



BALLYCASTLE LEISURE CENTRE

LEVELLING UP BID

JULY 2022 // PREPARED BY



**Causeway
Coast & Glens
Borough Council**

Eligibility and Gateway Criteria

How many component projects are there in your bid?

One

Are you submitting a joint bid?

No

Grant Value Declaration

I am submitting a bid as a single applicant and can confirm that the bid overall does not exceed £20 million grant value

Gateway Criteria: Costings, Planning and Defrayment

I confirm that some LUF grant funding will be defrayed in the 2022/23 financial year

Introduction Questions

What is the legal name of the lead applicant organisation?

Causeway Coast and Glens Borough Council

Where is your bid being delivered?

Northern Ireland

If you are a local authority, select your name from the list below

Causeway Coast and Glens

Enter the name of your bid

Ballycastle Leisure Centre

Does your bid contain any projects previously submitted in Round 1?

No

Bid Manager Contact Details

██████████

SIB Project Manager

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Enter the name of any consultancy companies involved in the preparation of the bid

The bid was prepared by Council with the support of Strategic Investment Board personnel seconded to Council.

The bid is based on an Outline Business Case independently produced by Capaxo Consulting in May 2022.

What is the type of your organisation?

Local Council

Bid Summary

Bid Name

Ballycastle Leisure Centre

Please provide a short description of your bid, including the visible infrastructure that will be delivered/upgraded and the benefits that will be felt in the area.

Ballycastle, a small coastal town with a rural hinterland, was formerly the largest town in NI's poorest Council and has been starved of investment.

The only indoor leisure facilities are in a 60+ year old converted school with no pool. The community has long campaigned for facilities/services equivalent with other parts of the Borough.

The community faces challenges including multiple-deprivation, crime, unemployment and low wages. A new £15m wet leisure centre will act as a growth stimulus. Together with the new £40m shared school, with cross community use, this project will promote physical activity while addressing sectarianism and economic under-performance.

Please provide a more detailed overview of the bid proposal. Where bids have multiple components (package bids) you should clearly explain how the component projects are aligned with each other and represent a coherent set of interventions.

Ballycastle, the smallest of the Borough's towns (5,465) extends to a rural hinterland with a combined population of 31,000. Formerly the largest town in NI's poorest council, Ballycastle was starved of investment and services. Multiple deprivation, rural isolation, unemployment, crime, low wages and sectarianism are all evident. Research shows strong correlations between deprivation, physical inactivity, educational under-attainment, economic inactivity, crime and poor health. Ballycastle acutely reflects these findings.

Residents have to travel more than the recommended 20 mins to access fit for purpose leisure services. Leisure provision is dry only, is housed in a 60-year old school that is beyond its useful life, is energy inefficient and is a visual blight at a seafront location. Since 2016, extensive public consultations have supported the project and specifically the pool.

The Council carries the combined debt of the four former councils it replaced in 2016. Its borrowing capacity is close to capacity and without financial assistance, this project will not proceed despite the strong economic case for investment.

The economy of Ballycastle relies heavily on local tourism. The lack of wet-weather facilities means tourism is highly weather dependant. As well as addressing local need for facilities, this project will help extend the tourist season and level out the weather-related fluctuations.

The town also suffers from a central business district that is remote from the main visitor area with associated limited visitor spend. This project, located mid-way, will encourage visitors to bridge that gap.

Sectarian tensions have justified a PEACE IV, £3.2m investment in community access to the £40m shared school project. A £1.5m museum restoration project will complement both projects via the further implementation of the Town Centre Master Plan.

The need for new leisure facilities is compelling. 'Doing Nothing' is not sustainable and the cost of 'doing something' is beyond the Council's affordability. The rationale and supporting evidence for the project is based on independent professional analysis and extensive local consultation.

The high level aims of the project include a range of critical outcomes relating to:

- Health & wellbeing
- Learn to swim
- Community inclusion/engagement
- Addressing multiple deprivation
- Extended tourist season/draw
- Creating economic drivers
- Fit for purpose, modern facilities that are environmentally and financially sustainable

The OBC includes a full economic appraisal of costs, benefits, contingencies and risks. The project has a positive NPV/BCR after 25 years which takes account of initial capital costs, whole life costs, operating costs, income generated and wider economic benefits.

