



<b>Full Council</b>	<b>Tuesday, 24 April 2018</b>	<b>Matter for Information and Decision</b>
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**Title:** **Replacement of Horsewell Lane Pavilion, Wigston**

**Author(s):** **Adrian Thorpe (Head of Planning, Development  
and Regeneration)**

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## **1. Introduction**

- 1.1. At its meeting on 31 October 2017 the Council considered a report regarding the provision of a replacement pavilion at Horsewell Lane Recreation Ground. Members agreed to proceed with the development of a new pavilion at the site. This report provides an update on the progress of the project to date.
- 1.2. Since 31 October 2017 Officers have employed Faithful and Gould to act on behalf of the Council to manage the design and construction of the building. They have identified that the budget of £660,000 contained within the Capital Programme is insufficient to deliver a building of the nature and type that would fully meet the needs of the Council and users for the reasons set out in this report. However, this reports sets how the building can be fully funded through financial re-structuring and the use of available Section 106 contributions, thereby reducing the extent of borrowing risk to the Council.

## **2. Recommendation(s)**

That Council considers the report and approves accordingly that:

- 2.1. A Section 106 sum of £97,321 minuted as forming part of a Sports Facilities Fund in the 'Horsewell Lane Pavilion and 3G Artificial Pitch' report to Council on the 31 October 2017 is allocated to this project to create a total sum of S106 funding available for this project of £375,299. This re-allocation of the £97,321 will not impact upon the delivery of the enhancements to playing pitch provision in Wigston and South Wigston as the Sports Facilities Fund will still contain £446,000. Additionally, the contribution to the 3G pitch as match funding for Oadby Owls is unaffected. This Section 106 funding coupled with the amount allocated within the Capital Programme detailed in 2.2 below will be sufficient to deliver the new pavilion, providing the best possible facility for residents of the Borough.
- 2.2. The remainder of the funding required to deliver this project is allocated from the Council's Capital Programme budget, up to a total value of £621,387, thus reducing the Council's exposure to borrowing within the Capital Programme through the use of Section 106 funding.
- 2.3. Faithful and Gould are instructed to proceed with developing the concept design to bring the new building forward for planning permission in June 2018 and to proceed with procurement of the main contractor. Key Stakeholders including Councillors L A Bentley and J W Boyce, as Ward Councillor and Chair of Place Shaping Working Group, to be regularly consulted at significant stages of the development and for all Members to be kept regularly updated on progress of the project and build.
- 2.4. Delegated authority is given to the Director of Finance and Transformation / Section

151 Officer in agreement with the Leader of the Council and Councillor L A Bentley to make any further decisions relating to the replacement of Horsewell Lane Pavilion and its Environs that are within the approved budget (as set out in paragraph 2.1 and 2.2) in order to enable this project to be delivered within the required timescale.

### **3. Information**

- 3.1. The Economic Regeneration Team Leader has undertaken a review of the project to date. Faithful and Gould (F&G) were then employed to on behalf of the Council to manage the design and construction of the new pavilion. They initially reviewed the project background and also undertook a desktop cost assessment exercise based upon the estimated replacement cost of a community building of a like for like size. Building on this review they have produced a final concept design which has been scrutinised and agreed by key stakeholders and is included at **Appendix 1**.
- 3.2. Consideration of the concept design was undertaken between 16th and 23rd March 2018 with the involvement of key Members and Users such as Little Fishes Playschool, Wigston Club for Young People (WCFYP) and football users. In order to keep the project on schedule, involvement was limited to these groups at this stage because significant consultation has previously been undertaken and the timeframe for work starting on site is tight. Feedback was broadly favourable and has now been incorporated into the final version of the concept design. Whilst further work will be required on it this design will be used as the basis for taking the project through the Planning Application process.
- 3.3. This concept design process has highlighted issues with facilities contained within the proposed building and also in respect of the park frontage and gateway into it. This has necessitated a different approach to the design to ensure that the facility is suitable for all current and potential user groups. The overall upshot of this is that the building is 47m<sup>2</sup> larger than the previous concept design and current pavilion but ensures that the building is fit for purpose and will be an enhancement to the park and the surrounding community. The key design considerations are set out below;
  - In order to comply with the Equalities Act 2010 and to allow access to widest possible user groups, the building will contain a higher specification of accessible facilities than previously envisaged. Potential users catered for include Wigston Foxes FC, a recently established local team which supports players unable to participate in mainstream football due to a variety of difficulties, including autism.
  - It has always been a key requisite of the new building to provide two distinct community areas in order to cater for smaller user groups and also to provide an alternative facility for other potential users when the playschool is occupying the main hall, which they do term time Monday to Friday until 12:30. In order to achieve this and noting the size requirements of both the play school and the youth club the main community room has had to be designed larger than the previous concept design and so is around 90m<sup>2</sup>, rather than the 70m<sup>2</sup> previously proposed. This also means that there is no loss of main space when compared to the existing building and the additional size and space makes it a more flexible facility with a larger capacity to host a wider range of community events.
  - The smaller community room is 27m<sup>2</sup> which, when combined with the main space represents an overall increase of 30m<sup>2</sup> available community space over the current facility (88m<sup>2</sup>) and is 14m<sup>2</sup> larger than the previous concept design.
  - The operations of both of the two key user groups require a higher level of storage and again this reflects the need for a larger facility than the previous concept design. The youth club, for example, has a pool table and table tennis table which are a key draw for their user group. There is 10m<sup>2</sup> of additional built-in storage

