



Cabinet

Tuesday, 14 January 2020

Chapel Lane Development

Report of the Executive Manager - Communities

Portfolio Holder for Business and Transformation, Councillor Andy Edyvean

1. Purpose of report

- 1.1. The Council's Corporate Strategy Action Plan (2019-2023) identifies the projects the Council is dedicated to delivering. The action plan establishes development of a new leisure centre, community hall and separate office building on a Council owned site at Chapel Lane in Bingham as a priority in order to provide employment and leisure opportunities and meet the needs of a growing community.
- 1.2. On 12 February 2019, Cabinet authorised procurement of a professional team to progress designs for the leisure and office scheme, requiring the process to be overseen by a Cabinet-led Member Group. Cabinet also approved the inclusion of £20m in the Council's Capital Programme in order to deliver the scheme. This was subsequently supported by Council on 7 March 2019.
- 1.3. This report provides Cabinet with an update on the designs and cost plan which have been developed with oversight from the Member Group to RIBA (Royal Institute of British Architects) stage 3. In response to the new corporate priority of The Environment, the designs incorporate a range of energy efficiency measures to minimise the carbon emissions from the facilities.
- 1.4. A further report covering tender evaluation will be brought to Cabinet by autumn 2020 seeking approval to appoint a construction contractor.
- 1.5. This report does not cover the ongoing positive negotiations for future operational management of the new leisure centre or the renegotiation of the joint use agreement with Nova Education Trust for continued community use of the sports halls and outdoor sports facilities at Toot Hill School.

2. Recommendation

It is RECOMMENDED that Cabinet:

- a) Approves the RIBA stage 3 design and cost plan recommended by the Member Group as detailed in Appendix 1 and 2 in line with the approved budget; and
- b) Approves the additional costs associated with the inclusion of carbon reduction measures in line with the Council's commitment to carbon management.

3. Reason for Recommendation

- 3.1. The Member Group met four times between June and December 2019, shaping the design development process and endorsing the RIBA stage 3 designs which were submitted for planning approval on 18 December. The designs contribute to the delivery of the Bingham Master Plan, are energy efficient and meet the needs of both community leisure users and competitive swimmers.

4. Supporting Information

- 4.1. An invitation to tender for a project management led multi-disciplinary design team was advertised through ESPO framework 2664. Eight companies submitted tenders, which following evaluation and interview resulted in the appointment of Henry Riley in July 2019.

- 4.2. Henry Riley subsequently led a series of regular design team meetings with Council officers, and input from stakeholders such as Swim England and sports clubs. Further consultation took place through an on-line sports club user survey, public displays of draft plans, intelligence gathering from other local authority leisure providers, Bingham Growth Board, a Bingham Town Council facilitated public meeting, Network Rail and Nova Education Trust.

- 4.3. A Cabinet-led cross party Member Group was set up to oversee the project. The group met four times in 2019, with a summary of the meeting dates and content as follows:

June – Councillors agreed the project objectives, project management structure, budget and delivery timeline.

September – Councillors commented on the findings of the on-line club survey, design considerations in relation to site layout, community hall, swimming pool spectator seating and moveable floor options for the swimming pool.

October – Councillors considered updated designs and the RIBA stage 2 cost plan for the leisure and office buildings including building finishes and carbon reduction options.

December – Councillors reviewed the RIBA stage 3 designs and cost plan (as detailed in paragraph 4.4 and Appendix 1) and supported submission for planning approval subject to enhancing the kitchen facility in the community hall. Councillors endorsed £367k of additional energy efficiency measures to support the Council's commitment to reducing carbon emissions. Councillors held mixed views regarding the financial justification for a moveable pool floor and ultimately decided that the project should proceed with a traditional fixed pool floor.

- 4.4. The built facilities on the site consist of a leisure centre with community hall and a commercially lettable office space. The leisure centre contains a 25 metre x 6 lane swimming pool with fixed floor and seating for 330 spectators/competitors, 13 x 7 metre learner pool, café, two exercise studios, spin studio, fitness gym and associated changing accommodation. The large

community hall, which is 260sqm, has capacity for 300 people, a fixed stage area with dedicated changing, kitchen and storage. The office building contains six ground floor offices ranging in size from 70sqm to 88sqm, the first floor contains thirteen offices ranging in size from 8sqm to 33sqm, a breakout area, meeting room and shared working space.

