

Appendix A

Business Plan King George's Playing Fields

1. Forward – Vision Statement

The proposed development in King George's Playing Fields is a key project under the Council's Leisure Strategy 2018-28. The Strategy sets out the strategic priority areas that the Council will focus on to improve its leisure facilities. These improvements in turn support the health and wellbeing of the local community.

Never has there been a more important time to use sport and physical activity to create a fitter and healthier population when nationally we are tackling growing levels of obesity, diabetes, mental health problems and other conditions associated with a growing culture of inactivity.

The challenge facing Brentwood is clear – the Council needs to reduce its expenditure, it has several aging facilities, the borough age profile is changing and providing opportunities to increase participation levels in sport and physical activity are key to supporting the Council's health and wellbeing priorities.

The proposed development looks at the creation of a park hub within King George's Playing Fields with a new fully accessible building offering additional inclusive play opportunities and an improved outside play offer.

The planned improvements which include a new pavilion and outdoor play will provide a wider variety and more accessible activities for all the family to enjoy.

2. Executive Summary

King George's Playing Fields is a key park in the borough. The current pavilion was built in 1970s and in 2017 the paddling pools were removed for health and safety reasons. The current pavilion building and the toilet and changing facilities are not fully accessible, there is a small café within the pavilion and there is no indoor play provision in the park if the weather is poor.

The park hub development supports all six priorities of the Leisure Strategy – improved built facilities with the new pavilion building; improvements to open spaces with the new splash pad facility and adventure play; improvements to the play areas; improvement to sports facility with new accessible changing facilities and a new Tag Active facility and Golf Club lounge; supports the Borough's Health and Wellbeing priorities by promoting new health initiatives within the park; and will provide new operational management of the facilities to ensure its financial viability and long term sustainability.

It is proposed that the improvements will include a new fully accessible pavilion. The paddling pools will be replaced by a more inclusive and accessible splash pad and there would be provision for more outdoor adventure play together with a three-year planned improvement of the existing play areas in the park.

These improvements ensure that facilities will be fully inclusive and accessible for users. The pavilion building will provide high quality/flexible space and fully inclusive changing and toilet facilities. The new outdoor adventure play and play area improvements will provide new existing and high quality and accessible facilities which will contribute to the health and wellbeing of all residents.

3. Introduction

The purpose of this business plan is to set out how the new exciting development proposals for King George's Playing Fields (KGPF) will be implemented.

Significant work has already been carried out by the Council in consultation with residents, elected members and partners to ensure that what is proposed will meet the current and future needs of the local community.

Alliance Leisure Services (ALS) were appointed by the Council in March 2018 to develop a sustainable business plan with the Council for the improvements to KGPF. The plan considered the Council's strategic priorities, current and future leisure needs, the design and facility mix, identify income generation opportunities and preferred operational management arrangements. The initial plan identified a number of delivery options that would need further consideration.

Subsequently, these delivery options set out in Appendix F, H and I has been examined and the preferred options are presented in the business plan which best support the desired outcomes and objectives of the Council's overarching Leisure Strategy.

4. Background

The Council's Leisure Strategy sets out the strategic priorities which will ensure the improvement of the Borough's leisure facilities and future viability of leisure services and facilities which will support the health and wellbeing of the borough's residents. Members agreed that improvement to the existing facilities in KGPF were a priority and as such was identified as the first key project as part of the delivery of the Leisure Strategy. Appendix B sets out the full background to this project.

5. Why are we doing this?

The project set out to deliver a number of outcomes as set out in Leisure Strategy. It recognises that improvement to facilities can be the catalyst to improve public health, enhance inclusion and accessibility and provide future financial viability that will enable the continuation of high-quality leisure facilities.

The Council identified the preferred facility mix, considering the future demand for outdoor sports provision, commercial leisure opportunities, the current catering offer and the wider open spaces of KGPF. The current and potential future management arrangements have also been considered.

