

# Causeway Coast and Glens Borough Council

**To: Leisure & Development Committee**

**Sport & Leisure Facilities in Dungiven**

**11<sup>th</sup> August 2015**

**For Decision**

**Report to Committee**

<b>Linkage to Interim Corporate Plan</b>	
<b>Strategic Themes</b>	Prosperity Health & Wellbeing Cohesive Community
<b>Lead Officer</b>	Jonathan Gray – Strategic Advisor Wendy McCullough – Head of Health, Wellbeing & Sport
<b>Cost: (If applicable)</b>	£2.5m Capital Investment - DCAL

**The purpose of this report is to update Members on the current situation and to seek Members approval to proceed to Capital Project – Stage 2; detailed design and procurement of a contractor (subject to DCAL funding).**

## **Background**

A substantive piece of work has been carried out to identify areas of undersupply and oversupply of sport and leisure facilities across the Council area. This was presented to Shadow Council at a workshop held on Thursday 30th October 2014 in Garvagh. By adopting an evidence / needs based approach to future investment, Council can use its investment criteria to ensure optimum value for money is achieved.

The work done indicates that the present level of facility provision in Dungiven more or less meets the needs of the local population. If, however, the present facilities cannot be retained and have to close due to their poor and deteriorating condition, then the picture will change substantially and reflect a poor level of provision against the identified evidence of need. This would have to be addressed at a future time and at considerable cost.

## **Current Situation**

An opportunity for Council to benefit from up to £2.5m of funding from DCAL towards the costs of the project (to include both indoor and outdoor facilities) is available. This is viewed by DCAL as part of the North West legacy improvements.

Accordingly, in November 2014, Shadow Council approved the appointment of a Design Team to progress with the Options Appraisal, Economic Appraisal and Outline Business Case for the development in Dungiven.

The completed Outline Business Case incorporating the Options Appraisal and Economic Appraisal is now attached for Members information (Annex A) and a presentation of the key findings will be made to Members at the Committee Meeting.

## **Next Steps**

The next steps are for Members to consider the Outline Business Case for approval and thus the progress of the Project to “Stage 2” in the Council Capital Project Management System.

The OBC recommends progressing with Option 9 which comprises a single site development at Council’s Curragh Road site. This will provide a 3G synthetic pitch meeting the three code standards (Football, GAA and Rugby) and a dry centre building providing changing facilities for the pitch and modern, fit-for-purpose replacement facilities for those currently located at the existing Chapel Road facility.

If the OBC is approved, it is important that the detailed design and tender work is completed as soon as possible. This is because a contractor needs to be appointed by the end of October 2015 to meet the time lines necessary to enable Council to draw down the potential DCAL funding.

## **Recommendation**

It is asked that Members note the update that has been provided and recommended that Members approve;

- The Outline Business Case for the Dungiven Facilities
- The Dungiven Sport and Leisure Facilities project progress to “Stage 2” in the Council Capital Project Management System, that being;
- Detailed designs to be completed,
- The construction work be tendered and
- A further report to be brought before Council prior to the appointment of a contractor to carry out the works and subject to a Letter of Offer being received from DCAL.

Causeway Coast and Glens Borough Council

Appraisal of the Proposed Investment  
in Community and Leisure Facilities in Dungiven

July 2015

## CONTENTS

1. Introduction and Summary
2. Context for the Options Appraisal
3. Strategic Context
4. Socio Economic Context
5. Evidence of Need
6. Aims and Objectives
7. Options Development and Selection
8. Financial Appraisal
9. Non-Monetary Appraisal
10. Recommendation of the Preferred Option
11. Risk Assessment
12. Management and Procurement

## *Appendices*

*Appendix A: IMAC Conditions Survey (2010)*

*Appendix B: DDA Compliance Report*

*Appendix C: Sport England: Playing Pitch Model (taken from Otium Leisure Appraisal)*