- 4.5. The community hall element of the leisure building is substantially funded through the Bingham Community Chest. In accordance with the section 106 criteria, there are ongoing discussions with Bingham Town Council to determine the detailed specification of this facility and the associated funding drawdown.
- 4.6. A planning application was submitted on 18 December and is anticipated to be determined by April 2020.

5. Alternative options considered and reasons for rejection

- 5.1. A revised specification alternative design could be developed, however this would require an amendment to the planning submission, would lead to increased costs and delay project delivery. The proposed designs cater for a range of community, leisure and business needs, whilst minimising carbon emissions and are within the budget allocated for the project.

6. Risks and Uncertainties

- 6.1. There is a risk that planning permission is refused or requires costly mitigation that could make the project financially undeliverable. For example, the site is adjacent to a railway line with crossings and despite pre-planning consultation Network Rail requirements are currently unknown.
- 6.2. There is a risk associated with Brexit which has recently increased the building industry inflation indices. There is a risk that indices may fluctuate further prior to tendering for a construction contractor. The overall project budget contains a contingency which could be used to mitigate this risk.
- 6.3. There is a risk that costs could increase due to abnormal ground conditions or unforeseen circumstances, however a wide range of site surveys have been undertaken during the design development process and appropriate mitigation built into the cost plan.

7. Implications

7.1. Financial Implications

7.1.1. There is £20m earmarked in the Capital Programme for this project. It will be funded by just under £3m S106 contributions (of which £1.2m is from Bingham Community Chest for the community hall), £750k LEP funding, up to £10m borrowing and the balance from capital receipts. At RIBA stage 3 the total estimated costs of the project are £18.8m (excluding the moveable floor option).

7.1.2. In addition to the Revised Stage 3 Cost Plan total of £18.8m in (Appendix 2), a provision of £0.250m has been earmarked to support any remedial works to facilitate our partial withdrawal from the existing

Bingham site and to allow continuance of Community Leisure access. There will also be additional costs to be met by the Council such as of employing a Clerk of Works to oversee the project from the client side together with internal project management costs.

7.1.3. As referred to in paragraph 6.2 the cost of the project has increased from stage 2 by over £400k due to increases in inflation indices and there is a risk that the cost of the project could increase further. The total development cost estimates include contingency at 4% to mitigate this risk.

7.1.4. The budget allows for up to £10m borrowing which would result in a revenue cost of £435k per annum over 40 years.

7.1.5. As mentioned at paragraph 1.5 there are anticipated contract savings from the Leisure Contract. Furthermore, there will be capital investment for environmental initiatives and the anticipated financial savings should be allowed for in the future negotiations of the contract. These will be included in the Transformation Programme along with expected annual gross revenue from the new offices of around £85k, current estimated capital costs of the offices are £3.6m. This does not give a very good commercial rate of return but there are wider benefits in terms of additional business and job creation.

7.2. Legal Implications

There are no direct legal implications from this report. The budget has been approved by Council, the recommendations are within that.

7.3. Equalities Implications

By providing a new leisure facility in Bingham, the Council will be able to sustain the existing provision whilst it is being built and, therefore, not cause any adverse effects on specific groups. The designs for the new leisure facility and offices meet the requirements in relation to accessibility and equalities legislation, including accessible equipment and concessions for underrepresented groups.

7.4. Section 17 of the Crime and Disorder Act 1998 Implications

The Department for Culture Media and Sport has studied published evidence on the varied benefits of sport. Key findings are that underachieving young people who take part in sport see a 29% increase in numeracy skills and a 12 to 16% rise in other transferable skills. Investment in sports programmes for at-risk youth are estimated at £7.35 of social benefit for every £1 spent – through financial savings to police, the criminal justice system and the community.

8. Link to Corporate Priorities

Quality of Life	The new leisure and community facilities will provide much needed community infrastructure which has been identified as needed within the Bingham Community Plan and Rushcliffe Borough Council Leisure Facilities Strategy.
Efficient Services	The new facilities will be more efficient to operate than the current outdated Bingham Leisure Centre and deliver revenue cost savings to the Council through the leisure contract.
Sustainable Growth	Developing this strategic site will deliver the vision within the Bingham Master Plan to enlarge the local centre. Creation of a modern 10,000 sq/ft office hub for small and medium sized enterprises will create up to 91 FTE jobs and support economic growth by meeting a gap in the market not met by private developers.
The Environment	The new facilities will incorporate over £350k of energy efficiency measures to minimise the carbon emissions from this site. Technology proposed includes a combined heat and power system, photovoltaic panels, LED lighting, office heat recovery units and air source heat pumps.

