	REPORT TO CABINET TO BE HELD ON 19 JANUARY 2016	
	Key Decision	YES
	Forward Plan Ref No	TC14
Corporate Priority: Inclusive and Vibrant	Cabinet Portfolio Holder	Cllr Backhouse

REPORT OF: DIRECTOR (TW) – 16/016

WARDS AFFECTED: EASTFIELD, SEAMER, CAYTON

SUBJECT: FUTURE OF THE ARTIFICIAL GRASS PITCH PINDAR LEISURE CENTRE

RECOMMENDATION(S):

Cabinet is recommended to note the options available to the Council in respect of the future of the Pindar Pitch and:

- (i) Approve that, subject to obtaining a minimum of 50% in external funding, the pitch be upgraded to a 3G (third generation artificial grass) Federation International de Football Association (FIFA) 1 Star Standard facility on the existing pitch footprint;
- (ii) Instruct officers to work with Sport and Leisure Management Ltd (the operators of the Interim Indoor Leisure Management Contract) to prepare and submit a grant funding bid to the Football Foundation for the pitch upgrade in the next available funding application window (May 2016);
- (iii) Instruct officers to work with SLM on the demand analysis and a Football Development Plan needed to accompany the grant funding bid;
- (iv) Approve that a capital budget of £387k be included within the 2016 Financial Strategy for the upgrade, to be funded as follows:
 - o £24k from existing reserves set aside for the pitch replacement
 - o £69k from the savings generated throughout the Interim Indoor Leisure Management Contract with SLM
 - o £194k external funding
 - o £100k from capital resources;
- (v) Approve that a revenue budget of £32k per annum be established to fund annual repair and maintenance costs and sinking fund contributions for future replacement of the pitch; to be funded from the savings derived from the indoor leisure operator contract with SLM;
- (vi) Instruct officers pursue the replacement sand filled carpet option on the existing footprint (excluding some of the items quoted in the Feasibility Study) if external funding bids for the 3G pitch are unsuccessful.

REASON FOR RECOMMENDATION(S):

The playing surface of the artificial grass pitch at Pindar Leisure Centre is approaching the end of its lifespan and a decision is required regarding the future of the facility.

Earlier reports to Cabinet highlighted that the non-replacement of the pitch would be classed as a Council change under the terms of the Leisure Operating Contract (LOC) for the Council's indoor leisure facilities with SLM and the contract price would be adjusted to reflect the loss of income associated with its closure. This would result in a net loss of £43k per annum for the Council (£50k compensation for lost income less £7k annual maintenance costs). Therefore non-replacement of the pitch is not considered to represent a cost effective solution.

HIGHLIGHTED RISKS:

A Risk Matrix is attached at Appendix A.

1. INTRODUCTION

- 1.1 The artificial grass pitch at Pindar Leisure Centre was completed in 1999 with an expected lifespan of 10 - 12 years for the playing surface depending on the level of usage and maintenance.
- 1.2 It has been rejuvenated on a number of occasions to maximise its lifespan but recent feedback from Thornton Sports UK Ltd who constructed the facility stated:-
 - the carpet seams are becoming extremely thread bare and will split creating trip hazards
 - patch repairs will only highlight the problems and the repairs will be more dangerous than the existing conditions
 - no major remediation work will provide longevity of use as the carpet is too thin to work with
 - the pitch has a maximum length of operation of 18 months – 24 months as it will become unsafe to use.
- 1.3 The future of the artificial grass pitch and potential options were reported to Cabinet on 14 April 2015 (Report Number 15/112) and officers were requested to further explore the following options with a view to reporting back to Members:-
 - a) Do not replace the pitch and close the facility;
 - b) Replace the pitch with another sand facility; or
 - c) Upgrade to a 3G pitch
- 1.4 A subsequent report on the operation of the Council's existing indoor leisure facilities (report ref 15/246) provided an update on the above options and set

out that the non-replacement of the pitch would be classed as a Council change under the terms of the LOC therefore SLM would have to be compensated for the loss of income associated with its closure. As SLM have built £50k annual income into their business plan in respect of the pitch the report concluded that non-replacement was not considered to represent a cost effective solution for the Council and therefore would not be pursued.

