

<b>Fakenham Leisure and Sports Hub</b>	
Executive Summary	To advise Council of Government funding for the proposed Fakenham Leisure and Sports Hub facility and outline the steps the Council will now take to deliver this large and exciting project in the coming months
Options considered	<ul style="list-style-type: none"> <li>• Proceed with the development and delivery of this exciting sport and wellbeing project for Fakenham with the Government funding pledged towards the project</li>   <li>• Resolve not to proceed with the project</li> </ul>
Consultation(s)	The original plans for the Fakenham Leisure and Sports Hub proposal were the subject of extensive consultation with overwhelming public support expressed for the proposed facility. As the project is taken forward there will be further consultation and engagement with key stakeholders and partners and the public details of which are provided in the report.
Recommendations	<p>It is recommended that:-</p> <ol style="list-style-type: none"> <li>1. Full Council welcomes the Government funding of £9.856million awarded towards the cost of the Fakenham Leisure and Sports Hub project. The Council further recognises that confirmation of the Government funding will allow plans for the new facility to be taken forward in the coming months.</li> <li>2. Council approves the establishment of a Capital Budget of £11million for the Fakenham Leisure and Sports Hub project within the Capital Programme.</li> <li>3. Council approves the funding of this project made up of £9.856million of Levelling Up Fund (central government) monies, £0.408million Section 106 monies, £0.575million from the Football Foundation and the value of the land contributed by Fakenham Town Council. Any shortfall in this funding will need to be funded by the Council, for which borrowing will be taken.</li> <li>4. Council approves the project management and governance arrangements for the project as outlined in Section 3 of the report.</li> <li>5. Council agrees that a traditional procurement process would disadvantage the Council due to the timescales involved and supports an exemption under the Contract Procedure rules to appoint the consultants, FMG Consulting, who have previously worked on this project, as principal advisors to the Council in the development and delivery of the Fakenham Leisure and Sports Hub proposal.</li> <li>6. Subject to recommendation 3 above, delegated authority is given to the Director of Communities to appoint FMG Consulting to advise the Council on the detailed design, construction and tender</li> </ol>

	<p>processes for the project including the submission of a planning application for the development.</p> <p>7. Council requires that tender prices received are reported to Council for approval before any construction contract is awarded as a key “gate” point in the delivery of the project.</p>
Reasons for recommendations	To establish the necessary project management and governance framework and financial monitoring arrangements for the Fakenham Leisure and Sports Hub project
Background papers	Report to Full Council – 27 <sup>th</sup> July 2022

Wards affected	Fakenham wards (Lancaster North and South); and wards in the west of the district including Briston, Priory, Stibbard, Stody, The Raynhams, Walsingham; Wells with Holkham.
Cabinet member(s)	Cllr Tim Adams, Leader of the Council
Contact Officer	Steve Blatch, Chief Executive Email:- <a href="mailto:steve.blatch@north-norfolk.gov.uk">steve.blatch@north-norfolk.gov.uk</a> Tel:- 01263 516232

<b>Links to key documents:</b>	
Corporate Plan:	The 2023-2027 Corporate Plan themes - Developing our Communities and A Strong, Responsible and Accountable Council

<b>Corporate Governance:</b>	
Is this a key decision	Yes
Has the public interest test been applied	Yes – there is no private or confidential information to be considered by this report
Details of any previous decision(s) on this matter	N/A

## 1. Purpose of the report

- 1.1 To advise Council of Government funding, as awarded in the Chancellor’s Autumn Statement, for the proposed Fakenham Leisure and Sports Hub facility and outline the steps the Council will now take to deliver this significant project in the coming months.

## 2. Introduction & Background

- 2.1 In response to a call for applications under Round 2 of the Levelling Up Fund programme in March 2022, North Norfolk District Council developed a proposal for the Fakenham Leisure and Sports Hub facility in partnership with Fakenham Town Council and the District Council’s leisure contractor, Everyone Active.

This proposal envisaged an £11million project to extend the existing Fakenham Sports Centre facility at Trap Lane in the town to include a 25-metre four-lane swimming pool with moveable floor, extended gym and fitness studio facilities, 3G all-weather pitch and environmental improvements to the existing sports hall building.

- 2.2 Details of the project to be the subject of the Levelling Up Fund Round 2 application were approved by Full Council at its meeting of the 27<sup>th</sup> July 2022, when it was resolved:-

