken as part of the RIBA Stage 2 process.		
Final Decision?	No	
Suggested next steps (if not final decision please set out below)		
A further report will then come forward which will enable a conclusion to be reached on the feasibility of the project.		

1. Summary

- 1.1 The report seeks funding so that the next steps in the development of a new Community Stadium to complete the RIBA Stage 1 design for the stadium and to commence RIBA Stage 2 can be undertaken and alongside that an assessment of the sources of finance. A further report will then come forward which will enable a conclusion to be reached on the feasibility of the project in Spring 2021.

2. Recommendations

- 2.1 That the Executive note the progress on delivering the overall proposals and the masterplan at Appendix A.
- 2.2 That Executive approves a sum of up to £345,460 be allocated from the receipt of the sale of land fronting Gallows Hill for the financial year 2020/2021 in order to fund the design work on the Community Stadium to the end of RIBA Stage 2 and to manage and maintain Heathcote Hill Farmhouse and associated land for the remainder of the financial year.
- 2.3 That, subject to agreeing recommendation 2.1 of this report, Executive asks officers to instruct the Design Team to complete the RIBA Stage 1 work and commence RIBA Stage 2.
- 2.4 That work alongside the RIBA stage 1 and 2 be undertaken to assess the sources of finance to enable the scheme to be completed.

- 2.5 That a report on the work at the end of RIBA stage 2 and of the assessment of finance be presented to the Executive in early spring 2021 in order to determine financial feasibility of the Stadium project.

3. Reasons for the Recommendations

Recommendation 2.1

- 3.1 The Community Stadium Scheme is part of a wider multi-faceted project. In outline form if implemented the Stadium could deliver:

- 5,000 capacity stadium and facilitate the relocation of Leamington FC from its current ground on Harbury Lane
- All weather artificial grass pitch to allow for wider community use
- Provision for Adult Community Mental Health Services and Children and Young People's Mental Health Services
- Gym and Studio space
- Bar/Catering/Coffee Shop provision

All of this will be subject to confirmation of demand.

- 3.2 The relocation of the football club would enable it to expand its community sports development activities and the Council to then re-use its current site as a gypsy and traveller site, thus enabling positive provision to be made but also to reinforce protection against other sites being used in an unauthorised fashion.
- 3.3 The Council acquired land from the County Council in December 2018 in order to secure the site for the stadium and land that it could sell in order to help fund the stadium. That land, 5 acres fronting Gallows Hill, is the subject of a negotiation which by the time this report is considered will have been exchanged with completion on 4 of the 5 acres by December. That scheme for a relocated car showroom and a hotel will both protect and generate jobs, as well as generate a £5.585m capital receipt for the Council.
- 3.4 The potential inclusion of accommodation for the Coventry and Warwickshire Partnership Trust (Mental Health) would also give the project a clear health and well-being outcome as well as the opportunity to consider some of their its sites in Warwick and Leamington for alternative use as housing.
- 3.5 The Council has also envisaged that it would seek to relocate the athletics track at Edmondscote alongside the stadium and widen its operation to the adjoining schools and create a more accessible athletics facility for the District. This in turn would enable part of the athletics track site to be developed for housing but that in conjunction with other land to the east and to the west it would create a new riverside park, (the Commonwealth Park), connecting Warwick and Leamington with a contiguous green space along the rivers Leam and Avon.
- 3.6 To enable that to happen, the 7 hectares currently reserved for a secondary school, part of which would be used for the relocated athletics track, would have to be freed from having to be used for that purpose. This depended upon an alternative site for the secondary school provision for the new development in the Europa Way corridor. This was secured a short while ago when the planning application for a secondary school, primary school 150 houses and country park provision was granted planning permission and a S106 was signed. The secondary school is expected to be open for September 2023. The

discussion has now started on how the 7 hectares can be used for a new primary school, new/additional SEN provision and the athletics track.