over the previous concept design. In addition, feedback from the Facilities Manager is that storage is often a key issue in room hire at a community building and regular bookings have been lost as a result of lack of suitable storage provision. This is a key element of the functionality and business model of the building therefore.

- Externally it has been considered that the current frontage to the park is obscured by the presence of the youth club, the tennis club, the current pavilion and the grass mound between the pavilion and the children's play area. The children's play area was installed in 2002 and whilst it has been maintained it is at the end of its useful economic life of approximately fifteen years. In addition complaints have been received by Members particularly in respect of the use of the boundary wall between the park and the adjoining residential property as a football goal. The whole of the frontage element needs to be reviewed from a landscaping perspective to create a more accessible active gateway into the park. Once the new building is completed the demolition of the existing pavilion along with the demolition of youth club will go some way to resolving this matter but consideration also needs to be given to removing the grass mound and looking at options for the play area.

3.4. The building and landscaping elements highlighted in 3.3 above are additions to the previously considered concept design but it is the additional building elements which are key to achieve the overall aims of the project. Following development of the final concept design Faithful and Gould have produced a detailed cost estimate. The cost of the final concept design is estimated to be in the order of £996,686 but this costing excludes the demolition of the youth club building and the external park landscaping issues detailed in 3.3 above. Details of the estimate along with qualifications and assumptions are included at **Appendix 2**.

3.5. It is of note that the budget cost allocated within the Capital Programme of £660,000 stemmed from previous considerations of this project when the replacement pavilion was to be funded solely from Section 106 contributions (or similar) and £660,000 was the total amount of funding available at that time. It was anticipated that the project would be delivered via a design and build process and it was acknowledged that the funding would allow for only a basic pavilion building and excluded any ancillary or landscaping elements.

3.6. However, given a number of complexities associated with the use of predominately Section 106 monies to fund the pavilion it was agreed that the pavilion would be funded from borrowing within the Capital Programme but to also consider the use of Section 106 funding and the possibility of receipts from development land sales at the site to help fund the build. The Section 106 funding that has been identified to support the development stems from two Section 106 receipts which are detailed at **Appendix 3** with one of the contributions (Meadow Hill) agreed so as to relate directly to improvements at Horsewell Lane Park. In total these contributions amount to £375,299, albeit that £97,321 was allocated in the 31 October 2017 report on Horsewell Lane to the Sports Facilities Fund. Therefore this previously allocated funding would need to be diverted to support the overall development cost. In order to minimise the Council's risk and exposure to borrowing it is intended that the Section 106 receipts would be spent first on the project. To note the diversion of the £97,321 would leave £446,000 within the Sports Facilities Fund for improvements to the Council's playing pitches and to support privately owned sites. Whilst the first phase of survey work and costings for the improvements to the Council's pitches has not yet been reported back, it is anticipated that the available budget within the Sports Facilities Fund will be sufficient to deliver the required improvements. These allocations are detailed in **Appendix 3**.