*Appendix D: Naylor & Devlin Capital Costings*

*Appendix E: NPV's for Shortlisted Options*

*Appendix F: NPV's for Shortlisted Options after sensitivity analysis has been applied*

## 1. Introduction and Summary

This appraisal has been commissioned by Causeway Coast and Glens Borough Council (the Council) and has been developed independently by the Venturei Network. The focus of the appraisal is a proposal by the Council to invest in the redevelopment of the sports and leisure facilities in Dungiven namely the Sports Pavilion on Chapel Road and the pitches on Curragh Road. The key context for examining options is the fact that the Sports Pavilion in Dungiven is not fit for purpose due to its poor condition and its non-compliance with the 1995 Disability Discrimination Act and the inability of local sports clubs to gain access to pitch provision due to continued high demand for them.

The appraisal has been developed on foot of a consultation process resourced by the Council and undertaken by Kennedy Fitzgerald Architects and the Venturei Network. The consultation process set out to establish, at a local level if need/demand existed through extensive consultation with sports clubs, pavilion users and stakeholders. The appraisal process, in line with any objective appraisal process sets out to confirm:

- If this is an appropriate use of public monies
- That need exists for redevelopment of sports and leisure facilities in Dungiven
- The nature and scale of redevelopment

### Need and Case for Investment

The Venturei Network assessed the fit of the proposed investment by Causeway Coast and Glens Borough Council with a range of strategies. The strategic policy context established by a range of important Regional and Council wide strategies support investment in a project of this type. It is consistent with the new Corporate Plan for the Causeway Coast and Glens Borough Council in addition to the Departmental (DCAL) and Sport NI (Sports Matters) Strategies. In addition there is clear evidence that investment in sports and leisure facilities would directly contribute to OFMDFMs cohesion and inclusion strategies (Together Building a United Community and Lifetime Opportunities).

From a socio economic perspective there is a strong case for investment. Dungiven is located in an isolated rural catchment where public transport services are limited therefore investment in the proposed project has the potential to make sports and leisure activities accessible to all members of the local population. It is also situated in an area with a growing population, high levels of deprivation particularly in relation to access to services and has a population which has demonstrably poorer health compared to peer communities in the Council area and Northern Ireland.

Establishing the need and case for investment in sports and leisure facilities in Dungiven was further developed through:

- Reviewing project related information (Sport NI's Active Places dataset)
- Consultation with existing users of the leisure facility at Chapel Road in addition to consultation with sports clubs in and around Dungiven

The feedback from consultation with 67 existing users of the sports pavilion at Chapel Road in Dungiven can be summarised as follows:

- A broad range of users with high levels of sport, leisure and recreational participation use the existing facilities on the Chapel Road
- There are high levels of dissatisfaction with the Sports Pavilion on the Chapel Road particularly the changing rooms, outdoor facilities and the opening times
- Users identified the need for additional pitches at the facility in addition to space for classes such as Yoga and Pilates

Consultation with 11 registered sports clubs in and around Dungiven confirmed the following:

- All clubs require access to grass and synthetic/floodlit pitches to fulfil fixtures and deliver their Sports Development (Coaching and Training) Plan targets
- Pitches are required for both Gaelic Games (men and ladies football, camogie and hurling) and soccer (men and ladies)
- The need can be translated into 1 full sized (130m x 90m) floodlit synthetic pitch, 3 full sized natural turf Gaelic pitches and 3 full sized natural turf soccer pitches

The consultation process completed identifies that there is a strong case for investment in sports and leisure facilities in Dungiven serving the town and its rural catchment.