- 3.7 That discussion also raises the opportunity to acquire the site currently identified for the primary school use and to bring it together with the Farmhouse which the Council will have purchased (for circa £1m) by the time this report comes to be considered and land that the Council already owns to the north, most of which will be used for the stadium. This land could be used as the neighbourhood centre and for housing but should generate a margin on the purchase price to help fund the stadium scheme.
- 3.8 Alongside all of this are the ambitions of Myton School and by linking that in, to create a 2nd access point to Myton School as well as an enhancement to the sports provision at the school some of which is run as part of a dual facility with this Council by Everyone Active. This opportunity would help to relieve some traffic from Myton Road as well as further improve the sports provision in the immediate vicinity.
- 3.9 The Council and its partners ambition is articulated in the masterplan illustrated at Appendix A. Members should note that the spine road and cycleway serving the scheme is well advanced and should be largely complete by September with the new junction onto Gallows Hill now expected to have completion by June 2021.
- 3.10 The site opposite the proposed stadium is being developed by Vistry who have a pre agreement to deliver 40% of the 375 homes as affordable homes and so feel confident to progress construction. The Council has now entered into an agreement for an adjoining portion of land with Vistry for 54 affordable homes to be developed at a high energy efficiency standard. Subject to planning permission construction is expected in this site in the autumn 2020.

Recommendation 2.2 and 2.3

- 3.11 In November 2019 the Executive gave approval for expenditure in order to progress to RIBA Stage 1 for the design of the Community Football Stadium. Members also agreed in principle to relocating the athletics track and ancillary facilities to a new site adjacent to the proposed new stadium.
- 3.12 The funding now sought will allow for completion of RIBA Stage 1 and for the project to then progress to RIBA Stage 2 and thereby obtaining a more detailed picture of the scheme along with an updated cost estimate.
- 3.13 RIBA Stage 1

The Design Team have been working with Officers and key stakeholders to develop initial designs and costings for the new stadium in line with the RIBA Stage 1 process. Now the Phase 1 desktop ground investigations have been completed as part of this work the Phase 2 ground investigations are currently ongoing on site to enable completion of RIBA Stage 1.

- 3.14 RIBA Stage 2

RIBA Stage 2 involves the preparation of Concept Design including outline proposals for structural design, building services systems, outline specifications and preliminary cost information along with relevant project strategies in accordance with design programme. Any alterations to the brief to be agreed

and Final Project Brief issued prior to start of RIBA Stage 3 Developed Design. The following site investigations are required to complete RIBA Stage 2:

- Complete Phase 2 Ground Investigation
- Drainage Strategy
- Utilities Survey
- Ecological Surveys
- Initial Archaeological and Heritage Surveys

3.15 The funding will also mean that the Council is able to manage and maintain the Grade 2 Heathcote Hill Farmhouse (sale due to complete mid July 2020) in a safe, secure and sympathetic manner until such a point that it becomes a focal point of the wider neighbourhood centre development.

3.16 The Council also requires legal and property advice in respect of the wide range of developments proposed on and around the Community Stadium site the fees for which are included in the request.

Recommendation 2.4

3.17 At this stage of proceedings the estimated construction cost of the new stadium and with fees and on costs is £17,298,352. It is anticipated that the relocation of the athletics track from its current home to the site adjacent to the new stadium would cost in the region of £2.5 million. This would allow the current track site to be utilised for housing and a destination (Commonwealth Games Legacy) park which has an estimated cost in the region of £1 million which takes the total cost to circa £21m. This however, does not include the original land purchase cost of £3.3m, making the overall cost in excess of £24m.

3.18 Potentially, the various land opportunities could generate up to £19.5m but these need to have more work undertaken to assess their rigour. It is also the case that the opportunity for other funding contributions from S106, CIL, etc. need to be explored and conclusions reached.

Recommendation 2.5

3.19 At the completion of RIBA Stage 2 and of the assessment of sources of finance a further report will need to be considered by Executive and Council in order to decide whether or not to proceed with the project. The Council will have a clear idea at that point on the deliverability of the Stadium and associated elements or otherwise.

4. Policy Framework

4.1 Fit for the Future (FFF)

The Council's FFF Strategy is designed to deliver the Vision for the District of making it a Great Place to Live, Work and Visit. To that end amongst other things the FFF Strategy contains several key projects. This report shows the way forward for implementing a significant part of one of the Council's key projects.

The FFF Strategy has 3 strands – People, Services and Money and each has an external and internal element to it. The table below illustrates the impact of this proposal in relation to the Council's FFF Strategy.