**The Broadland Constituency proposal – Fakenham Sports and Leisure Hub (FLASH) project:-**

1. **Council signs off the submission of the Levelling Up Fund bid for the Fakenham Leisure and Sports Hub for a total cost of £10,951,419.00 with grant amount of £9,856,277.00 being applied for.**
  2. **In the event that the Levelling Up fund bid in respect of the Fakenham Leisure and Sports Hub is successful:**
    - **Agree to the release of the equivalent value of the Section 106 monies for off-site indoor sports provision for the Fakenham Urban Extension to the value of £408,337.00**
    - **Agree to underwrite the provision of match funding for the 3G pitch to a maximum value of £575,000.00 in the event that Football Foundation funding is not forthcoming, or the funding does not meet the full contribution level.**
    - **Recognise the ongoing revenue cost implications associated with the enhanced facility and impact that will have on future revenue or contract payments.**
- 2.3 The project was submitted to Government on 2<sup>nd</sup> August 2022 and an announcement of successful projects was expected to be made during autumn 2022. However, Round 2 of the Levelling Up fund programme was four times overbid and in January 2023 the District Council was advised that the Fakenham project had not been successful in being awarded Levelling Up Fund monies. As the project proposal was heavily reliant on Government support, the District Council has not committed further resources to developing the project in the period since January 2023.
- 2.4 The Government subsequently announced that a number of projects would be supported through a Levelling Up Round 3 announcement on 20<sup>th</sup> November 2023 and that five further projects, including the Fakenham Leisure and Sports Hub project, would receive funding support in the Chancellor's Autumn Statement on 22<sup>nd</sup> November 2023. The funding support offered reflects the application for Levelling Up Fund Round 2 funding made by the District Council ie with Government funding of £9,856,277 towards total project costs of £10,951,419, meaning that the project can now be taken forward.
- 2.5 The District Council now needs to develop a strong project management and governance framework to oversee the development and delivery of the project

over the next 30 months, with the Government having suggested a project completion / delivery date of Spring 2026.

### **3. Project Governance**

- 3.1 Given the Government announcement of funding support for the Fakenham Leisure and Sports Hub project, the District Council now needs to put in place a strong project governance framework for the project and the rest of this report outlines these arrangements.
- 3.2 It would be proposed that the project is lead on behalf of the District Council by the Council's Director of Communities, supported by the Corporate Programme and Project Manager.
- 3.3 These officers would work with two newly established groups to oversee the delivery of the project – a Project Steering Group of key stakeholders to oversee key delivery elements of the project; and an internal officer Project Team to progress the detailed actions, supported as appropriate by an appointed lead consultant.
- 3.4 It would be proposed that the Project Steering Group would include the following:-
- a member of Cabinet,
  - Cllr Cushing as local ward member (and Leader of the Conservative Group);
  - a member of the Independent Group;
  - Cllr Angela Glynn, Fakenham Town Council
  - representative of Everyone Active (contract management);
  - representative of Fakenham Academy;
  - representative of Sport England;
  - representative of the Football Association
  - representative of Jerome Mayhew MP
- 3.5 The internal officer Project Team would include, as a minimum, the following:-
- Director of Communities
  - Corporate Programme and Project Manager.
  - Director of Resources (or their nominated representative);
  - Assistant Director – Environment and Leisure;
  - Leisure and Locality Services Manager;
  - officers from the Assets, Comms, Corporate Health and Safety, Legal, Net Zero, Planning, Procurement, and Property Teams;
  - a member of the Council's Equality, Diversity and Inclusion corporate group; plus
  - a representative of Everyone Active (operational Fakenham Sports Centre)
- 3.6 It would also be proposed that an Engagement Group be established of key user groups of the existing and proposed facilities supported by the Leisure and Locality Services Manager, District Council Comms Team and the Everyone Active Fakenham Sports Centre Manager.
- 3.7 In terms of internal reporting, it would be proposed that regular progress reports be presented to Cabinet and quarterly reports would be included on the

agendas of meetings of the Overview and Scrutiny Committee – at January, April, July and October.

#### **4.0 Organisational Capacity**

- 4.1 The Council's ability and capacity to take forward a project of this scale will be stretched and, given the specialist nature of the project in terms of procurement and project management, it is recommended that the Council engages experienced consultants to advise the authority in delivery of the project.
- 4.2 Based on the successful delivery of The Reef project at Sheringham and their involvement in the preparation of the Levelling Up Fund application for the Fakenham Leisure and Sports Hub, it would be recommended that the authority appoints consultants FMG Consulting to assist in the further development of detailed proposals for and delivery of the project. However, direct appointment of the company will require the Council to suspend Financial Standing Orders and a recommendation seeking authority for such an appointment is made within this report.
- 4.3 Subject to FMG's appointment being confirmed, it would be suggested that they prepare detailed design and construction plans and tender documents for the project and assist in the appraisal of the tenders received, with those prices being the subject of presentation to the Council for a decision to be made as to whether the project is affordable and can proceed through the award of a construction contract. This would be a key "gate" point for the project, which would remain in the control of the District Council.
- 4.4 The contract management relationship between the Council and the consultants would be managed by the Director of Communities through the arrangements detailed at paragraphs 3.2 – 3.5 above.

#### **5.0 Project Timeline**

- 5.1 The Government offer letter advising of funding support for the project has suggested that ideally the project will be delivered by March 2026. This would be ambitious from a standing start and the detailed programme will need agreement with the Government in the coming weeks. However, it would be hoped that detailed project construction designs and technical reports, surveys etc can be prepared and agreed by April 2024 at which time a planning application for the proposed facilities would be submitted. It would be hoped that this could be determined by September 2024, with the summer months being used concurrently to develop detailed tender documentation and the running of a detailed procurement process allowing appointment of a construction partner by October 2024; with construction commencing thereafter with an anticipated 18-month contract period. These timescales are provisional at this time and need to be agreed.