There are a number of expected outcomes that the new facilities will provide. The Council will be able to measure participation levels of individuals through the TAG Active facility which will target older children and adults and provides an activity that families can undertake together.

The indoor play will also provide another activity for younger children to participate in especially when the weather is poor, and they are unable to use the outside play facilities.

The new pavilion facilities will provide a new 'changing places' toilet facility with specialist equipment and a sensory room that will provide a range of fully inclusive facilities for those with either additional sensory or physical needs. The Council is also looking at providing another Changing Places facility close to the refurbished play area to support the 'outdoor' play offer.

There will be improved changing and toilet facilities for public and sports club use, together with an improved food and drink offer and party room hire.

There will be an improved, fully accessible multi-use space for the golf club and the public to utilize within the building.

The proposed new outdoor adventure play will include sky nets and a new splash pad facility to replace the old paddling pools.

Initial consultation took place with the key stakeholders of the site to inform the council of their own priorities and requirements. Public consultation took place in the Summer of 2018 at the Council's Strawberry Fair and Family Fun Days. Two further public consultation events took place on 14 and 23 March 2019 which provided feedback on the initial designs and concepts. These have been fed back to the ALS. Consultation has also taken place with specialist organisations in respect of the fully inclusive and accessible play offer within the park.

6. How will vision be delivered through the recommended options.

The Council looked at various options in regard to the location of the pavilion building and how it supports the various activities within the park. Four options were considered looking at identifying the advantages and disadvantages of each of those options, which are set out in Appendix F. It is proposed that Option 4 is taken forward as the preferred option as it will deliver all the outcomes and objectives that the Council desires and is within the budget allocation. The development will require planning permission and a planning application will need to be submitted for the preferred option (likely to be July/August for consideration by the October/November Planning Committee).

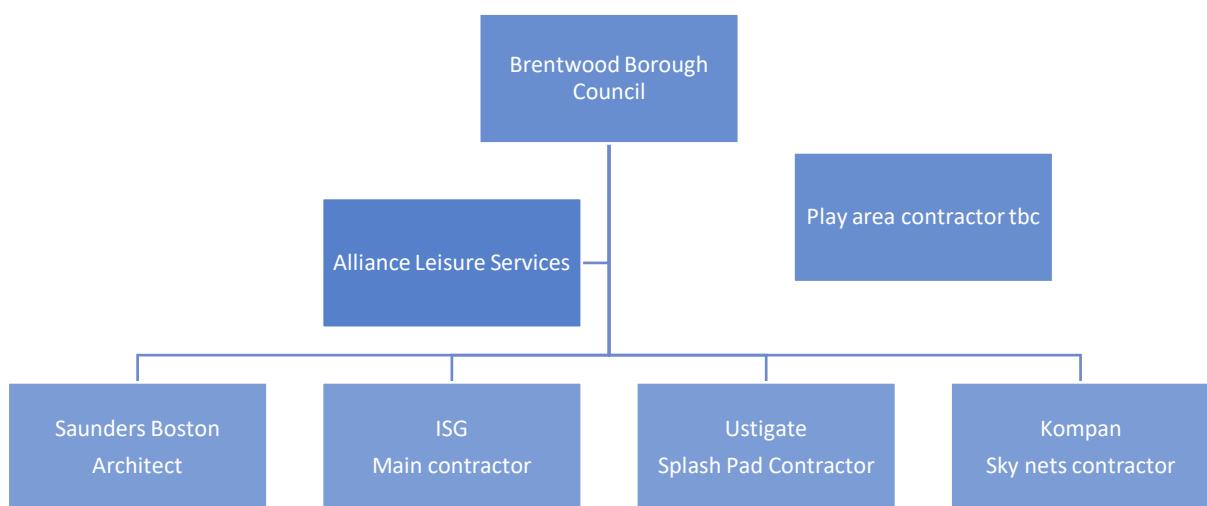
The planning application has been informed through consultation with key stakeholders, public consultation and input from Officers, elected Members and the Leisure Development Partner to achieve the desired outcomes that the Council would like to achieve and ensure the future sustainability of the building.