9. Recommendations

It is RECOMMENDED that Cabinet:

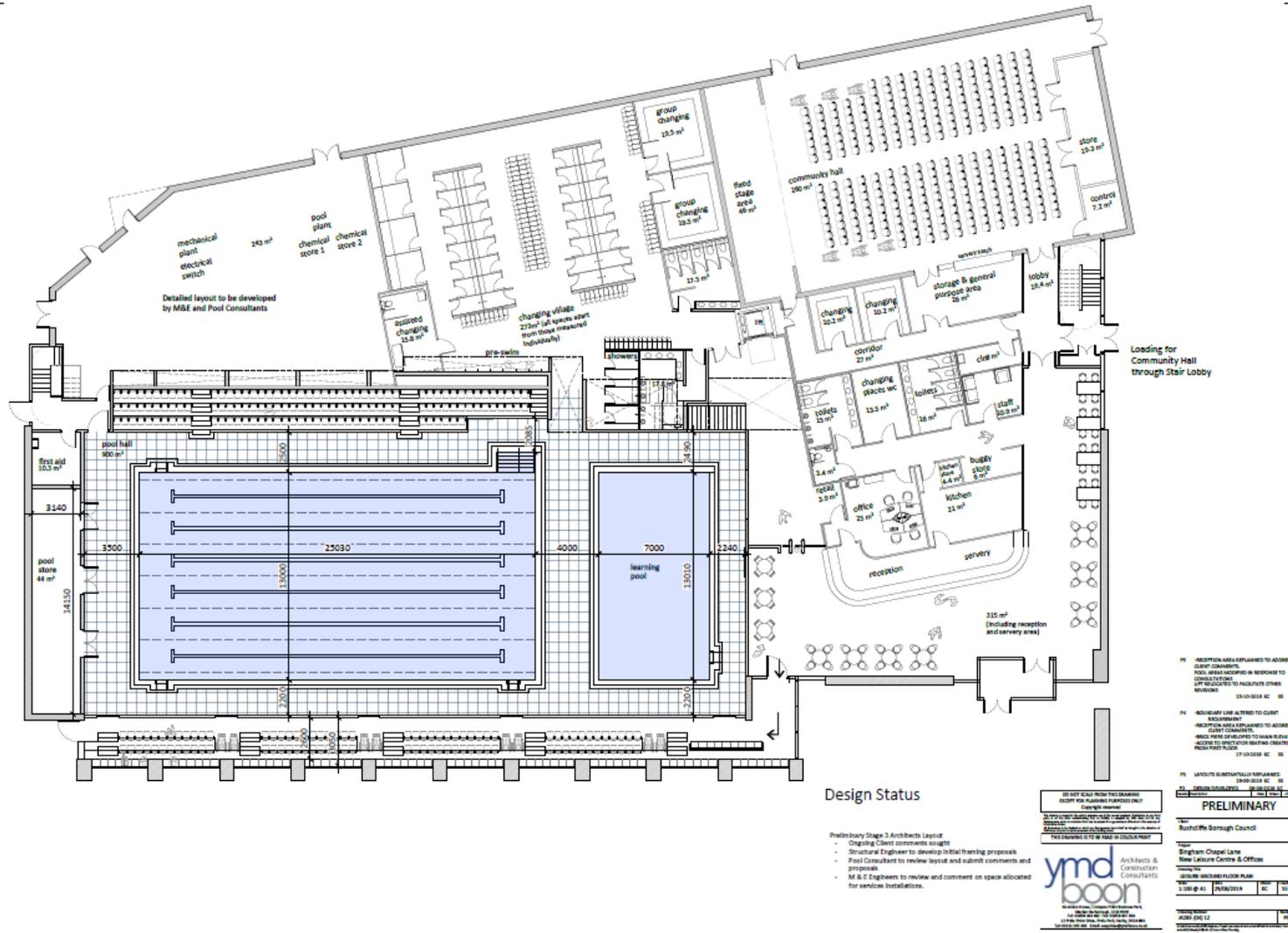
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- b) Approves the additional costs associated with the inclusion of carbon reduction measures in line with the Councils commitment to carbon management.