- 1.5 Robinson Low Francis Construction and Property Consultants (RLF) approved Football Association (FA) framework consultants were commissioned to compile a Feasibility Study of the potential options for the pitch including a Condition Survey. This report outlines the findings of the Feasibility Study and sets out a number of recommendations for Cabinet to consider.

2. CORPORATE AIMS/PRIORITIES AND THE COMMUNITY PLAN

- 2.1 The proposals set out in this report support the Corporate Aim of Inclusive and Vibrant.

3. BACKGROUND AND ISSUES

3.1 Pindar Leisure Centre

- 3.1.1 Pindar Leisure Centre is located at George Pindar School, Eastfield and facilities include:

- Sports Hall
- Fitness suite
- Changing Rooms
- Community room
- Skate park
- Floodlit artificial grass pitch

- 3.1.2 The Council has a Joint Use Agreement with the School for the operation of the Leisure Centre during community use time. The facilities are available for school use until 5.30pm on week days during term time and for community use on evenings during term time and all day during weekends and school holidays.

- 3.1.3 The facility was managed by the Council's Leisure Services until the operation of the Council's indoor leisure facilities were transferred to SLM on 1 October 2015. SLM now fulfils the Council's obligations under the terms of the Joint Use Agreement.

- 3.1.4 SLM are operating the Council's indoor leisure facilities under an Interim Indoor Leisure Management Contract until the Scarborough Sports Village is completed (anticipated completion date is April 2017) and will then operate the Council's indoor leisure facilities under a 10 year LOC with the option to

extend for a further 5 years if it can be demonstrated that this represents value for money for the Council.

3.1.5 The Joint Use Agreement was established in 1995 for a period of 21 years when the Leisure Centre was built and comes to an end in January 2016. Negotiations are well advanced with the school to extend the Joint Use Agreement to align with the duration of the Interim Indoor Leisure Management Contract and LOC for the Council's indoor leisure facilities.

3.2 The Artificial Grass Pitch at Pindar Leisure Centre

3.2.1 The artificial grass pitch is located on the school playing fields and has the following features:

- a sand dressed carpet playing area 97.5 long and x 60.9 metres wide marked for hockey and football
- a total playing area with surrounding run off 101.4 x 62.9 metres
- 2 storage areas at north east and south west corners of the facility 10 x 7 metres each
- 8 hinged flood lighting columns 15 metres high (4 on the western and 4 on the eastern side of the facility)
- spectator area 49.6 long x 5 metres wide on the western side of the pitch
- weldmesh metal perimeter fencing 2.9 meters high around the pitch and spectator area rising to 5 metres high behind both end goal areas for 21 meters length.

3.2.2 The facility is currently well used by the school to deliver its Physical Education curriculum. It is also well used during weekday evenings by local adult and junior football clubs, 5-a-side football leagues and informal groups. There is less usage on weekends and outside of the football season during the summer months.

3.2.3 Annual expenditure on electricity for lighting, equipment replacement, repairs and maintenance etc. varies each year but on average is £7k per annum.

3.2.4 The facility originally cost £380k and was funded by a Sport England grant of £310k, Foundation for Sport and the Arts grant of £40k, the school raised £25k and Scarborough Hockey Club £5k. As the Borough Council was unable to make a financial contribution towards the construction costs it agreed to fund 100% of the annual revenue costs and provide a Sinking Fund for a future replacement surface but retained 100% of the income taken during community time. The Sinking Fund currently stands at £24k as it has been used to fund previous rejuvenation works and contributions have been limited due to the Council's financial position.

3.2.5 Under the terms of the Interim Indoor Leisure Management Contract and LOC the Council retains responsibility for the maintenance costs associated with the artificial grass pitch but SLM operate the facility and retain the income. During the tender process for the selection of an external operator for the Council's indoor leisure facilities bidders were asked to assume that the pitch

would be retained in its current form in their final tender submission. SLM have incorporated income of £50k per annum from the sand surface within their tender submission which is considerably higher than the average £16k annual income generated by the Council from community use of the facility.