The preferred option reflects the facility mix reflective of current leisure behaviours:

- 25m x 4 lane, 'modest spa' and wet play
- Community/studio space
- Gym
- Changing Places
- Accessible play park
- Café
- Bouldering wall, BMX pump and lit walking/running trails (reflecting local natural leisure assets)
- Operational Net Zero

The OBC confirms the preferred option is affordable, viable and sustainable into the longer term.

The project has a direct fit with LUF's 'Regeneration' and 'Cultural' investment themes. The project will 'upgrade eyesore buildings and dated infrastructure; and bring public services and safe, accessible community spaces into town centres'.

Please provide a short description of the area where the investment will take place. If complex (i.e. containing multiple locations/references) please include a map defining the area with references to any areas where the LUF investment will take place.

Ballycastle is the most easterly of the Borough's towns and is the urban centre closest to a large isolated rural hinterland including, The Glens DEA (population of 16,000). A total of 31,000 people live within a 20-minute drive-time of the town. The socio-economic profile of the town highlights high levels of deprivation, crime and economic disadvantage. Ballycastle and surrounding area have a heavy reliance on tourism jobs. This results in the negative economic impacts of a low-wage economy and seasonality.

With limited indoor/poor weather attractions tourism has a mainly local draw and is extremely weather sensitive.

The current provision of leisure facilities in Ballycastle is inadequate, in poor condition, has no wet provision and doesn't meet user needs. This acts as a constraint to attracting and retaining participants to physical activity from under-

represented groups (women/girls, people with a disability, older people and people living in socio-economic deprivation).

For these reasons, Ballycastle has a compelling need for investment in this project. Having undertaken a full review of all available sites in the town, the Council prioritised the site of the current 2G hockey pitch on the Quay Road for a range of reasons:

- Planning requirements to consider the ‘town-centre first’ policy
- Proximity to bus routes
- The 2G pitch is beyond its economic life and is to be replaced by the Shared Schools project
- Socio-economic impact on deprived communities
- Synergies with pre-existing pitch and changing provision on the site
- Linking the upper and lower towns
- Established planning designation for leisure
- Avoids flood risk
- In Council’s ownership
- Allows for continuity of some leisure services during construction
- Releases the existing Sheskburn Centre as a prime site for economic development close to the sea front

A disconnect between the two centres discourages visitors from exploring the ‘upper town’ and spending. Using this site will help to re-establish a connection between the two parts of the town, encourage visitors to explore the upper town and increase spend.

The Ballycastle Master Plan Review 2021 details the town boundary and highlights the key strategic developments planned for the town. This includes leisure provision and a map showing the ‘bridging’ potential of the site is included within Section 5.1.3. This project will strategically complement existing and planned investments in the town including a £50m Shared School Campus (with integrated pitches and sports hall for school and community use) and a £1.5m refurbishment of Ballycastle Museum.

The combined impact of these projects will result in a suite of fit for purpose leisure and physical activity opportunities that help keep the population mentally and physically well, bring a divided community together, enhance the tourism offering and support the economic development of a small market town and its rural hinterland.

The project site is a direct fit with LUF’s aspiration to ‘upgrade eyesore buildings and dated infrastructure...’. In doing so it will release the Sheskburn site from its current eyesore condition and make it available for private development as a major economic driver for regeneration at a seafront location in the town.

Please confirm where the investment is taking place (where the funding is being spent, not the applicant location or where the bid beneficiaries are located). If the bid is at a single location please confirm the postcode and grid reference for the location of the investment. If the bid covers multiple locations please provide a GIS file. If this is unavailable please list all the postcodes / coordinates that are relevant to the investment.

The investment will take place at the site of the existing Council site at Quay Road, Ballycastle which is a town in the Causeway Coast and Glens Borough. Refer to Section 5.1.3 for a map of the Borough and specifically the Ballycastle DEA.

The Ballycastle Master Plan Review 2021 details the town boundary and highlights the key strategic developments planned for the town. This includes leisure provision and a map showing its proximity to the existing sports centre and the coastline is included within Section 5.1.3.

The postcode for the site is BT54 6BJ.

Grid Reference is 311858 (X), 440850 (Y) using the Irish Grid (TM65) Coordinate System.

An Aerial Map and Site Plan is included as Appendix 2.

