

 <b>Executive – 7th February 2018</b>		<b>Agenda Item No.</b>  <b>11</b>
<b>Title</b>	Leisure Development Programme – Phase II (Kenilworth)	
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<b>Wards of the District directly affected</b>	Kenilworth Abbey Kenilworth Park Hill Kenilworth St Johns Stoneleigh & Cubbington Arden	
<b>Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?</b>	No	
<b>Date and meeting when issue was last considered and relevant minute number</b>	Executive November 2015 (Leisure Development Programme) Min 59	
<b>Background Papers</b>	Executive Nov 2014 – Sports & Leisure Vision and Principles	

<b>Contrary to the policy framework:</b>	No
<b>Contrary to the budgetary framework:</b>	No
<b>Key Decision?</b>	Yes
<b>Included within the Forward Plan? (If yes include reference number)</b>	Yes Ref No: 803
<b>Equality Impact Assessment Undertaken</b>	No
No decisions being taken on detail at this stage. EIA will be undertaken at appropriate stage as the project develops.	

<b>Officer/Councillor Approval</b>		
<b>Officer Approval</b>	<b>Date</b>	<b>Name</b>
Chief Executive/Deputy Chief Executive	22/1/2018	Chris Elliott/Andrew Jones
Head of Service	22/1/2018	Rose Winship
CMT	22/1/2018	Chris Elliott/Andrew Jones/Bill Hunt
Section 151 Officer	22/1/2018	Mike Snow
Monitoring Officer	22/1/2018	Andrew Jones
Finance	22/1/2018	Mike Snow Paul White (WCC Procurement)
Portfolio Holder(s)	22/1/2018	Cllr Coker
<b>Consultation &amp; Community Engagement</b>		

<p>Insert details of any consultation undertaken or proposed to be undertaken with regard to this report.</p> <p>Initial discussions with: Kenilworth Town Council, Kenilworth School, Kenilworth Wardens, Kenilworth Rugby Football Club, Kenilworth Scouts, Kenilworth Runners, Kenilworth Tennis, Squash and Croquet Club.</p> <p>Discussions planned with Friends of Abbey Fields Swimming Pool/"Save our Outdoor Pool" as part of consultation process</p>	
<p><b>Final Decision?</b></p>	<p>No</p>
<p><b>Suggested next steps (if not final decision please set out below)</b></p> <p>Proposals for next steps are contained in the body of the report</p>	

## **1. Summary**

- 1.1 The report introduces the proposed approach to Phase II of the Leisure Development Programme (LDP) which focuses on Kenilworth and the north of the district. Phase I of the LDP has seen significant investment by the Council in leisure provision in Leamington and Warwick, and now it is the turn of Kenilworth to embark on an equally ambitious programme of work that will result in an integrated model of leisure provision, combining local authority, education and local sports club facilities for the benefit of the growing population of the north of the district.
- 1.2 There is a wide range of potentially complex projects included in Phase II which will require dedicated project management. Therefore the report seeks approval to make the temporary Programme Manager and Programme Officer posts permanent. Looking forward, these posts will take the lead on the development and implementation of other emerging "sports/ leisure projects".
- 1.3 Following the model used for Phase I of the LDP, the report also requests approval to use the budget allocated to Phase II to appoint professional services to progress this complex series of projects from inception to RIBA Stage 1. It will also include support for the public consultation process in the early stages of the projects.

## **2. Recommendations**

- 2.1 That Executive agrees the proposed scope and objectives of Phase II of the LDP outlined in Appendix A and the proposed way forward to progress Phase II to RIBA Stage 2.
- 2.2 That members approve the budget be included within the 2018/19 Budget and the Medium Term Financial Strategy to allow the permanent posts of Sports Programme Manager and Sports Programme Officer to be added to the establishment, subject to approval by Employment Committee.
- 2.3 That in order to progress to RIBA Stage 1, the £100,000 allocated to Phase II and approved by Members in February 2017 as part of the 2017/18 Budget, is used to procure professional services (architects and external project management), cover legal costs and undertake essential surveys of the relevant sites.
- 2.4 That a further report will be brought to the Executive in early summer 2018 asking Members to agree the Phase II options and to approve a public consultation process on those options in summer 2018.
- 2.5 That the Members Working Group is retained to oversee Phase II of the LDP with membership of the group delegated to the Portfolio Holder for Culture and Head of Cultural Services.