FFF Strands		
People	Services	Money
External		
Health, Homes, Communities	Green, Clean, Safe	Infrastructure, Enterprise, Employment
<p><u>Intended outcomes:</u> Improved health for all Housing needs for all met Impressive cultural and sports activities Cohesive and active communities</p>	<p><u>Intended outcomes:</u> Becoming a net-zero carbon organisation by 2025 Total carbon emissions within Warwick District are as close to zero as possible by 2030 Area has well looked after public spaces All communities have access to decent open space Improved air quality Low levels of crime and ASB</p>	<p><u>Intended outcomes:</u> Dynamic and diverse local economy Vibrant town centres Improved performance/productivity of local economy Increased employment and income levels</p>
Impacts of Proposal		
<p>The proposal if implemented would deliver an impressive local sports facility and enable increased physical activity and so improved health outcomes for a wide range of the community. By enabling greater participation, it will aid a more cohesive and active community. The inclusion of health facilities will also aid improved health outcomes.</p>	<p>The proposal in its widest sense will involve the creation of new public open spaces and will help to enhance access to good open space by more of the District's resident communities.</p> <p>The stadium design will need to be at the lowest possible levels of carbon emissions.</p> <p>The relocation of the Stadium and of the Athletics Track to a more accessible location would help to make the facilities accessible without necessary recourse to the use of the private car as it will be on bus routes and on cycle lanes as well as within easy reach of likely supporters.</p>	<p>The local economy would be aided if the proposal is implemented as it will increase employment and income levels. The tendering process for construction will attract interest from more companies and so could stimulate the local construction industry.</p>
Internal		
Effective Staff	Maintain or Improve Services	Firm Financial Footing over the Longer Term

<u>Intended outcomes:</u> All staff are properly trained All staff have the appropriate tools All staff are engaged, empowered and supported The right people are in the right job with the right skills and right behaviours	<u>Intended outcomes:</u> Focusing on our customers' needs Continuously improve our processes Increase the digital provision of services	<u>Intended outcomes:</u> Better return/use of our assets Full Cost accounting Continued cost management Maximise income earning opportunities Seek best value for money
Impacts of Proposal		
The proposal will further enhance the experience of the Warwick District Leisure Development Programme team in managing large scale capital schemes.	Focusing on our customers' needs The management of this project will assist us to continue to improve our management of large scale capital schemes.	Better return/use of our assets – the Council will own the freehold of the new stadium site.

4.2 Supporting Strategies

Each strand of the FFF Strategy has several supporting strategies and the relevant ones for this proposal are explained here:

- 4.2.1 The Local Plan for Warwick District provides the statutory framework for determining planning applications. The proposal broadly accords with the Plan as adopted, however it should be noted that the location of the stadium is further north within the site than proposed in the Plan. The proposals within this project for delivering a community stadium are considered the most likely way in which this policy in the Local Plan can be delivered. The Master Plan for the Community Stadium is broadly consistent with the Local Plan and its overall strategy for the Europa Way area in terms of land use and design
- 4.2.2 The Master Plan for the Community Stadium is consistent with the Council's Playing Pitch Strategy and emerging draft Local Football Facilities Plan in terms of type and size of football pitches and athletics provision required within the district. Both recognise a demand for football at all levels within the district that these facilities will help to meet

4.3 Changes to Existing Policies

None

4.4 Impact Assessments

Impact assessments are a vital part of the design process for any facilities constructed through the Warwick District Leisure Development Programme. Initial considerations of accessibility and other impacts are part of the ongoing process of good design. Specific assessments will be made at several times during the design process. We will consider enhanced changing facilities for customers with profound needs as part of the new designs. The 'Changing Places' style initiative will be used as an inspiration to ensure that those with profound needs will be able to use the new facilities.

5. Budgetary Framework

5.1 The current spend and committed expenditure for the project is shown below –

Item	Amount (£)
Total Executive approvals	250,000
Total spend of project funds to date	187,325
Committed expenditure 2020/21	55,628
Total spend	242,953
Balance	7,047

The sums approved by Executive in various reports in the past have almost completely now been used up by expenditure to date and committed expenditure this year. Additional approvals will be required before any more work is commissioned.