Please confirm the total grant requested from LUF (£): £8,142,850

Investment themes:

Regeneration and town centre – 50%

Cultural – 50%

Please tick one or more subcategories that are relevant to your investment:

Regeneration: Other – Leisure and community provision integrated within town

Cultural: Sports and athletics facilities

Please provide details of any applications made to other funding schemes for this same bid that are currently pending an outcome. Where a successful outcome might lead to you no longer requiring the LUF grant please provide details and confirm when you might expect the outcome to be known.

No other applications available or submitted for this project.

Strategic Fit

Has an MP given formal priority support for this bid? Please confirm which MP has provided formal priority support. Which constituency does this MP represent?

N/A – Letter of Support has been received from Ian Paisley, MP.

Describe what engagement you have undertaken with local relevant stakeholders, including the community (the public, civic society, private sector and local businesses). How has this informed your bid and what support do you have from them?

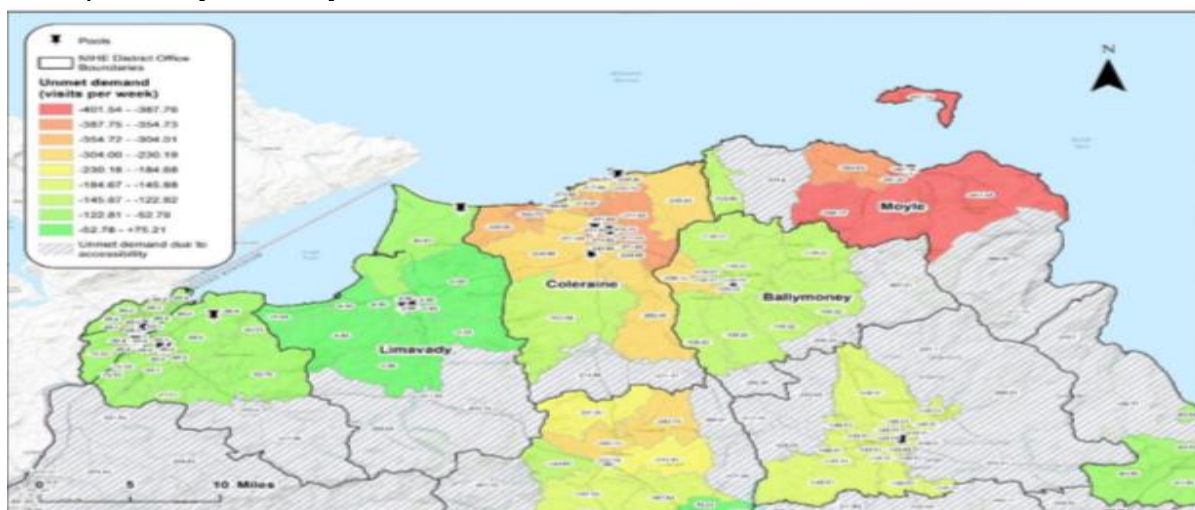
Causeway Coast and Glens Borough Council ('Council') has undertaken extensive consultation, engagement, and a needs analysis for this project dated back to 2009 and remains ongoing. The catalyst for this project was facility need identified in the Sport NI, Bridging the Gap report 2009.

Since then, Council has engaged in extensive consultation with local stakeholders, to address these facility needs. This has involved:

- Engagement with the Elected Members;
- Consultation with Community Groups
- Consultation with the wider public
- Consultation with appropriate statutory sector representatives
- Consultation with internal stakeholders who will be impacted by any investment decisions (e.g. grounds maintenance, leisure & development, community development etc.)
- Specific interest consultations with local sports/community clubs and town business forum.

Following the Bridging the Gap 2009 Report, Council's Sport & Leisure Facilities Strategy 2015 consulted residents on the sports facility provision across the Borough in comparison with nationally accepted standards.

Demand was demonstrated through heat maps, as noted for swimming in the Borough. This map shows that there is clear unmet demand in the Ballycastle area, as depicted by the 'Moyle' area in red below.



Unmet demand (visits per week) for pools facilities within a 20 minutes drive time catchment



These community consultations supported the view that The Ballycastle and Glens areas had particularly low levels of sports facility provision resulting in limited opportunity to participate in sport and physical recreation and long journey times. In 2017 Council officers, supported by SIB, ran two specific briefing sessions for Councillors and Community leaders to discuss a proposed two-phase Leisure Provision Business Case for Ballycastle. Community Leaders were identified by the Community Development team.