- 3.7. In addition to the available Section 106 funding the demolition of the WCFYP building and re-modelling of the park frontage would also give an opportunity to deliver some residential development at the site. This could be accommodated either on the footprint of the WCFYP building, including some of the land adjoining or if the children's play area is re-located to the WCFYP footprint then on the footprint of what is currently the play area and part or all of the grass mound. Any development would have to be carefully considered so as not to impact upon the gateway to the park and if the land to be developed upon is classified as public open space, then procedures for its disposal will need to be followed under the Local Government Act 1972. The receipt from any potential development is not required to support the pavilion re-development and would be a contribution to the Capital Programme in the future. Further consideration of the landscaping and development elements would need to be progressed as an associated but separate project. It is for Members to note that no lease agreement exists between the Council and WCFYP. It may be that the Club are deemed to have a business tenancy under the Landlord and Tenant Acts and as such the Council would need to serve formal Notice to bring this agreement to an end. This would require giving the tenant 6-months' notice of the Council's intention to bring the agreement to an end on the grounds of demolition. Prior to serving the Notice the Council would need to be in a position to prove that there is an intention to demolish the building.
- 3.8. Based upon the final concept design cost estimate provided by Faithful and Gould (F&G) the deliverability of a replacement pavilion is in doubt without the increased funding of £375,299. The budget of £660,000 contained within the Capital Programme falls short of the estimated cost and without agreement to the funding package set out in recommendations 2.1 and 2.2 of this report there is a high risk that there is insufficient funding to construct a replacement pavilion. Even if some form of new building could be provided it would not respond to the key design issues set out in paragraph 3.3. With agreement to the revised funding package the Council will be investing in a building which is both fit for purpose and would be a worthwhile asset for the Borough going forward. If the funding is agreed then F&G remain confident that they can still deliver a start on site by the 31 November 2018, as set out in the more detailed timeframe provided at **Appendix 4** below.
- 3.9. In terms of procurement options, because time is of the essence and the Council wishes to retain a significant level of control over the site and design, F&G have indicated that a traditional approach to building procurement would be more favourable over a design and build route because it would get the project on site faster. In addition, F&G have stated that because the scheme is relatively small scale the potential reduction in cost due to economies of scale of one point of supply from a design and build route would not necessarily be of any financial advantage to the Council in this case. F&G have also indicated that the Council could take the option of procuring the build contractor from a framework. This may cost slightly more than procurement through a normal tender process but has the advantage of meaning that the contractor is part of the project from the design stage and can provide advice and support during this crucial phase which would lead to a more efficient design phase, producing potential cost savings and with the contractor already appointed an earlier start on site. The change in procurement methodology from design and build to traditional will involve F&G acting as the designer in addition to their project management role and the Council, supported by F&G, would procure a builder. As F&G have been procured using an OJEU compliant framework, this extension to their role is acceptable under the Council's Contract Procedure Rules.

#### **Background Documents:**

Horsewell Lane Pavilion and 3G artificial pitch Council Meeting 31 October 2017.

Appendix 1 – Final Concept Design

Appendix 2 – Estimate, Qualification and Assumptions

Appendix 3 - S106 Horsewell Lane Pavilion and Sports Provision Contributions

Appendix 4 – Horsewell Lane Pavilion – Project Timeframe (up to start on site)