The Council's Leisure Development Partner ALS works nationally with local authorities and specialist contractors to deliver improved leisure facilities. As part of a procurement framework they have a number of specialist contractors that they work with to deliver the desired outcomes for the local authority.

To get the Council to cost certainty an Access Agreement has been agreed through the Denbighshire Leisure Framework with Alliance Leisure Services, the Council's Leisure Development Partner. This will identify all the relevant contractor fees, survey requirements for both the construction, ecology and planning processes together with the fit-out costs for TAG Active, soft play, catering facilities and any professional fees and charges.

Officers, elected Members and representatives from ALS provided an evaluation panel and various specialist contractors presented their concepts to the panel for the main pavilion building, the splash pad and the outdoor adventure play. After the panel evaluated the various concepts the preferred contractors were selected through ALS.

Subject to planning approval officers will sign the Delivery Agreement and Building Contract to formally appoint the contractors for the delivery of the project. The main contractor for the project is proposed to be ISG (Appendix L) who have set out the methodology to the evaluation panel of how they would deliver the construction and site management during the build phase of the pavilion, but also how they will oversee the other specialist contractors for the splash pad, outdoor play and the play area. This will ensure that the programming of the build works and the project management take into account the continued access for park users while the build phase is in progress. This will require a phasing the build and improvements to the park.



There is a separate procurement exercise for the planned improvements to the park's play areas delivered over the next 3 years (2019/20 – 2022/23) as part of the delivery of the Council's Play Area Strategy. This will be done as a single procurement exercise which will identify a preferred supplier to deliver the infant,

junior and senior play area. The Council is working closely with inclusive play providers to ensure that the new play areas provide fully inclusive and challenging play.

Football Hub development

The KGPF project is closely aligned to the strategic improvement plans at the Brentwood Centre site. In particular, the proposed development of a football hub that will provide 5 grass pitches, a full sized Third Generation (3G) Artificial Grass Pitch (AGP) together with new changing facilities. This hub development is supported by the Essex Football Association. The Brentwood Centre site is also identified as a key site as part of the Council's Play Pitch Strategy and Local Football Facilities Plan for Brentwood.

The current changing room provision in the KGPF supports adult and junior football, and Brentwood Rugby Club. Brentwood Rugby Club have indicated that they will be developing their own plans for improvement to the Rugby Club pavilion adjacent to the Ingrave Road entrance to KGPF. If the football hub at the Brentwood Centre site is developed, then adult football can be moved to that site leaving just junior football in KGPF. This will reduce the requirement for changing facilities from 16 to 4. These new changing facilities will be fully accessible.

There is therefore a dependency on the football hub to be developed in tandem with the KGPF project, so that there is no loss of changing provision in Brentwood. It is recommended that a feasibility study be undertaken for the Brentwood Centre site so that the preferred location for the football hub is identified. This will also need to consider any future planned improvements on the site such as the Brentwood Centre building.

Capital Funding

Capital funding for the project is allocated within the Council's Medium-Term Financial Plan and any monies spent on the feasibility study will be considered as part of the Council's match funding when the Council applies to the Football Foundation for match funding to support the development of the project.

Subject to planning approval the following action plan sets out the key milestones for the delivery of the KGPF project.