## **3. Reasons for the Recommendations**

- 3.1 Appendix A to this report describes the proposed scope and objectives of Phase II of the LDP and considers how the proposals advance the vision and principles that Members agreed in 2014 for leisure provision in the district. Appendix A also describes the context of the Local Plan and updates members on work that has been carried out to date with a range of local partners and sports clubs. Reference is made in Appendix A to lessons learned in Phase I of the LDP and

describes how the approach for Phase II will be refined in order to achieve the optimum results. Phase II could, if approved, be an ambitious and aspirational programme of work. As Kenilworth expands it will need to have modern facilities to serve its growing population and it is believed that Phase II will deliver this. It should be recognised that unlike Phase I, the Council now has Everyone Active as the operator of its leisure centres, and therefore reference is made in Appendix A to how this relationship will be impacted as Phase II develops.

- 3.1.1 The LDP is a key corporate project included in Fit for the Future (FFF). The impact of the LDP on the FFF strategy is captured in paragraph 4.1 of this report.
- 3.1.2 Significant growth is identified for Kenilworth in the Local Plan. Much of the growth is proposed to the eastern side of Kenilworth on land released from the Green Belt. Around 1,400 dwellings are allocated in this area on two adjoining strategic housing sites along with the employment land and education provision. A new Kenilworth School would replace the existing secondary school which is split across two sites and those existing sites are allocated for housing. Other facilities are likely to be provided to the eastern side of Kenilworth including a new primary school, community facilities and public open space/play facilities and there will be a need for new and enhanced highway/cycleway and footpath infrastructure to support the development.
- 3.1.3 As the existing Kenilworth Rugby Club and Kenilworth Wardens sites are allocated for housing in the Local Plan, new sites are allocated at Castle Farm (to the west of the town) and land east of Warwick Road (to the south) for outdoor sports provision, although they remain in the Green Belt. In order to guide development and ensure it is appropriately designed with the necessary infrastructure and delivered in a comprehensive manner, Development Services is preparing a Development Brief for the strategic sites to the eastern side of Kenilworth. It is anticipated that this will be adopted as a Supplementary Planning Document late Autumn 2018, with a period of public consultation prior to adoption.
- 3.1.4 In 2013 Members agreed and approved the "Vision and Principles" for the Council's sports and leisure provision. These underpinned Phase I of the LDP in Warwick and Leamington and therefore it is proposed that they should also set the context for Phase II.

Providing a Sports and Leisure service which is committed to delivering:

- Local Facilities, (built and playing pitches), for all sectors of the community.
- Modern Facilities, fit for purpose, with flexible spaces
- Value for Money, fair pricing, and long term financial stability
- Sustainable model for provision
  - o Promoting the service to current and new users
  - o Engaging current and new users in healthy lifestyle choices
  - o Supporting continued attendance and commitment
  - o Developing opportunities to advance and compete.

- 3.1.5. Over the last 2 years, officers have been working with a range of local sports clubs and other bodies to consider what sports and leisure provision may look like in and around Kenilworth in the future. To date dialogue has been had with the following:

- Kenilworth Town Council
- Kenilworth School and Sixth Form
- Kenilworth Wardens Cricket and Football Club
- Kenilworth Rugby Football Club
- Kenilworth Runners
- Kenilworth Tennis, Squash and Croquet Club
- Sport England and a range of National Governing Bodies of Sport (NGBs)