For more information contact:	Dave Mitchell Executive Manager - Communities dmitchell@rushcliffe.gov.uk
Background papers available for Inspection:	Report to Cabinet 12 February 2019 'Bingham Leisure Centre – Review of Chapel Lane Site'
List of appendices:	Appendix 1 – Plans and elevations Appendix 2 - Cost plan

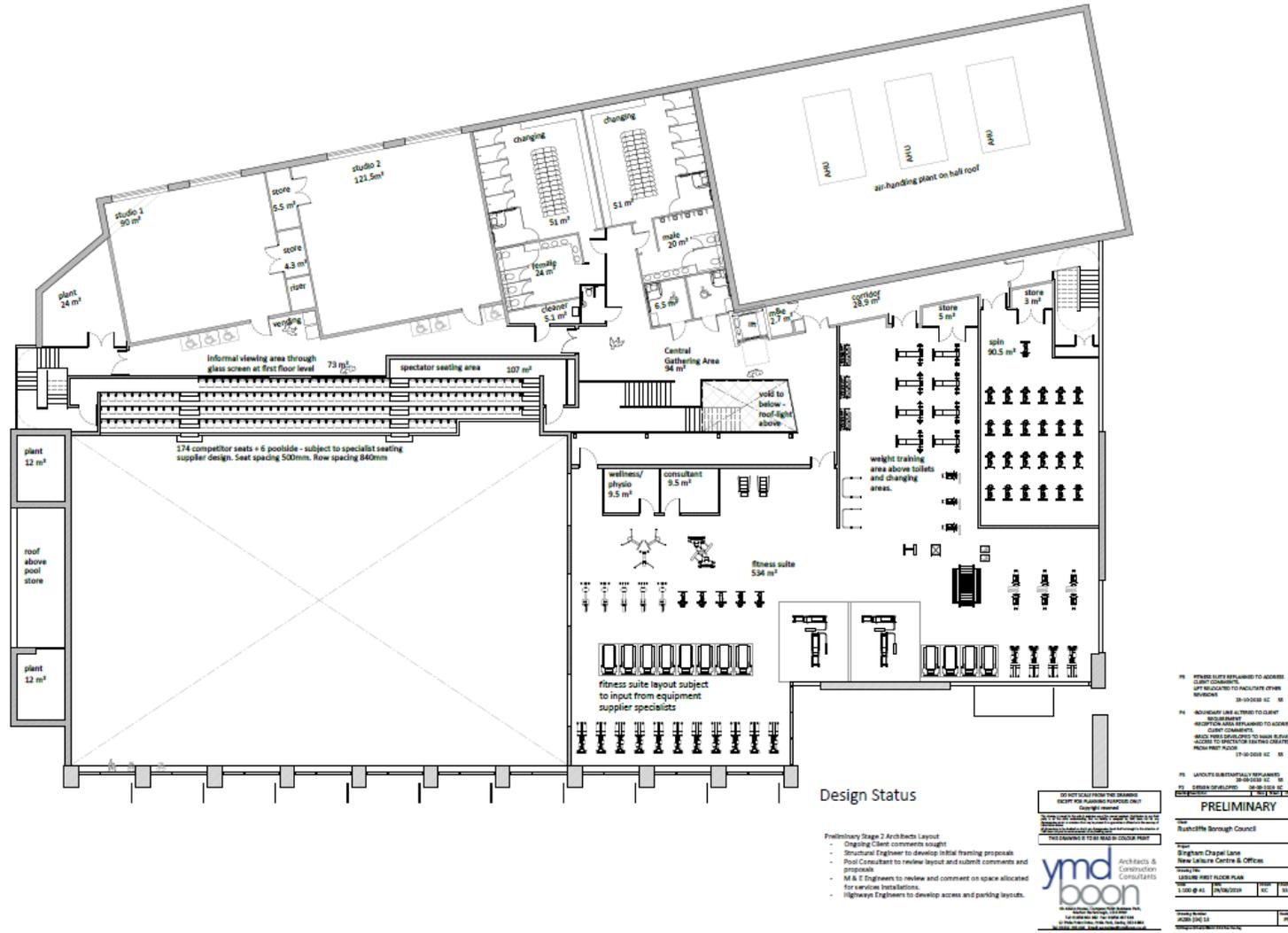
Appendix 1- Plans and elevations



Leisure and Community Ground Floor



Leisure and community First Floor



Design Status

- Preliminary Stage 2 Architects Layout
- Dingling Client comments sought
 - Structural Engineer to develop initial framing proposals
 - Pool Consultant to review layout and submit comments and proposals
 - M & E Engineers to review and comment on space allocated for service installations.
 - Highways Engineers to develop access and parking layouts.