Key Milestone/Deliverable	Planned date	Latest date	Comment
Planning Submission	July 2019	August 2019	Subject to the outcome of the 3 rd Pre-App meeting with Planning Development
Planning application determination	October 2019	November 2019	Dependent on submission date (12-week statutory consultation)
Cost Certainty Design and Costing through RIBA Stage 4*	July 2019	August 2019	Run in tandem with planning to achieve estimated timescales above
Planning Committee	16 October 2019	13 November 2019	Dependent on submission date (12-week statutory consultation)
Delivery Agreement and Building Contract	November 2019	December 2019	
Build mobilisation (from point of order estimate 6-8 weeks)	December 2019	January 2020	
Commence on site	January 2020	February 2020	

7. Financials

Capital Investment opportunities table

Capital Investment opportunities	Option 1 – Do Nothing	Option 2 – Refurbish existing building	Option 3 – new build on existing footprint	Option 4 - new build on new footprint
Invest to save	No further opportunities	Limited opportunities to invest to save	Maximise potential revenue income through indoor activities, sensory room & multi use space bookings, improved food and drink offer	Maximise potential revenue income through indoor activities, sensory room & multi use space bookings, improved food and drink offer
Reduce maintenance costs	Currently annual maintenance (including grounds maintenance) costs are £531,472	Limited opportunities to reduce all maintenance costs on existing building	Optimised energy efficiency throughout new building	Optimised energy efficiency throughout new building
Increase revenue	Current revenue costs is £301,350	£?	Projected net income £86,000	Projected net income £86,000
Threats to loss of income	While any planned maintenance works are carried out	Transition arrangements need to be in place to ensure business as usual when improvement works are being undertaken. Refurbishment of existing pavilion may not be a big enough footprint to generate the required income to finance the capital costs and ensure sustainability	Transition arrangements need to be in place to ensure business as usual when improvement works are being undertaken	Business as usual can continue while improvement works are undertaken
Timescale of works	N/A	TBC	Longer than 8 months	8 months build plus any demolition of existing pavilion

Capital costs	Unknown, however the pavilion needs required investment. Stock condition survey would be required to determine costs of dilapidations	Refurbishment would involve decant costs, hired portacabin costs for the businesses in the current pavilion and for the 16 changing rooms would incur monthly revenue pressures of around £15,000	Refurbishment would involve decant costs, hired portacabin costs for the businesses in the current pavilion and for the 16 changing rooms would incur monthly revenue pressures of around £15,000	£7.123m
Return on investment	£0	Limited		
Finance Source	General Fund and Public Works Loan Board for Capital Costs		Public Works Loan Board	Public Works Loan Board