- 3.1.6 Officers have also been in regular dialogue with Warwick University which, given its proximity to the town and the current expansion of its sports facilities, is a key consideration as Phase II is scoped and developed. The University site was included in the refreshed Sport England Facility Planning Model work that the Council commissioned in 2017, the results of which will be used alongside the Local Plan to inform the number and mix of sports facilities that will be needed for Kenilworth and its surrounding area in the future.
- 3.1.7 It is proposed that as with Phase I of the LDP, Phase II is managed in line with RIBA stages (Appendix F) and that we learn wherever possible from the experiences of Phase I. The RIBA approach has been approved by Members as a robust method of managing such projects and ensures that resources are made available at the appropriate times to develop the programme and deliver quality buildings that are fit for purpose. It details tasks and outputs required at each stage which may vary or overlap to suit specific project requirements. It enables the Council to make decisions at appropriate stages of the project to ensure that they retain executive control over the project.
- 3.1.8 Subject to Members approval of the recommendations in this report it is intended that a further report will be brought to the Executive in early summer 2018 with a range of options that are considered to be appropriate and deliverable. Once Members have considered the options and agreed which they wish to be taken forward, a consultation exercise will be undertaken with members of the public, partners and other agencies, the results of which will inform a further Executive report and development of the projects to RIBA 2 (Concept Design). This would include: the impact of additional traffic movements on junctions, car parking and other users; ecological and environmental impacts, archaeological investigations and a number of other initial feasibility checks which could potentially result in a significant shift in the current cost modelling. Details of how the consultation exercise will be implemented will be included in the next report, however it will include opportunities for all sections of the community, stakeholders, community groups and "Friends of" groups to comment on the proposals and options.
- 3.1.9 It is anticipated that this initial report may well generate comments and feedback from the local community. Officers are proposing that any feedback received at this early stage will be collated and then considered at an appropriate time when developing the options for the next report back to the Executive.
- 3.1.10 This work completed at Stage RIBA 2 will not deliver detailed designs and specifications as these would follow in RIBA Stage 3. The work would however enable greater cost certainty to be brought before Members at the next stage.
- 3.1.11 It is recognised that some of the sites impacted by Phase II are highly sensitive. Therefore public consultation at an early stage, before any major decisions have been made, is considered essential. This next stage will also offer the opportunity for groups such as the Friends of Abbey Fields and the

Save our Swimming Pool group to build on their initial views on what should be included in the Phase II project and comment on the proposals and options.

3.2 Creation of two new permanent posts within the Cultural Services team:

3.2.1 These proposals are based on the learning from Phase I (Appendix B) and consideration of a growing number of FFF and service area projects that will require coordinated project management over the next 4/5 years.

3.2.2 It is recognised that Phase II comprises a number of complex projects and involves close partnership with a number of external organisations. Each project will have its own challenges and will need careful management if the wider Phase II is to be delivered effectively. The Programme Manager will be responsible for coordinating the work on these various projects and ensuring that agreed milestones are being met.

3.2.3 Phase I of the LDP (construction works and appointment of an external management partners) was managed by the Programme Manager who was appointed in Feb 2015 on a fixed term contract. This contract has been extended twice as the Phase I project progressed from initiation to implementation. What is now evident is that with the potential significant list of projects there needs to be an appropriate resource with the appropriate level of programme management skills to manage and enable these projects to be delivered (Appendix D).

3.2.4 Phase I benefitted from the addition of a temporary Programme Officer being added to the team 18 months into the Programme. Based on the experience of Phase I, it is recommended, given the effectiveness of this post in Phase I, and the increased number of projects now in the workplan, that subject to approval by Employment Committee in March 2018, both posts are made permanent.

3.2.5 It is proposed that the project manager position already approved for the development of the Community Football Stadium proposed North of Gallows Hill, Warwick becomes part of the Sports Programme team, reporting to the Programme Manager. This will allow the team to benefit from a degree of skill and knowledge sharing, and will build in an element of resilience to the team., The Programme Manager will have a key role in influencing decisions around the facility mix that is incorporated in to the project and bringing sports organisations together to ensure that the final design is correct and that usage of this facility and the associated development on this site is maximised within the community. These latter elements of the project will be enhanced if the role is managed from within Cultural Services where experienced "sports and leisure officers" are on hand to advise and support as required.