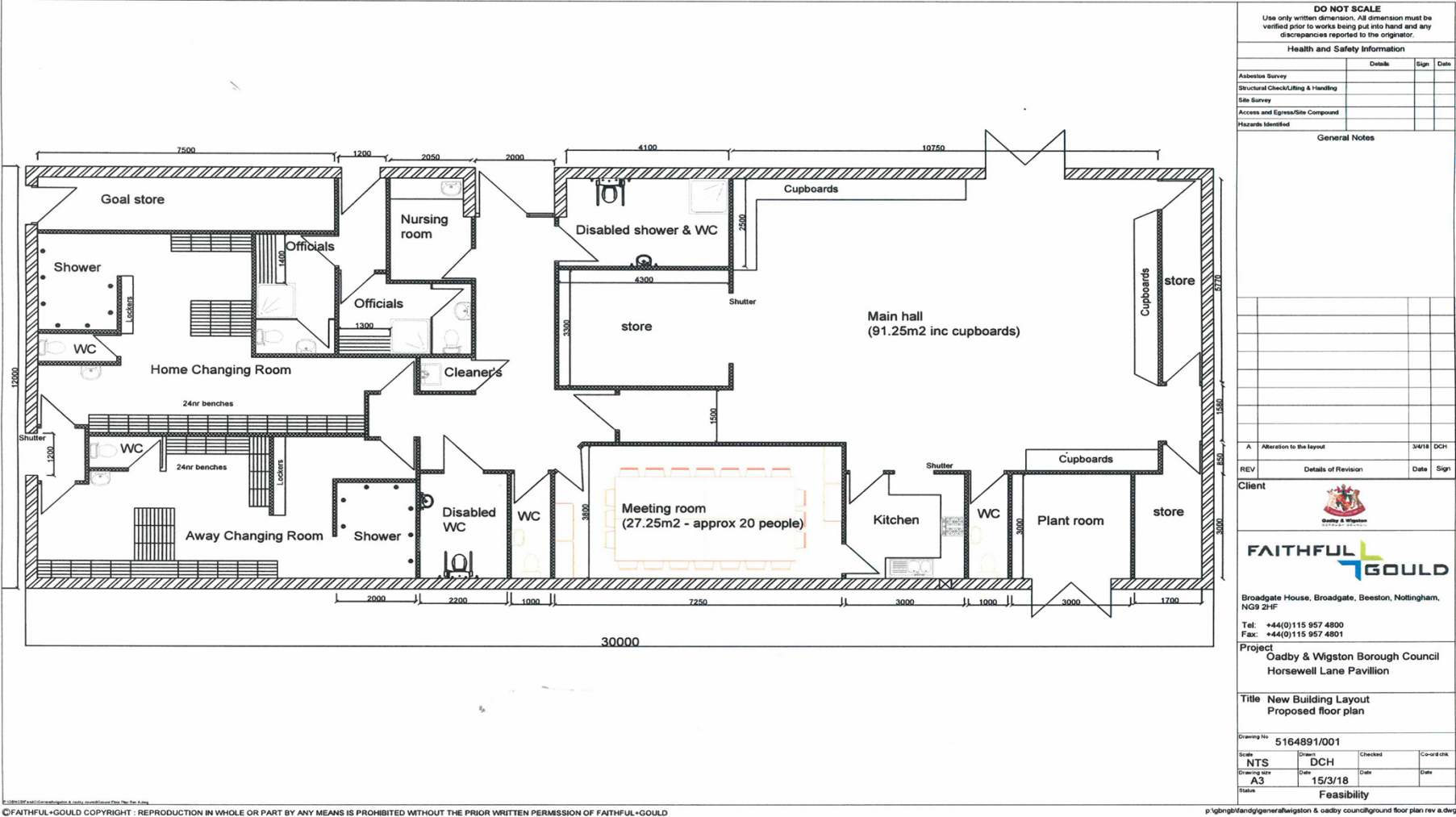
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<b>Implications</b>   Replacement of Horsewell Lane Pavilion, Wigston	
<b>Finance</b> <b>Chris Raymakers</b> (Head of Finance, Revenues and Benefits)	<p>The financial implications are detailed in the body of this report with Appendix 3 providing a summary of the S106 contributions which can be used to support the development of the new pavilion.</p> <p>By spending the available S106 contributions first, this limits the amount of borrowing the Council is exposed to through the Capital Programme.</p>
<b>Legal</b> <b>David Gill</b> (Head of Law & Governance / Monitoring Officer)	<p>Some of the legal implications are detailed in the body of the report. Supply contracts would be required between the Council and the build contractor for the replacement pavilion. The form of these agreements would be derived from the Council's Contract Procedure Rules.</p>
<b>Corporate Risk(s) (CR)</b> <b>Adrian Thorpe</b> (Head of Planning, Development and Regeneration)	<p><input checked="" type="checkbox"/> <b>Decreasing Financial Resources (CR1)</b></p> <p>The availability of S106 funding provides opportunities to invest in Council facilities which would not be available within current budget constraints.</p> <p><input checked="" type="checkbox"/> <b>Effective Utilisation of Assets/Buildings (CR5)</b></p> <p>The existing pavilion has reached the end of its useful economic life and only health and safety related repairs are being undertaken to it. In addition the land upon which the building used by the Wigston Club for Young People is owned by the Council. No formal lease exists for this building, which remains an area of concern. The building has not been surveyed by the Council and in view of its age and obsolescence may be a potential risk to users. The re-development of the pavilion will mitigate the risk of users occupying buildings which have reached the end of their useful economic life. The Wigston Club for Young People are keen to vacate their existing premises and move to the new Pavilion.</p> <p><input checked="" type="checkbox"/> <b>Economy/Regeneration (CR9)</b></p> <p>Investment in new and existing facilities drives forward regeneration and the new construction project may also provide local employment opportunities.</p>
<b>Corporate Priorities (CP)</b> <b>Adrian Thorpe</b> (Head of Planning, Development and Regeneration)	<p><input checked="" type="checkbox"/> <b>An Inclusive and Engaged Borough (CP1)</b></p> <p>The development of a new pavilion will provide a new community facility to replace one which has not been widely accessible.</p> <p><input checked="" type="checkbox"/> <b>Balanced Economic Development (CP3)</b></p> <p>The report outlines the development of investment in facilities in the borough.</p> <p><input checked="" type="checkbox"/> <b>Green &amp; Safe Places (CP4)</b></p> <p>Improvements to leisure facilities will enhance the provision of public open space.</p> <p><input checked="" type="checkbox"/> <b>Wellbeing for All (CP5)</b></p>