3.3 Replacement Surface Options

- 3.3.1 There are currently 6 categories of artificial surfaces on the market featuring various types of rubber crumb, sand and water. Each have specialised playing characteristics and it is not possible to provide a surface that can meet the needs of all sports. All surfaces have an estimated lifespan of approximately 10-12 years depending on the level of usage and maintenance.
- 3.3.2 Each sport has its own specific performance requirements and subsequent testing criteria. A sand based carpet is the most appropriate surface for hockey. The most appropriate surface for football is 3G (third generation artificial grass) which is a rubber crumb surface. There is a 3G pitch surface on the market that passes the performance standards for football and hockey, however this is a half-way house that neither sport would favour.
- 3.3.3 When the facility was constructed the primary sport was hockey and a sand based carpet was the most appropriate surface for that sport. At that time hockey featured heavily in the school's Physical Education curriculum and the facility was the home for Scarborough Hockey Club who had several teams and a dynamic sports development programme. This type of surface was also acceptable for football training.
- 3.3.4 The current usage of the facility in community time is dominated by grassroots and social football played in thirds across the pitch. The school use is multi sports. The hockey club is far less active than when the facility was constructed and has moved to a sand based artificial grass pitch at Scarborough College. However the club has no security of tenure at the College and if the existing sand based facility at Pindar Leisure Centre was converted to 3G and the facilities at the College were no longer available then they would have no local, suitable facility.
- 3.3.5 The school has expressed that its favoured artificial surface is 3G. SLM have also indicated that their preferred artificial surface is 3G as that surface is likely to generate additional revenue in comparison to the existing sand dressed carpet through increased hire fees and a potential greater demand for the superior surface.
- 3.3.6 Operational costs for a replacement sand based carpet and 3G surface will remain similar to those of the existing facility and a sinking fund will need to be established for future replacement of any surface.

3.4 Potential Sources of Funding for a New Artificial Grass Pitch at Pindar Leisure Centre

- 3.4.1 The sinking fund contains £24k.

- 3.4.2 On 7 September 2015 Council approved that the savings derived from the Interim Indoor Leisure Management Contract with SLM be earmarked for the refurbishment of Pindar Leisure Centre artificial grass pitch (Report Number 15/246). It is anticipated that the Scarborough Sports Village will open in April 2017 therefore the Interim Contract will be approximately 18 months and generate a savings of £69k for the Council.
- 3.4.3 The school has expressed limited financial support although they will greatly benefit from a new facility. The school managed the Leisure Centre including the artificial grass pitch from 2008 to 2012 and made no contribution to the Sinking Fund. As a minimum an amount to cover the contributions to the Sinking Fund for this period should be requested.
- 3.4.4 Section 106 Planning Gain monies may be available in the future from the Middle Deepdale development but these are unlikely to be available for some time.
- 3.4.5 It is unlikely that England Hockey will have any funds to contribute towards a replacement sand facility.
- 3.4.6 Sport England will not make a financial contribution towards a new surface as they made the major contribution to the original construction and the Grant Award included the requirement that the Council established a sinking fund for the cost of a future replacement.
- 3.4.7 The FA's preferred surface is 3G as this is the most suitable for football and they will not fund a sand based carpet.
- 3.4.8 The Scarborough Borough Playing Pitch Strategy (2014) states that the FA formula for latent demand for football identifies a need for two and a half 3G pitches in the Scarborough town area. There is an existing half size facility at Hull University (Scarborough Campus) and a full size facility is included in the proposed Scarborough Sports Village.
- 3.4.9 Initial discussions with the FA suggest they will support an upgrade of the artificial surface pitch at Pindar Leisure Centre to 3G if the Football Development Plan is adequate i.e. demonstrates good usage by 4-5 football clubs not using the 3G pitch at Scarborough Sports Village. Scarborough Athletic Football Club the anchor tenant at the Leisure Village has several senior and junior teams at various age groups and a ladies team and is likely dominate the usage programme. Although other football club and community use is proposed for the facility at the Sports Village there is potential excess demand for football that a 3G pitch at Pindar Leisure Centre could accommodate.
- 3.4.10 The Football Foundation generally require 50:50 match funding although this can sometimes be increased to 60:40 if the Football Development Plan offers greater benefit to the sport. The earliest potential grant application window is

May 2016 with a decision in July 2016. Application is via Grantshot, the Football Foundation online application process and has the following 3 stages:

- project idea
- headline application
- full application.