3.2.6 Other potential projects that are anticipated to be led by this team include:

- future refurbishment or relocation of the athletics track
- future investment in and management of sports pavilions
- Commonwealth Games – legacy projects as appropriate
- Project support for Whitnash Community Hub project

3.3 Phase II follows the model used for Phase I in the proposal to appoint professional services initially to work with the Council to progress the the project to RIBA 1, and then, subject to there being an appetite for the projects to progress, to work with the Council through to delivery. Professional services are required to produce plans, coordinate surveys, advise on the "art of the

possible”, and to produce plans that can be used for consultation exercises once Executive approve the options (Stage 1).

3.4 The Design Team appointed for the project will produce concept diagrams (otherwise known as ‘blob diagrams’) that will show a number of options for the developments of Phase II in Kenilworth. These will show the general arrangements of different facility groupings that would be possible at each venue, given known constraints and freedoms, latent demands and sporting and commercial opportunities. The purpose of these diagrams will be to guide a discussion and a further Executive report to approve a range of options and proposals before these are then presented to the public, in order to ensure that the public are not asked to comment on any proposals that are fundamentally unacceptable to the Council. Once the acceptable elements are established, these diagrams will be used to guide a public consultation exercise designed to obtain priorities and proposals from the community.

3.5 Members approved the formation of a cross party Member Working Group to oversee Phase I. It is proposed that this group is retained and the membership reviewed to reflect the focus of Phase II on Kenilworth. As it is proposed that consultation with members of the public and partner organisations takes place at an earlier stage in Phase II, it will be essential that the Member Working Group are engaged in the project from the start and work with officers to ensure that key messages are relayed in the most appropriate way.

#### 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 if any in relation to the Council’s FFF Strategy.”

<b>FFF Strands</b>		
<b>People</b>	<b>Services</b>	<b>Money</b>
<b>External</b>		
<b>Health, Homes, Communities</b>	<b>Green, Clean, Safe</b>	<b>Infrastructure, Enterprise, Employment</b>
<u>Intended outcomes:</u> Improved health for all Housing needs for all met Impressive cultural and sports activities Cohesive and active communities	<u>Intended outcomes:</u> Area has well looked after public spaces All communities have access to decent open space Improved air quality Low levels of crime and ASB	<u>Intended outcomes:</u> Dynamic and diverse local economy Vibrant town centres Improved performance/ productivity of local economy Increased employment and income levels
<b>Impacts of Proposal</b>		

Improved health for all  Increased physical activity for all the community  Impressive cultural and sports activities  Cohesive and active communities	Area has well looked after public spaces  All communities have access to decent open space	Dynamic and diverse local economy  Increased employment and income levels
<b>Internal</b>		
<b>Effective Staff</b>	<b>Maintain or Improve Services</b>	<b>Firm Financial Footing over the Longer Term</b>
<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
<b>Impacts of Proposal</b>		
The proposal to make the 2 posts permanent provides job security and improves the opportunities to attract appropriate candidates for the posts.	Focusing on our customers' needs	Better return/use of our assets  Increased concession fee from Everyone Active  Maximise income earning opportunities  Seek best value for money

## 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 Local Plan

The newly adopted Local Plan (September 2017) provides the long-term spatial vision for development in the District until 2029 and sets out the Council's policies and proposals to support development. Significant growth is identified for Kenilworth in the Local Plan, with nearly 2,000 new dwellings being allocated across 6 sites together with 8 hectares of new employment land, education facilities including a new secondary school and primary school and new sites for relocated outdoor sports facilities.



#### 4.2.2 Playing Pitch Strategy and Indoor Sports Facilities Strategy

These strategies were initially established in 2014 and 2015 respectively having carried out comprehensive audits of local provision and needs. The Council formally adopted both Strategies which now form the basis for development of the district's sporting provision. Both have been key evidence documents for the Local Plan, in securing s106 contributions from developers to date and in establishing robust relationships with Sport England and national governing bodies of sport. It is essential that these documents remain up to date and at present work is underway to refresh the data that underpins the strategies and refresh the strategies where appropriate. This work on the Indoor Sports Strategy will be completed shortly, and the Playing Pitch Strategy will be completed later this year. Both will be key evidence documents for Phase II and for other major sports and leisure projects in the future.