	Improved sports facilities offer opportunities for greater participation in sport.
<b>Vision &amp; Values (V)</b>	<input checked="" type="checkbox"/> <b>"A Strong Borough Together" (Vision)</b>
<b>Adrian Thorpe</b> (Head of Planning, Development and Regeneration)	Enhancement of sports facilities and encouragement of wider participation in sport.  <input checked="" type="checkbox"/> <b>Customer Focus (V5)</b>  Improvement of leisure facilities, offering greater choice for residents.
<b>Equalities &amp; Equality Assessment(s) (EA)</b>	There are no implications arising from this report.
<b>Adrian Thorpe</b> (Head of Planning, Development and Regeneration)	<input checked="" type="checkbox"/> <b>Not Applicable (EA)</b>

Appendix 1 – Final Concept Design





## Appendix 2 – Estimate, Qualification and Assumptions

Horsewell Lane, Pavilion  
Oadby & Wigston Borough Council



### 4.0 Estimate Summary

		GROSS FLOOR AREA		337
	m2	Total Cost	£/m2	%
<b>1</b>	<b>Net construction costs</b>			
1.1	Facilitating Works	£ 1,250.00	£ 3.71	
1.2	Demolition and Alterations	£ 69,040.00	£ 204.87	
1.3	Substructure	£ 42,770.00	£ 126.91	
1.4	Superstructure	£ 203,855.00	£ 604.91	
1.5	Internal finishes	£ 63,365.50	£ 188.03	
1.6	Mechanical & Electrical	£ 157,547.50	£ 467.50	
1.7	FF&E	£ 59,550.00	£ 176.71	
1.8	External Works	£ 85,000.00	£ 252.23	
	<b>Sub Total</b>	<b>£ 682,378.00</b>	<b>£ 2,024.86</b>	
<b>2</b>	<b>Preliminaries</b>	£ 75,061.58	£ 222.73	11.00%
<b>3</b>	<b>Overheads &amp; Profit</b>	£ 37,871.98	£ 112.38	5.00%
	<b>Sub Total</b>	<b>£ 795,311.56</b>	<b>£ 2,359.97</b>	
<b>4</b>	<b>Employer Contingency</b>	£ 39,765.58	£ 118.00	5.00%
<b>5</b>	<b>Design Contingency</b>	£ 39,765.58	£ 118.00	5.00%
	<b>Sub Total</b>	<b>£ 874,842.71</b>	<b>£ 2,595.97</b>	
<b>6</b>	<b>Design and Professional Fees</b>	£ 111,343.62	£ 330.40	14.00%
<b>7</b>	<b>Planning and Building Reg Fees</b>	£ 2,500.00	£ 7.42	
<b>8</b>	<b>Surveys and Investigation Fees</b>	£ 8,000.00	£ 23.74	
	<b>Total Cost</b>	<b>£ 996,686.33</b>	<b>£ 2,957.53</b>	