Operating Model & VAT options set out in Appendix I

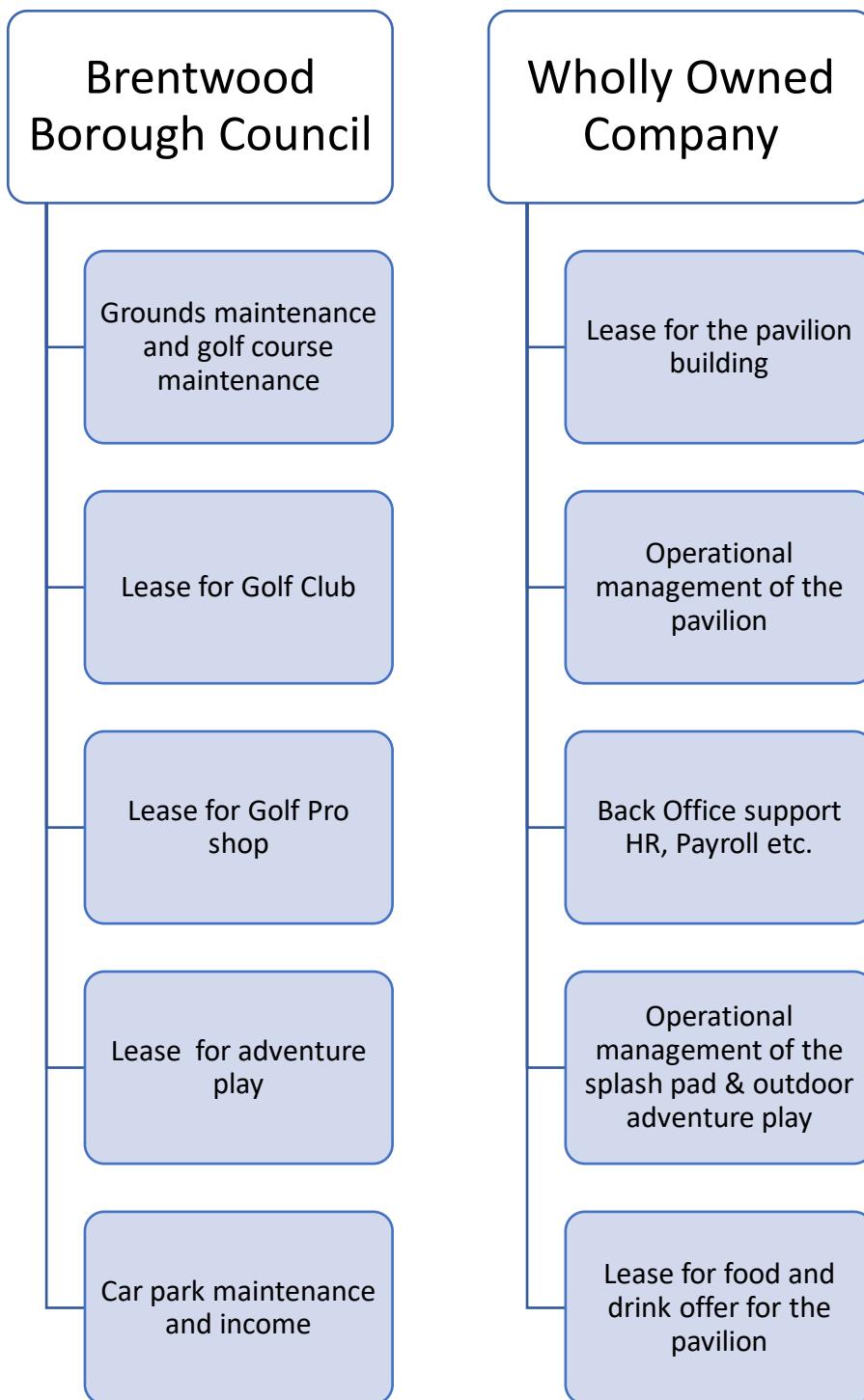
Summary of projected income and expenditure – Brentwood Borough Council

BBC	Income £'000	Expenditure £'000	Comment
Pavilion Build Costs		5,000	Subject to Option 4 being agreed
Soft Play and Tag Active		600	
Café		75	
Outdoor Sky Trail and Nets		545	
Outdoor splash pad		400	Subject to Option 2 being agreed
Professional fees		553	
Total Build costs		7,173	Subject to Option 2 on splashpad being agreed
Interest Costs on borrowing @2.5%		179	
Minimum Revenue Provision (Principal)		215	
Annual Financing costs		394	
Car Park Income	116		
Lease income from WOC	364		Subject to Option 2 being agreed
Total income	480		
Annual net income to BBC	86		

Summary of projected income and expenditure to Wholly Owned Company (WOC)

WOC	Income £'000	Expenditure £'000	Comment
Salaries		377	
Utilities		20	
NNDR		10	
Insurance		10	
Repairs and Maintenance		31	
Cleaning		6	
Equipment		9	
Other supplies		7	
Advertising and Marketing		22	
Communication		7	
Other Administration		4	
Cost of Sales		201	
Lease income to BBC		364	If using Option 3 operating model
Central Costs		59	
Profit			
Risk / Contingency		46	
Total Expenditure		1,173	
Soft Play	206		
TAG Active	292		
Multipurpose Room	35		
Splash Pad	84		
SkyTrail/Nets	267		
Catering	419		
Total income	1,303		
Operator Surplus / Deficit	130		

Proposed structure and responsibilities Brentwood Borough Council and Wholly Owned Company or 3RD Party operator



It is proposed that a Service Level Agreement is drafted between Brentwood Borough Council and the Wholly Owned Company to set out the various roles and responsibilities for both parties.