3.4.11 Any application for funding to the Football Foundation is likely to have to be in the school's name as the landowner.

3.4.12 Other potential sources of external funding can be investigated e.g. Yorventure etc.

3.5 Feasibility Study Compiled by RLF (See Appendix B)

3.5.1 A Feasibility Study including Condition Survey was conducted by RLF, framework contractors for the FA and is attached at Appendix B. The £4k cost of the survey was met from existing revenue budgets but can be reclaimed as part of a successful Football Foundation Grant Award.

3.5.2 The Condition Survey confirmed the poor condition and short remaining lifespan of the surface previously highlighted by Thornton Sports UK Ltd.

3.5.3 The Feasibility Study identified that the existing surface is acceptable but not ideal for football, the dominant sport played on it, and that the facility does not comply with the current FIFA 1 Star Standard or FA Guideline Pitch size.

3.5.4 A Summary of the main findings includes:-

Playing Area

The existing playing area was constructed with hockey as the primary sport and the size is smaller than an FA Guideline Pitch size. The current playing area is 97.4 metres long x 60.9 metres wide and the total area including run off is 101.4 meters x 62.9 metres.

The playing area of an FA Guideline pitch is 100 metres long x 64 metres wide and total area with run off is 106 x 70 metres.

Recessed Goals

There are no goal recesses built on the existing facility. The FIFA 1 Star Standard requires recesses behind the existing end goals and the goals when the pitch is divided into thirds and play is across the width. The provision of recessed goals will add to the length and width of the facility and extend it outside the existing footprint and onto the school playing fields.

Fencing

The existing fencing was recorded as being in a satisfactory condition. The current height of the fencing around the pitch is 2.9 metres excluding where it increases to 5 metres behind the two end goals for a distance of 21 metres.

The FIFA 1 Star Standard requires 4.5 metres high fencing around all the facility.

Spectating Area

The existing spectator area is located on the western section of the facility. Any increase in the width of the playing area or provision of recessed goals will require the spectating area to be moved further west onto the school playing fields.

Floodlighting

An initial inspection of the floodlights suggested they are acceptable although a floodlight specific survey is recommended. It is likely that the floodlights will require upgrading to comply with FIFA 1 Star Standard. The Study did note that the foundation bolts had rusted.

The four floodlighting columns located on the western side of the facility will need moving further west onto the school playing fields if there is an increase in the width of the playing area or provision of recessed goals.

Maintenance Equipment

The Study recommended new maintenance equipment (tractor, drag brush etc.) as the existing equipment is aged and ineffective.

Shock Pads and Base

Laboratory testing of samples taken from the pitch surround has provided an indication that the existing shock pad retains good elasticity. However the same results for the entire pitch area cannot be guaranteed. A complete Condition Survey can only be carried out once the existing shock pad has been fully exposed.

The result of the surface regularity testing also identified several undulations that may require remedial works following the removal of the carpet. Currently it is not known if the undulations are due to the condition of the shock pad, the macadam layer, or both, and therefore it is likely that the shock pad will require removal/renovation in some areas.

Ultimately it is the suppliers decision as to whether the shockpad can be reused as part of their proposed surface system, which will need to be certified to the relevant standard(s) on completion of the works.

Sports Equipment

The equipment (goal posts and dividing nets) are aged but in a usable condition.

Footpath Access

The FA require a hard surface footpath access along the most direct route from the changing facilities to avoid contamination of the surface by players taking short cuts over grass and carrying mud etc. on their boots onto the artificial surface pitch. This will involve the construction of a new path.

Vehicle Access and Works Compound

Any works to refurbish the facility will require vehicular access and a Works Compound. Further discussions with the school will be required to determine whether this is practical as there is rainwater drainage storage tanks located under the grass playing fields. Consultation will also be required on the timing of any works to avoid disruption to the school and comply with safeguarding regulations.