## Aims and Objectives

As an output of examining the information gathered via the analysis and consultation processes and the assessment of need a series of aims and objectives were developed and agreed in order to guide the development of options for the sport and leisure facilities in Dungiven. Investment in the development of leisure and community facilities in Dungiven will seek to deliver on the following aims:

- To enhance access to high quality leisure activity, facilitating sports development, recreation and physical activity
- To bring about a high level of involvement in physical activity with associated health and wellbeing benefits
- To contribute to the quality of life for citizens of the Borough by enhancing access to inclusive, multi-use and accessible leisure and sports space
- To provide facilities and activities which promote community activity and interaction in Dungiven
- To provide facilities which are family focused and support intergenerational content
- To increase access to and engagement in sports and physical activity by underrepresented groups including over 50s, females and people experiencing income deprivation

These aims are supported by the following objectives:

- To complete a meaningful community consultation process by June 2015
- To develop an objective business case for development options for Dungiven Leisure and Community Centre by July 2015

- To secure the required capital funding for the project by December 2015
- To provide a fully DDA compliant and inclusive pavilion by March 2017
- To increase fitness centre user numbers by 10% to 50,000 by the end of Year 1 post construction
- To increase sport pavilion user numbers by 10% to 50,000 by the end of Year 1 post construction, and to 60,000 annually by 2020
- To achieve a minimum 90% satisfaction rating on a per annum basis
- To provide additional pitch provision of 1 pitch by March 2017 supporting an additional 600 coaching/training sessions per annum for sports clubs and 100 casual user sessions per annum

## Options Development and Selection

In line with the direction provided by the 'Green Book' and options development and selection process was undertaken where a long list of options were considered in terms of their strengths and constraints and their potential to contribute to the agreed aims and objectives. Following the options development and assessment processes the shortlisted options for the sport and leisure facilities in Dungiven were confirmed as follows:

Option No.	Option Title: Description
1	Do Nothing/ Maintain the Status Quo
7	Two Site Pitch and Pavilion (3G pitch 55m x 90m)
9	Integrated Redevelopment of Curragh Road Facilities (3G pitch 55m x 90m)

## Financial Appraisal

A financial appraisal of the three substantive shortlisted options was undertaken. The following table confirms the outputs of the financial appraisal process:

Factor	Option 1	Rank	Option 7	Rank	Option 9	Rank
Standard NPV	1,194,098	3	3,607,139	2	3,172,171	1
NPV and OB	-	3	3,895,710	2	3,425,944	1
NPV (Revenues – 10% & Operational Costs + 10%)	1,385,629	3	3,892,607	2	3,438,317	1

## Non-Monetary Benefits

The investment of public monies cannot be assessed by economic/financial appraisal alone. Given the focus of the strategic aims and objectives of the promoter as a corporate body and its lead role in contributing to the quality of life of its citizens and visitors to the area it is important that the shortlisted options are set against a range of social or non-monetary areas of impact. Five non-monetary areas of impact have been identified which relate to



likely outcomes or impacts relating to investment in the leisure and community facilities in Dungiven. The following table sets out the outputs of the non-monetary appraisal process:

Factor	Option 1	Option 7	Option 9
Non-Monetary Score	100	745	760
Rank	3	2	1

## Recommendation

On the basis of the monetary and non-monetary appraisal of the short-listed options the Independent Appraisal Team recommends that Council proceed with investment in Option 9 (subject to funding availability)

The rationale for recommending Option 9 as the preferred option is as follows:

- Within the budget available it addresses the key priority needs insofar as is possible; it directly results in the replacement of the Dungiven Sports Pavilion and meeting the needs of current users of that facility whilst upgrading it will almost certainly enhance its attraction and attract additional users. Significantly it will have a big impact in respect of inclusion; investment in Option 9 and the provision of a new sports pavilion at Curragh Road will address all of the Disability Discrimination Act compliance issues associated with the current sports pavilion at Chapel Road. Additionally, it will also address all of the Conditions Report issues.
- Whilst it does not meet the requirements for pitches identified through the consultation processes underpinning the Business Case, it, within the resources available, provides a 3G floodlit pitch which is additional to the current pitch provision. On the basis that it is 3G and floodlit it will provide the maximum hours of additional availability to pitch space for GAA and Association Football (Soccer Clubs) in and around Dungiven. Whilst it is not able to meet the requirements for natural turf surfaces to enhance their ability to meet competitive fixture requirements it will add to their potential to deliver on their Sport Development Plans through the provision of space which is suitable for coaching
- Option 9 has been preferred over Option 7; Option 7 provided the same level of facilities but included the provision of a new sports pavilion on the existing Chapel Road site ... in simple terms a two site solution. Whilst it is recognised that there are some merits in retaining the existing location ultimately it is recognised that all Councils must operate within strict operating cost environments. Given the difference between the lifetime costs of Option 7 over Option 9 it is difficult to make a robust argument for the pursuit of Option 7. Over the lifetime of the cost it would commit Council to a projected £500k additional costs. These are finances which Council could use to invest in additional sports and leisure facilities around Dungiven or indeed across the Council Area bringing additional benefits to more of its citizens