### 4.3 Changes to Existing Policies

None

### 4.4 Impact Assessments

Impact assessments are not considered appropriate at this stage but will follow at subsequent stages when options are being developed.

## 5. Budgetary Framework

5.1 A budget of £100,000 was approved by the Executive in Feb 2017 as part of the 2017/18 budget to fund professional services associated with the initial stage of Phase II. Broadly the estimated costs to progress to RIBA Stage 1 are as follows:

- Professional fees £70,000
- Surveys £10,000
- WLS legal fees £11,000

5.2 In September 2017, the Executive approved the budget to allow the extension of the Programme Manager and Programme officer posts until September 2018 and the Employment Committee subsequently approved the extension of both fixed term contracts. The additional costs of £55,800 were funded from the Leisure options Reserve.

5.2.1 If the Programme Manager and Programme Officers posts are to be made permanent, this will entail an additional cost of £42,000 in 2018/19 and £98,000 per annum thereafter. These amounts should be included in the 2018/19 Budget and Medium Term Financial Strategy, for agreement by Members as agreeing the 2018/19 Budget.

5.3 The current operator of the Council's facilities in Kenilworth is Everyone Active. Although they were aware at the time of bidding for the 10 year contract that the Council was minded to refurbish its facilities in Kenilworth, the company was clearly not able to know what plans would be proposed, and so no additional income was allowed for from any future developments.

5.3.1 Everyone Active will be closely involved in the design and content of the refurbishment plans throughout the development of the project. When a definite proposal is available for consideration, Everyone Active will recalculate their income and expenditure on the basis of the new opportunities, and inform

the Council what the proposed changes would do to the sum paid to the Council.

- 5.3.2 If the Council agrees to this change to the sum paid to the Council, then a revised financial deal will be agreed between the Council and Everyone Active. If the Council does not agree to the change proposed, then it can ask Everyone Active to re-consider, it can change the refurbishment proposals or it can decide not to go ahead with the refurbishment.
- 5.3.3 In this way, although the Council has an existing operator, it will be able to negotiate a new financial deal with Everyone Active that will ensure an acceptable increase in the sum received from the operator. Indeed, it could be argued that it is in a stronger position than it was when it was planning the refurbishments in Phase I, because this time it will know exactly what effect the changes will have on the sum received.
- 5.3.4 The uplift agreed with Everyone Active can then be used to offset any borrowing that has been made to fund the works to the facilities, and the additional costs of the 2 new permanent posts.
- 5.4 No final decisions have yet been taken regarding the specific route to procure the professional services required to support this project. However based on the estimated value (circa £100k), advice from WCC Procurement officers is that the most appropriate route would be use of an existing 'Framework' or for the Council to conduct its own tender exercise. The final route to market will however be determined once there is clarity about related issues such as timescales, available budget, final scope of works etc.
- 5.5 A indicative project budget will be produced on completion of RIBA Stage 2, at which point a detailed business case for the investment will be produced and funding options will be developed.

## **6. Risks**

Risks at this stage:

- There is a risk that it is not possible to progress elements of Phase II due to financial or other reasons. Therefore there is an associated risk of raising expectations of partners or members of the public following the initial consultation.
- Risk of Kenilworth School not securing their site and/or funding for new provision
- Risks related to Wardens proposed relocation to Castle Farm and/or the relocation of Kenilworth Rugby Club to the land east of Warwick Road.

## **7. Alternative Option(s) considered**

- 7.1 We could focus solely on WDC owned assets and not engage with partners – impact on delivery of Local Plan re the school, Wardens; also not able to look at the wider picture across the town.
- 7.2 We could continue with temporary posts rather than making them permanent

## **APPENDICES:**

- A: Scope and Objectives of Phase II of the Leisure Development Programme
- B: Learning points from Phase I
- C: Staffing structure showing new posts
- D: Projects 2018 onwards
- E: Before and after photos of development at Newbold and St Nicholas Park  
Leisure Centres
- F: RIBA Project Stages