#### **6.0 Corporate Priorities**

- 6.1 Delivery of the Fakenham Leisure and Sports Hub project supports the Council's Corporate Plan themes – Developing our Communities and A Strong, Responsible and Accountable Council.

- 6.2 Under the recently agreed Annual Action Plan there was a proposed action to re-submit the Fakenham Leisure and Sports Hub project in any Round 3 of the Levelling Up Fund programme, and with Government funding for the project now agreed the wording of this action should now be revised to state “Development and Delivery of the Fakenham Leisure and Sports Hub proposal”.

## **7.0 Financial and Resource Implications**

- 7.1 Development of this new facility – swimming pool and 3G pitch will have an impact on local rates of participation in sport and wellbeing activities in the Fakenham area, based on the experience of participation rates at The Reef, Sheringham. Additional users of the new facilities at Fakenham would be expected to have a positive impact on the contract arrangements between the Council and its leisure contract partner, Everyone Active and work will be undertaken to assess such returns as the project is developed up until the tender approval stage of the project and reported to members at that time.

- 7.2 The Director of Resources (Section 151 Officer) has provided the following comments in advising on the preparation of this report:-

The original bid to Government was for a project value of £11million and Government funds have recently been awarded to the project totalling £9.856 million. This requires the Council to match-fund the project with potentially up to £736,000. This would have to be funded through borrowing. This does not allow for any inflationary increases in scheme costs, since the bid was originally submitted in August 2022. There is therefore a risk that costs could have increased since then and it would be necessary for the Council to cover such costs. Any changes of this nature will need to be reported back to members and are covered by recommendation 7 below, which requires that the tenders received for the project will need to be received and considered by elected members as a key “gate” point within the project programme.

## **8.0 Legal Implications**

- 8.1 The Monitoring Officer has provided the following comments in advising on the preparation of this report:-

If members agree to recommendation 5, the Project Lead Officer will be required within the Council’s project governance framework, to submit an exemption form as per the Contract Procedure Rules, as soon as possible for consideration of the Section 151 Officer and Monitoring Officer.

## **9.0 Risks**

- 9.1 There are a number of potentially significant risks associated with this project, which will need to be considered in the coming weeks when a Project risk Register will need to be developed for the project, and as appropriate an entry made in the Corporate Risk Register. It would be expected that any risks

associated with the project will be discussed and managed through the project governance arrangements detailed at Section 3 of this report above.

## **10.0 Net Zero Target**

- 10.1 A significant element of the £11million project budget (£1million) was for the incorporation of environmental / Net Zero features within the design and operation of the new facility, including retro-fitting measures to the existing Sports Centre through additional thermal efficiency measures, incorporation of solar photovoltaic roof panels etc. These measures will be given detailed consideration in the development of the detailed project design.
- 10.2 The proposed project design will be taken through the Council's new De-carbonisation Strategic Group such that due consideration can be given to the Council's stated Net Zero objectives alongside issues of value for money, carbon-pricing and offsetting etc.

## **11.0 Equality, Diversity & Inclusion**

- 11.1 The new Fakenham Leisure and Sports Hub facility will be developed with detailed consideration of Equality, Diversity and Inclusion issues, building on the learning gained through the delivery and operation of The Reef leisure centre at Sheringham and the sharing of plans with our leisure contract operator, Everyone Active and the proposed Engagement Group.

## **12.0 Community Safety issues**

- 12.1 The detailed plans for the new facility will be designed to minimise opportunities for crime and anti-social behaviour, including engagement with the Norfolk Constabulary Architectural Liaison Officer as appropriate.

## **13.0 Conclusion and Recommendations**

- 13.1 **It is recommended that:-**

**It is recommended that:-**

- 1. Full Council welcomes the Government funding of £9.856million awarded towards the cost of the Fakenham Leisure and Sports Hub project. The Council further recognises that confirmation of the Government funding will allow plans for the new facility to be taken forward in the coming months.**
- 2. Council approves the establishment of a Capital Budget of £11million for the Fakenham Leisure and Sports Hub project within the Capital Programme.**
- 3. Council approves the funding of this project made up of £9.856million of Levelling Up Fund (central government) monies, £0.408million Section 106 monies, £0.575million from the Football Foundation and the value of**

the land contributed by Fakenham Town Council. Any shortfall in this funding will need to be funded by the Council, for which borrowing will be taken.

4. Council approves the project management and governance arrangements for the project as outlined in Section 3 of the report.
5. Council agrees that a traditional procurement process would disadvantage the Council due to the timescales involved and supports an exemption under the Contract Procedure rules to appoint the consultants, FMG Consulting, who have previously worked on this project, as principal advisors to the Council in the development and delivery of the Fakenham Leisure and Sports Hub proposal.
6. Subject to recommendation 5 above, delegated authority is given to the Director of Communities to appoint FMG Consulting to advise the Council on the detailed design, construction and tender processes for the project including the submission of a planning application for the development.
7. Council requires that tender prices received are reported to Council for approval before any construction contract is awarded as a key “gate” point in the delivery of the project.