Other costs to be determined are the car parking fees and charges, which will need to be agreed by Members as part of the annual fees and charges. This will determine

what the projected income to the Council will be. The car park fees and charges will also need to be aligned with the Council's Car Parking Strategy across the whole Borough.

All existing lease income remains unchanged until the expiration of those leases.

It is proposed that any fees and charges are agreed between Brentwood Borough Council and the Wholly Owned Company before being submitted as part of the annual budget setting process.

The Council can obtain funding from the Public Works Loan Board (PWLB). This option of funding offers favourable rates to the Council. The Board's interest rates are determined by HM Treasury in accordance with section 5 of the National Loans Act 1968. The Government has reduced by 20 basis points (0.20%) the interest rates on loans to principal local authorities who provide information as required on their plans for long-term borrowing and associated capital spending (the Certainty Rate). This allows the authority to borrow long-term at a reduced rate compared to the market. Currently rates are averaging at 2.5%.

Another option to the Council is that Alliance Leisure can provide 25-year funding at approximately 5%. This option is a fixed term of 15 years plus 10 years. Alliance Leisure Fund net and build the asset, in turn the Council leases the asset, at the end of term the asset is transferred back to the Council.

The location of the pavilion will also impact on the costs for the project. A site option appraisal was carried out as set out in Appendix F and it is recommended that Option 4 is selected as it will achieve all of the desired outcomes and is within the current budget allocation.

8. How will we know if we have been successful – what will be different, how this will be measured, monitoring and review and reporting progress.

The improvements to King George's Playing Fields will support all six priority areas of the Leisure Strategy.

- Priority 1 Built facilities – the new pavilion will provide fit for purpose, fully accessible and an efficient building.
- Priority 2 Open Spaces – the improvements provide improved fully inclusive ancillary facilities such as changing rooms and toilets which support the existing play pitches and the park in general
- Priority 3 Play Areas – The play areas in King George's Playing Fields will be refurbished as part of the improvement plan
- Priority 4 – The Golf Club, Golf Course and football clubs will have improved ancillary facilities as a result of the build.
- Priority 5 – Health and Wellbeing – The new indoor play, TAG Active, improved fully accessible changing facilities will also provide opportunities to promote Health and Wellbeing initiatives such as reducing obesity,

- improving physical and Mental Health and wellbeing and increasing participation and activity level.
- Priority 6 – Management and Oversight – The preferred operating model will have a Service Level agreement in place with agreed KPIs which will be reported to the relevant Committee, together with feedback from residents and visitors on the new facility. The new building will be more efficient and effective to reduce utility costs and enable accurate usage for tenants, create more income streams that will support the free ‘community’ offer in the park.

9. Conclusion and Recommendations

That Members agree the recommendations in the business plan and for the drawdown of the £7m allocation of funding to support the delivery of the King George's Playing Fields improvements and that Members agree to the following options of:

- a) Option 4 for the location of the pavilion building
- b) Option 2 for the splash pad
- c) Option 2 for the outdoor adventure play
- d) Option 3 for the operating model

That Members also support the inclusion of a changing places facility that will support the outdoor play activities; and for officers to commence a procurement exercise to appoint a contractor to undertake the football feasibility works to commence the football hub development at the Brentwood Centre site.

Appendices

- A. Background summary
- B. Decision Making Process
- C. King George's Playing Fields current income and expenditure
- D. King George's Playing Fields – income and expenditure future projections
- E. Pavilion site options
- F. King George's – Play area improvement plan
- G. Splash pad options
- H. Operating model options
 - i. BBC Direct management
 - ii. Trust/CIC
 - iii. WOC or 3rd party operator
- I. Football feasibility background
- J. Site plans for king George's Playing Fields improvements – Visuals will be shared on the night.
- K. ISG background
- L. Risk and Opportunity