3.6 Options and Costs

3.6.1 Based on the findings of the Feasibility Study the following options were identified by RLF:

Option 1 – Refurbish the facility and replace the surface with a new sand filled pitch on the existing footprint

This would include a new sand dressed carpet including new shock pad; retention of the drains and macadam sub base; new floodlight fittings; new access path to link with changing facilities; new 4.5m high fencing and 1.2m spectator rail; new sports equipment and brushing plant.

Option 2 – Refurbish the facility and upgrade to a 3G FIFA 1 Star Standard pitch on the existing footprint

This would include a new 3G surface; retention of drains and macadam sub base; new floodlight fittings; new access path to link with existing changing facilities; new 4.5m high fencing; new goal recesses and new sports equipment and brushing plant.

Option 3 – Refurbish the facility, upgrade to a 3G FIFA 1 Star standard pitch and extend the facility footprint to accommodate an FA Standard Guideline size pitch

This would include a new 3G surface; an extension of the existing footprint to create a full size 106 x 70m football pitch including goal recesses and spectator areas; retention of drains and macadam sub base; new floodlight fittings; new access path to link with existing spectator area; new 4.5m high fencing and 1.2m spectator rail; new sports equipment and brushing plant

3.6.2 The following table features RLF's breakdown of estimated costs for each option:-

	OPTION 1 – REPLACEMENT SAND SURFACE ON EXSTING FOOTPRINT £'000	OPTION 2 – REPLACEMENT 3G SURFACE ON EXSTING FOOTPRINT £'000	OPTION 3 – REPLACEMENT 3G SURFACE AND EXTENDED FOOTPRINT £'000
Contract Preliminaries	16	16	24
Site Clearance,	16	16	16

Groundworks etc.			
Drainage Works	2	2	4
Pitch Foundations & Base	16	62	92
Artificial Grass Surface	95	110	130
Perimeter Fencing	57	57	64
Sports Equipment & Site Furniture	24	24	24
Floodlighting	30	30	30
Hard Standing Areas	17	17	20
Reinstatement	3	3	3
Maintenance Equipment	11	11	11
SUB TOTAL	287	348	418
Contingency (5%)	14	17	21
Shock Pad	40		
Shock Pad Contingency	2		
Professional Fees (RLF)	22	22	22
TOTAL	365	387	461

4. CONSULTATION

4.1 Consultation has taken place with George Pindar School, SLM, the Football Association and its funding arm the Football Foundation, Thornton Sports UK Ltd, Robinson Low Francis Construction and Property Consultants and the Council's Planning Services.

5. ASSESSMENT

5.1 An assessment of the three options identified in the Feasibility Study has been conducted alongside a further option to replace the sand surface but exclude some of the items quoted in the Feasibility Study. The four options available to the Council therefore include:-

- Option 1 - Refurbish the facility and replace the surface with a new sand filled pitch on the existing footprint as quoted in the Feasibility Study;
- Option 2 – Refurbish the facility and upgrade to a 3G FIFA 1 Star standard pitch on the existing footprint;
- Option 3 – Refurbish the facility, upgrade to a 3G FIFA 1 Star standard pitch and extend the facility footprint to accommodate an FA Standard Guideline size pitch;
- Option 4 – Replace the surface with a new sand filled pitch on the existing footprint but exclude some of the items quoted in the Feasibility Study

5.2 Option 1 – Refurbish the facility and replace the surface with a new sand filled pitch on the existing footprint as quoted in the Feasibility Study (See Appendix C for a plan of the existing footprint).

- 5.2.1 This option will not require any changes to the existing facility footprint and is the most appropriate surface for hockey should the Scarborough Hockey Club wish to use the facility in the future. It would be acceptable but not the most appropriate surface for football, which is currently the dominant sport.
- 5.2.2 The estimated cost of a replacement sand facility, as quoted by RLF, is £365k. No external funding opportunities are available for the replacement of a sand filled pitch.
- 5.2.3 The annual expenditure is likely to be similar to the existing figures (£7k per annum) with a need for a sinking fund for future replacement of the carpet in 10 -12 years depending on levels of usage and maintenance.
- 5.2.4 Given the high capital cost and there being no external funding opportunities available for this option this is not considered to represent a cost effective solution.