5.2 Budget provision in 2019/20

The budget provision for the project costs for the Community Stadium and related projects for the financial year 2019/20 is shown below –

Code	Amount (£)	Notes
E540 – Earmarked Reserve	0	Gallows Hill Masterplan
E541 – Earmarked Reserve	16,500	Europa Way Masterplan
E544 – Earmarked Reserve	21,000	Strategic Opportunity
1609	12,000	Main code for project
Total available for 2020/21	49,500	

5.3 The costs to the end of RIBA 2 are summarised below:

Item	Amount
Mace Fees to complete RIBA Stage 1	£18,970
Mace Fees to complete RIBA Stage 2	£157,125
Additional Fees – Surveys etc.	£93,056
Additional Fees – Legal Services, Farmhouse management etc.	£89,940
Contingency – 10%	£35,869
Sub Total	£394,960
Less £49,500 carried forward	-£49,500
Shortfall	£345,460

5.4 It is proposed that the additional sums sought be funded from the capital receipt of the 5 acres fronting Gallows Hill which in total is £5.58m albeit that it is likely to be paid in 2 tranches with the first of over £4m by Christmas 2020. This receipt has so far been allocated to cover the original land purchase and the purchase of the Farmhouse.

5.5 The work to date on the Stadium Project suggests that it continues to be challenging for the various anticipated sources of funding to be sufficient to fully fund the cost of the stadium but there are clearly also opportunities to be further explored.

6. Risks

- 6.1 The approach taken to this project has always been to judge the risks stage by stage to enable the Council to consider an exit if it so wished. Therefore, the risk at this stage is that the funds sought are expended but a viable project is **not** subsequently demonstrated. If that were the case then the land already purchased for the stadium could still be sold and the resultant money taken as a capital receipt, though overage would be due to the County Council. The money from the sale of the 5 acres would similarly be available for other purposes though again would be subject to the overage with the County Council. The risk assessment is therefore not at this stage for the overall project. That would come at the next report where, with the benefit of additional work on the design, cost and sources of income, an overall assessment could be made.
- 6.2 If the funding is not made available then the work with the design team will not be able to progress and the project will be halted. That will mean that none of the wider benefits of the project would be able to be achieved. If the project does not progress then the Council will face issues and financial pressures in the future about funding improvements that are needed to keep the athletics track operational. If the track is not relocated then the proposal to create a new riverside park will not be possible and decisions would be needed on the future provision of an athletics track in the district, as the current track will need complete replacement in the next 5 years or so. The Council will also be without any viable site for Gypsy and Traveller position and as the Local Plan review is due to commence soon, the Council will be unlikely to complete that without addressing site provision directly. There are therefore a significant number of issues for the Council if the proposal does not proceed.
- 6.3 If the stadium does not progress, it will not be possible to continue to capitalise all of the expenditure on the scheme to date, and proposed from the funding considered within this report. This will mean that it will not be appropriate to fund these costs from the capital receipt. If this scenario becomes apparent in the future, the Council will need to fund these costs from revenue sources, which would present a significant and challenging future funding issue.
- 6.4 A significant risk to this project at present is the Covid 19 pandemic. This is having unprecedented impacts on the Council's finances, on the construction industry and on the national economy. The importance of the impact of the pandemic is already clear, and the actual magnitude of the changes it will produce is not yet known. Officers will monitor the impact of the pandemic on the project very closely and respond quickly to any new problems or opportunities created.
- 6.5 A Project Risk Register is being established for the current stages of the project. The Risk Register will be kept up to date throughout the project, and its content monitored regularly in order to manage risk within the project.
- 6.6 A full Risk Workshop will be undertaken with professional services advisers and the Design Team at the beginning of the RIBA Stage 2 design process, before

technical design has commenced. The Risk Register will be completely updated after this Risk Workshop.

7. Alternative Option(s) considered

- 7.1 It would be possible to freeze the current design process for the stadium until the financial impact of the Covid 19 pandemic on the Council is known in more detail and the priorities of the Council for major projects are more clearly known. However, to delay the project in this way would lead to increased costs for prolongation and for inflation. If the freeze was for more than a few weeks, the current Design Team would probably be re-deployed onto other projects, leading to a lack of continuity and additional re-start costs. In reality, the next report is the better time to decide to halt or progress the project given that the capital receipts can be used to fund this proposal.