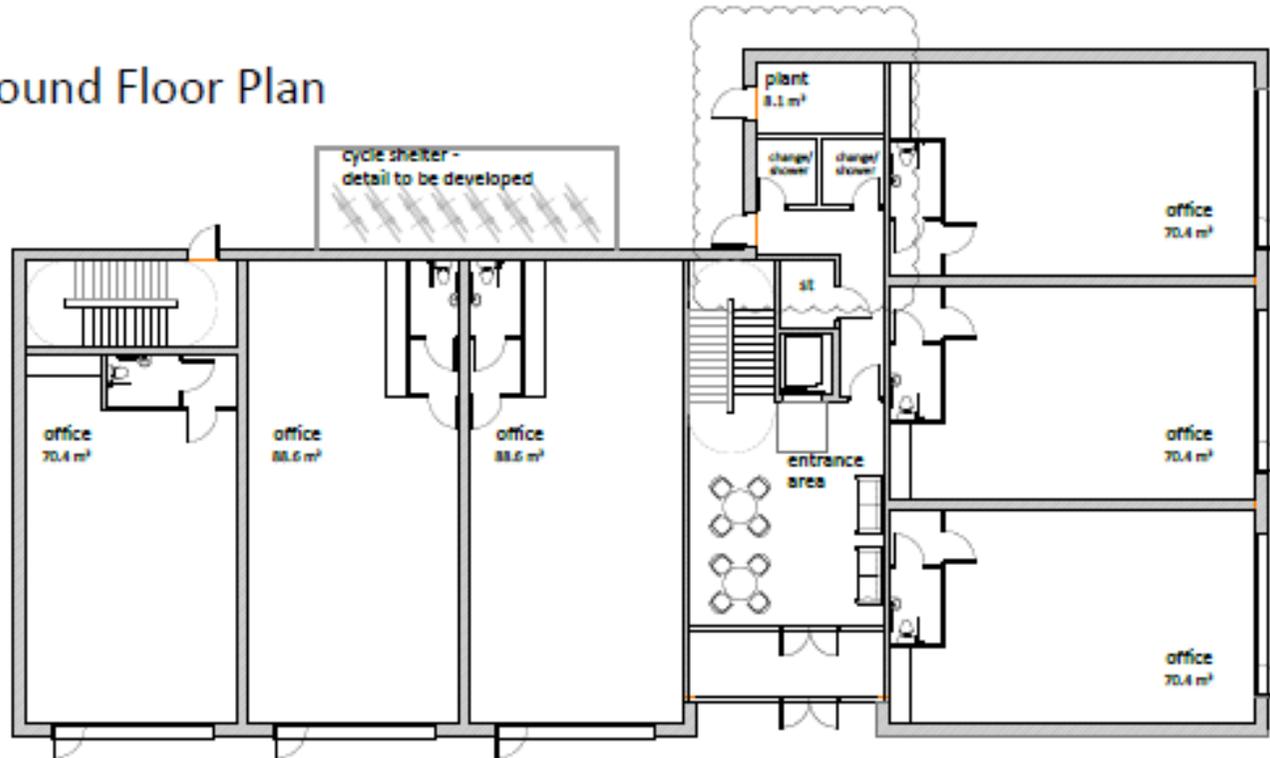
DO NOT SCALE FROM THIS DRAWING
 ACCEPT FOR CONTRACT DOCUMENTS ONLY
 (Please refer to the contract documents for full details)

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<p>PL: FITNESS SUITE REMAINS TO ADDRESS CLIENT COMMENTS SP: REDUCED TO FACILITATE OTHER PROVISIONS 27-10-2024 EC: BS</p> <p>PL: ADVISORY LINE AS IT RELATES TO CLIENT REQUIREMENTS -RECEPTOR AREA REMAINS TO ADDRESS CLIENT COMMENTS -WALLS HAVE DEVELOPED TO MATCH EXISTING WALLS ACCESS TO SPECTATOR SEATING CREATED FROM FIRST FLOOR 27-10-2024 EC: BS</p> <p>PL: LANDSCAPE GENERALLY REMAINS UNCHANGED 27-10-2024 EC: BS</p> <p>PRELIMINARY</p> <p>Client: Bournemouth Borough Council</p> <p>Project: Brighton Chapel Lane New Leisure Centre & Offices</p> <p>Drawing: LEISURE FIRST FLOOR PLAN</p> <p>Scale: 1:500 @ A1</p> <p>Drawn: [Name] Date: [Date]</p> <p>Checked: [Name] Date: [Date]</p>