5.3 Option 2 – Refurbish the facility and upgrade to a 3G FIFA 1 Star Standard Pitch on the existing footprint

- 5.3.1 This option will require limited changes to the existing facility footprint to accommodate the recessed goals. The surface is ideal for football, the dominant sport but is not be suitable for hockey.
- 5.3.2 The estimated cost of an upgraded 3G facility, as quoted by RLF, is £387k. Although the size of the pitch is smaller in size than FA Guideline Standard initial discussions with the FA suggest they will support a conversion of the existing footprint to a 3G surface subject to an appropriate Football Development Plan and match funding.
- 5.3.2 To secure the Football Foundation Funding the requirements for floodlighting fencing, recessed goals etc. will have to satisfy FIFA 1 Star Standard. The floodlights and fencing may require planning approval dependent on whether or not it is interpreted as works permitted by General Development Permitted Order (2015) which allows development by Local Authorities Planning Approval. Further consideration is required.
- 5.3.3 It is anticipated that a 3G pitch will generate additional revenue in comparison to the existing facility as there is likely to be greater demand for the superior surface and hire fees can be increased. Paragraph 3.2.5 of this report identifies that SLM have however factored significant increases in the levels of usage and income derived from the pitch into their tendered business plan therefore the potential to generate further increases may not be possible under their business model.
- 5.3.4 Operational costs will remain similar to the existing facility (£7k per annum) and one of the Football Foundation funding requirements will be that the Council creates and contributes to a sinking fund to replace the 3G surface at the end of its lifespan. Although the lifespan of a 3G pitch is approximately 10 years the monitoring and evaluation associated with a grant from the Football

Foundation is for 21 years. The grant therefore requires the establishment of a sinking fund (recommended at £25k per year) to replace the carpet at the end of 10 and 21 years.

5.3.5 Given that external funding may be levered in to part fund the costs of these works this option is considered feasible subject to further financial assessment.

5.4 Option 3 – Refurbish the facility, upgrade to a 3G FIFA 1 Star standard pitch and extend the facility footprint to accommodate an FA Standard Guideline size pitch (See Appendix C for a plan of the extended footprint)

5.4.1 The current playing area with surrounding run off is 101.4 metres long x 62.9 metres wide plus additional 5 metres width on the western side of the facility for the spectating area. The provision of an FA Guideline Pitch involves the creation of a wider and longer playing area. The FIFA 1 Star Standard also requires goal recesses. As a result this will increase the fenced area to 112 x 76 metres, an increase of 13.1 metres in length (at the longest point) and 5.6 metres in width (at widest point).

5.4.2 This increase to the footprint creates engineering issues and has implications for the existing school playing fields.

The current boundaries of the facility are made up of:-

- North – Steep grass bank up to basketball courts and sports buildings
- South – Long jump track and pit followed by natural grass field to the boundary fence
- East – Grass and tree line and the boundary fence
- West – Spectator area and natural grass playing fields that accommodate 2 football pitches in winter and athletics track artificial cricket strip and outfield in summer.

5.4.3 There is space to extend west and south. Extending west will result in a loss of grass playing fields although it will not encroach on the current playing pitches. The extension south will require the relocation of the long jump track and pit.

5.4.4 The engineering issues include moving the spectator area and floodlights on the western side of the facility.

5.4.5 An extension of the artificial grass pitch with a loss of surrounding playing fields will require Planning Approval and Sport England will be statutory consultees. Much will depend on the view taken on the loss of playing fields and whether the extension is viewed as an overall enhancement of the quality of sports provision in the area.

5.4.6 The estimated cost of this option, as quoted by RLF, is £461k. Considering the increased capital cost, loss of playing field and resulting Planning Approval requirements officers believe that this Option should not be pursued.

5.5 Option 4 – Replace the surface with a new sand filled pitch on the existing footprint but exclude some of the items quoted in the Feasibility Study

5.5.1 This option will have similar benefits and operational arrangements as Option 1 above but would be financially more achievable.

5.5.2 A number of the improvements recommended by RLF are to meet the FIFA 1 Star standard and could be deleted as unnecessary or excluded if existing provision is deemed to be satisfactory. These include:-

- Floodlighting (£30k)
- Fencing (£57k)
- spectator area and path to facility from changing rooms (£17k)
- new sports equipment (£24k)
- contingency on the above works (£6k)
- RLF fees if the Council procures the facility (£22k).