- It is recognised that there is limited definition between options in respect of their non-monetary performance. It must be recognised that the two substantive short-listed options (Options 7 and 9) both perform well in respect of non-monetary appraisal. Both will in part meet the identified need but more importantly provide 'fit for purpose' facilities for engagement of the Dungiven population in sports, leisure and physical activity. This is important for a number of reasons but particularly on the basis that there are pockets of Dungiven catchment which display significantly high levels of poor health compared to either the Council Area or NI as a whole. In addition the area suffers from multiple deprivation and is especially disadvantaged in relation to the poor public transport network which means that it is virtually impossible (at a practical level) for citizens to access similar facilities in Limavady or Coleraine (especially in the evenings when most citizens and/or sports clubs require facilities or are available to access facilities).

## Capital Cost

The capital cost of implementing the preferred option (option 9) is as follows:

Facility	Cost Item	Cost (Year 1)	Cost (Year 5)
<i>Revised 3G pitch - 55m x 90m</i>	-	£450,000	-
<i>New Sports Complex</i>	-	£1,660,000	-
<i>Siteworks</i>	Break out existing hardstands	£5,000	-
	Earthworks in landscaping bank to left of entrance	£10,000	-
	Carpark & footpaths	£41,000	-
	Paving to entrance of complex	£9,075	-
	Drainage to Complex & Carpark	£65,000	-
	Landscaping	£15,000	-
	Preliminaries @ 8%	£180,000	-
	Contingency @ 3%	£64,500	-
	Disposal of Chapel Road Site (by Year 5)	-	£250,000
	<b>Total</b>	<b>£2,499,575</b>	<b>£250,000</b>

## Additionality

It is the view of the Independent Appraisal Team that the proposed project presents limited concerns in respect of additionality. The rationale for this statement is as follows:

- Consultation with the Council Director confirms that in the current forward estimates for capital spend by Causeway Coast and Glens Council would be unable to resource the procurement and delivery of the preferred project option within the current timeframe of the Corporate Plan ie 2015-2019. Consultation with Sport NI confirms that the project is unlikely to meet the criteria associated with the recently launched Facilities Fund
- On that basis unless the Council can secure a funding line outside its own resources the project will not progress
- A review of the current provision in and around Dungiven confirms that in addition to the Council voluntary sports clubs have been the main provider of facilities. However, given the criteria and the current Facilities Fund (Sport NI) it is clear that no individual club could secure the funding required in order to deliver any significant element of the preferred option. Investment in facilities is limited to £100k per club which would have limited impact on the delivery of the 3G element of the proposed project. In addition, given that the indoor facilities (through multi-sport) are unlikely to attract funding at a level significantly higher than £100k through a single club application it is unlikely that a voluntary sports club could deliver the indoor sports facilities element of the project

## Risks

A risk register has been completed for the proposed project. It contains the risks associated with the Causeway Coast and Glens Borough Council implementing the preferred option. These include:

- Lack of Funding
- Not Taking Action
- Lack of community support and uptake
- Potential impact of other proposals in the area eg NW Sports Village
- Project Procurement
- Cost and Time Overruns
- Potential environmental impact
- Facility management
- Inappropriate Maintenance Regimes
- Health and Safety