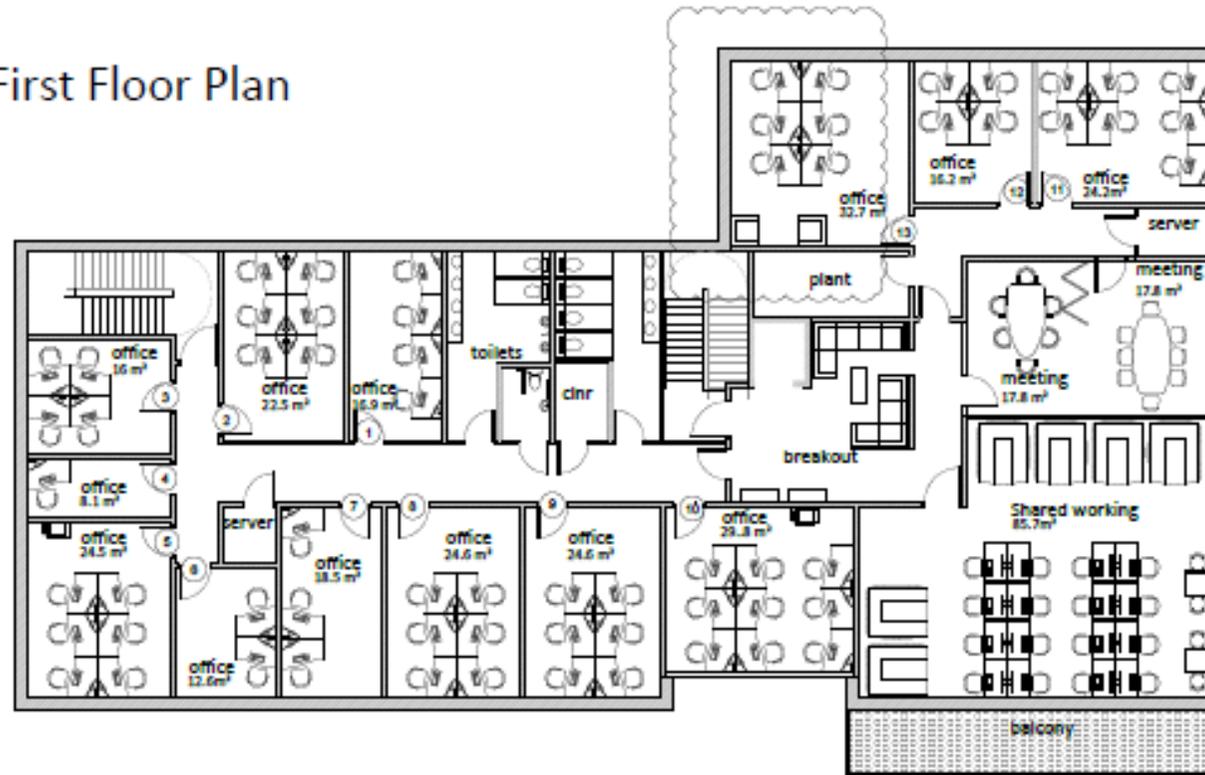
Office Ground Floor

Ground Floor Plan



Office First Floor

First Floor Plan



Elevation Leisure/Community and Offices



Elevation – Leisure/Community



Elevation – Office



Appendix 2 – Stage 3 cost plan

RUSHCLIFFE BOROUGH COUNCIL

BINGHAM LEISURE CENTRE

STAGE 3 - COST PLAN

OVERALL SUMMARY

<u>Group Elemental Breakdown</u>	AREAS (M2)	3,605	430	1,182	5,217		
		LEISURE	COMMUNITY	OFFICE SHELL & CORE	OFFICE CAT A	TOTALS	Cost/m ²
TOTAL DEVELOPMENT COST		13,837,581	1,426,217	2,405,876	911,224	18,580,898	3,561.61

BELOW THE LINE ITEMS (SEE 6)

1	MOVEABLE FLOOR	706,656	135.45
2	OFFICE CAT B	231,040	44.29
3	CARBON ZERO	Included	0.00
	REVISED COST	19,518,594	3,741.34