5.5.3 By removing these elements of the scheme the costs quoted by RLF would reduce from £365k to £209k.

5.5.4 The cost of preliminary and site works have been retained in the revised costings and the worst case scenario has been included for the shock pad as a complete assessment of its condition can only be carried out once the existing pad has been fully exposed. The anticipated costs may further reduce at the tender stage as the costs quoted by RLF are likely to be at the higher end.

5.5.5 This option is considered feasible subject to further financial assessment.

5.6 Summary

The assessment of the feasibility and condition survey findings identifies that the most cost effective solutions available to the Council are Option 2 (refurbish the facility and upgrade to a 3G FIFA 1 Star Standard pitch on the existing footprint) and Option 4 (replace the surface with a new sand filled pitch on the existing footprint but exclude some of the items quoted in the Feasibility Study).

5.6.1 A capital and revenue assessment of both options is shown below:

Capital

	OPTION 2 - REPLACEMENT 3G SURFACE ON THE EXISTING FOOTPRINT £'000	OPTION 4 – REPLACEMENT SAND SURFACE ON THE EXISTING FOOTPRINT £'000
Sinking Fund	24	24
Savings from Interim Management Contract George Pindar School Contribution	69	69
Other external funding	?	?
Football Foundation (50% match funding)	194	0
Potential funding sources	287	93
Funding Gap	100	116
Total Cost	387	209

Revenue

	OPTION 2 - REPLACEMENT 3G SURFACE ON THE EXISTING FOOTPRINT £'000	OPTION 4 – REPLACEMENT SAND SURFACE ON THE EXISTING FOOTPRINT £'000
Estimated annual repairs and maintenance expenditure	7	7
Annual sinking fund contribution*	25	17
Annual Revenue Costs	32	24

* The Sinking Fund for Option 4 is based on an annual contribution over 12 years to meet the cost of a like for like replacement surface. The Sinking Fund for Option 2 is the minimum required from the FA as part of the Football Foundation grant.
Income has not been considered in the assessment as it is retained by SLM.

5.6.2 The assessment shows that both options have capital and revenue funding gaps, which will need to be funded from Council resources. Over the 12 year estimated lifespan of the artificial surface the Council's contribution for a replacement 3G pitch would be £80k higher than a replacement sand surface.

5.6.3 It does however need to be recognised that the 3G pitch would represent an upgraded facility and are likely to deliver non-financial benefits in the form of increased usage and sports participation levels. The upgrade to a 3G facility may also make it easier to lever in other sources of external income from beneficiaries of the pitch such as SLM and George Pindar School, and any such contributions would directly reduce the Council's contribution.

5.6.4 It should also be noted that the capital estimates for the replacement sand pitch exclude any costs associated with replacement floodlighting and fencing. Although these areas are currently satisfactory they may deteriorate over the 12 year period and could result in further Council investment being required.

5.7 Conclusion

5.7.1 Following the assessment of the options available this report recommends that Members approve that the upgraded 3G pitch on the existing facility footprint be pursued as the preferred solution (Option 2 outlined in 5.3 above). This is on the basis that a minimum of £194k (50% of the cost) is levered in from external funding sources.

5.7.2 Subject to Cabinet approving this recommendation Officers will work with SLM to prepare and submit a grant funding bid to the Football Foundation in the next available funding application window (May 2016) and liaise with other potential funding providers such as SLM and George Pindar School.

5.7.3 The Football Foundation grant funding submission will need to be accompanied by a detailed Football Development Plan and demands analysis. Officers will work with SLM to prepare on these in time for the May 2016 application deadline.

5.7.4 The school's safeguarding rules restrict the times that contractors can undertake works at the school. The required length of construction programme for these works means that they will likely need to be undertaken during the main summer holiday period (between July and August). As part of the funding bid Officers will liaise with the Football Foundation and George Pindar School to determine whether a twin track approach can be taken for the funding bid and construction programme to allow the works to commence in summer 2016 rather than being delayed until 2017.