### 3.0 Qualifications & Assumptions

#### QUALIFICATIONS

- Scheme based on Faithful+Gould drawing: "New Building Layout - Proposed Floor Plan"
- Drawing No. 5164891/001

#### ASSUMPTIONS

- All excavations to be above water table
- Demolition of existing building £40k allowance, excludes any disconnection costs
- Gas Central Heating
- Works to car park following removal of existing building
- Design and Professional Fees at 14%
- Planning and Building Regulations Lump Sum inclusion at £2.5k
- Surveys and Investigations Lump Sum inclusion at £8k
- 22 no. letterbox windows to the changing and WC areas
- 3 no. full height windows to the main hall on all elevations where no cupboards have been shown.
- Allowance for 20 no. Velux style roof lights spread across the roof area
- Shallow pitched roof with concrete interlocking tiles
- Strip footings
- Pre-cast concrete suspended slab
- Brick external skin
- Blockwork internal partitions
- 3.25m elevation height

#### EXCLUSIONS

- Loose FF&E within the newly formed spaces
- Asbestos
- VAT
- All works associated with the grass mound adjacent to the site
- No allowance for demolition of tennis centre or youth club buildings
- No alterations to existing playpark
- Any works associated with relocation of the recycling centre
- S278 Works
- Arboricultural works
- Any allowance for external canopy
- PV/renewable installations

### Appendix 3 – S106 Horsewell Lane Pavilion and Sports Provision Contributions

Source	Location	S106 Wording	Minuted Allocation - Council Meeting 31/10/17	Amount	Proposed Allocation and Revision to Minuted Allocation	Spent By
Section 106 12/00313/FUL	Station Road former South Leicestershire College site	The sum of no more than <b>£217,713.34</b> payable by the Owner to the Borough Council towards the <b>provision of open space facilities in Wigston</b> in accordance with the provisions of clause 3.1.1	£97,321 for pitch improvements and development of mini/youth pitches at OWBC owned sites. Formed part of the Sports Facilities Fund (total £543,985)	<b>£97,321 allocated for pitch imps</b>	For the <b>full £217,713.34</b> to be allocated for the construction of the new Horsewell Lane Pavilion.	July 2022
Section 106 16/0295/FUL	Meadow Hill, Wigston	Means the sum of <b>£149,592.48</b> adjusted in accordance with the provisions contained in Schedule 2 payable by the Owner to the Council in accordance with clause 3.1.16 of Schedule 3 towards <b>sports provision and or accommodation for use by the local community at Pochins Bridge, South Wigston and/or Horsewell Lane, Wigston</b> which could reasonably be accessed and used by residents of the Development. <b>£157,586.42 following indexation.</b>		<b>£157,586</b>	To support the delivery of the sports aspects of the new Horsewell Lane Pavilion.	Feb 2023
Section 106 12/00313/FUL	Station Road former South	A single one off financial contribution payable by the Owner to the Borough Council in accordance with the provisions of	<b>Sports Facilities Fund</b>  Pitch improvements and development of mini/youth	<b>£446,664</b>	Unchanged.	Dec 2021

Source	Location	S106 Wording	Minuted Allocation - Council Meeting 31/10/17	Amount	Proposed Allocation and Revision to Minuted Allocation	Spent By
	Leicestershire College site	clause 3.1.5 towards <b>the provision and enhancement of sports facilities in the Borough of Oadby and Wigston</b> being no more than £400,000.00 - <b>£446,664 following indexation.</b>	<p>pitches at OWBC owned sites.</p> <p>Provision of funding to support the improvement of sports facilities at privately owned sites.</p>			
Unilateral Undertaking 16/00025/FUL	Abington House, Station Road (Wigston Academy)	The sum of <b>£150,000</b> to enable the delivery of an <b>all-weather pitch</b> in the north of the administrative area covered by the Borough Council at the discretion of the Borough Council	Oadby Owls Match funding for 3G pitch.	<b>£150,000</b>	Unchanged.	Sept 2022

## Appendix 4 – Horsewell Lane Pavilion – Project Timeframe (up to start on site)