5.7.5 If external funding bids for the 3G pitch are unsuccessful officers recommend pursuing the replacement sand filled carpet option on the existing footprint excluding some of the items quoted in the Feasibility Study (Option 4 outlined in 5.5 above).

6. IMPLICATIONS

6.1 Policy

There are no policy implications arising from this report.

6.2 Legal

The future operation of a new artificial grass pitch will be governed by the Interim Indoor Leisure Management Contract and LOC with SLM and Joint Use Agreement with George Pindar School.

Award Grants from external funding bodies including the Football Foundation will include requirements on future use, performance monitoring and evaluation and the creation and ongoing contribution to a sinking fund.

6.3 Financial

6.3.1 The financial implications are included in the body of the report. If 50% external funding is achieved for the upgraded 3G pitch the Council will be required to make a capital contribution of £100k to bridge the current funding gap. This contribution will reduce if additional sources of external funding are identified. It is proposed that the £100k capital funding contribution be included within the 2016 Financial Strategy, which will be presented to Council for approval in February 2016.

6.3.2 The refurbished pitch will require the establishment of an annual revenue budget of a maximum of £32k. This budget will fund annual repair and maintenance costs and sinking fund contributions for future replacement of the pitch. Earlier reports to Cabinet recognised that the Council would incur additional costs in respect of the pitch and that these costs would be funded from the savings derived from the leisure operator contract with SLM.

6.4 Health and Safety Implications

SLM will be required to comply with all health and safety legislation under the terms of the Interim Indoor Leisure Management Contract and LOC for the operation of the facility.

6.5 Planning Implications

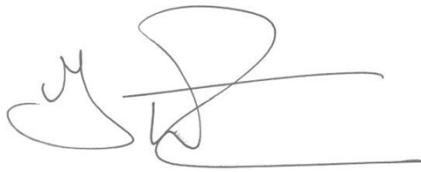
Planning approval is not required for a change of surface from a sand dressed carpet to a 3G surface. Changes to the floodlighting or an increase in the height of fencing is dependent on the specific works proposed and whether or not they are interpreted as works permitted by General Development Permitted Order (2015) which allows development by Local Authorities without specific planning approval. Further consideration is required when the precise specification has been determined.

An extension of the artificial grass pitch or provision of recessed goals will result in a loss of surrounding playing fields and will require Planning Approval with Sport England a statutory consultee.

Planning Officers have advised, without prejudice, that as this proposal involves an improvement in the quality of the sports facilities on offer and in view of the location away from residential property, it is not anticipated that there would be significant planning issues.

6.6 Crime and Disorder Implications, Equalities Implications, Environmental Implications and Staffing Implications

I have considered the above implications and am satisfied that there is no identified implication that will arise from this decision of this report.

A handwritten signature in black ink, appearing to read 'Trevor Watson', with a long horizontal line extending to the right.

Trevor Watson
Director

Background Papers:
None

IF YOU HAVE ANY QUERIES ABOUT THIS REPORT, PLEASE CONTACT
ANDREW WILLIAMS, LEISURE MANAGER ON 01723 383610
or e-mail andrew.williams@scarborough.gov.uk

APPENDIX A

Risk Matrix

Risk Ref	Date	Risk	Consequences	Mitigation	Current Risk Score	Target Score	Service Unit Manager/ Responsible Officer	Action Plan
1	December 2015	Insufficient funds available to renew/upgrade artificial grass pitch results in closure	<ul style="list-style-type: none"> • Adjustments to the operator contract price which would cost the Council £43k per annum. • Reduction in Council leisure facilities and potentially participation • Negative publicity and weakened relations with the School 	<ul style="list-style-type: none"> • Use Sinking Fund • Secure financial contribution from George Pindar School • Explore external grant funding opportunities • Explore invest to save opportunities • Discuss options with SLM 	D3	B2	TW	Exploration of options and report to Council
2	December 2015	Bid to Football Foundation is unsuccessful	<ul style="list-style-type: none"> • Insufficient funds available to renew/upgrade artificial grass pitch results in closure 	<ul style="list-style-type: none"> • Consult with FA and local football clubs, leagues and informal groups • Production of effective Football Development Plan 	D3	B2	TW	Early discussions with FA