Overwhelming support was received during these events and feedback included:

- The size of the pool and the aspiration to have it 25m long
- Lit routes in the town for street jogging in darkness hours
- Support for daytime access to pool, gym and health suite
- Need for disability provision
- Community space
- Need to consider the needs of tourists numbers and local residents
- Need to reflect the conservation area status of the town

In 2021, DfC appointed Arup to undertake a review of the 2009 Ballycastle Strategic Town Development and Action Plan, in consultation with the local business community. Stakeholders highlighted the desire for a wet leisure facility in Ballycastle. Feedback highlighted that the facility would help develop the leisure offer, status of the town and attract more footfall. Although considered a medium to long term project, the Masterplan noted that the proposal for a leisure/ tourism facility should be retained.

Most recently, Council has gone out to public consultation, in March 2022, on the current proposals for the mix of facilities (indoor and outdoor) and designs for a new leisure centre in Ballycastle. 1,190 responses were received with 98% supportive of the need for the project. Overall, the survey shows a clear need for the proposed facility.

It is noted that the Council also carried out the relevant statutory Section 75 Screening and Rural Proofing included as Appendix 3.

All Letters of Support are appended to this Application at Appendix 4.

Has your proposal faced any opposition? Please provide a brief summary, including any campaigns or particular groups in support or opposition, and if applicable, how will you work with them to resolve any issues.

As outlined in section 4.2.1 above, Sport NI developed a Bridging the Gap report in 2009. This caused council to take an in-depth look into its sports facility provision, through extensive consultation. This consultation coupled with additional research from Council and DfC (2021) has resulted in the development of a new leisure centre in Ballycastle as a key capital project.

This project, together with the Ballycastle Shared spaced project, will have met all the needs outlines in the consultation processes and as a result there has been no opposition noted to this project.

This project has received overwhelming positive feedback and support from the local community and local stakeholder groups who are all extremely keen to see this development. While some consultees have slightly differing views on which type of leisure facilities are their priority there is overwhelming support for the project.

The Council has developed a web portal for public consultation on the project and has given a commitment that this will be used to update and further consult with the local community as the project develops.

Do you have statutory responsibility for the delivery of all aspects of the bid?

Yes, Council has statutory responsibility under the Recreation and Youth Service (Northern Ireland) Order 1986: "Council is required to secure the provision for its area of adequate facilities for recreational, social, physical and cultural activities and for that purpose may, either alone or together with another district council or any other person".

Council will lead on the delivery of all aspects of this project, utilising external partners as and when required. The Council's capital delivery team has a proven track record in working in partnership with DfC on town centre regeneration and leisure programmes, most notably recent examples are in Portrush and Dungiven.

Please provide evidence of the local challenges / barriers to growth and context that the bid is seeking to respond to.

The Outline Business Case ('OBC') included at Appendix 15 confirms the need for investment using the following evidence:

Socio Economic Case: Ballycastle settlement has a population of 5,465 (Census 2011) with 31,518 residents (12,264 households) living within 20 mins drive time. The NI MDM 2017 shows The Glentaisie and Kinbane SOA which is within Ballycastle as having an overall MDM rank of 124 out of 890 in NI (Lowest 14% in NI), access to services rank of 222 of 890 (Lowest 25% of NI), income rank of 25 of 890 (Lowest 3% of NI), employment rank of 231 of 890 and a crime and disorder rank of 251 of 890.

Rural Need: Ballycastle is a small market town which services a large rural hinterland. Currently this population has to drive much more than the recommended 20 minutes' drive-time, and on some occasions into another Borough, to access leisure and community facilities. In particular, the community is significantly concerned there are no adequate learn to pool swim facilities in the local area where the children of a coastal town can learn to swim. This project will achieve improved access to leisure and lifestyle services for a dispersed rural community.

Conservation Need: The town has a rich heritage with much of the current fabric of the town dates back to 18th Century which has led to its designation as a Conservation Area. The design of the facility will match the high-quality built heritage of the town. This will be a planning requirement and has been factored into the project cost estimates.

Facility Need: Sport NI 2009, Council 2015 and DfC 2021 have all assessed the demand for sports facilities in the area and found Ballycastle with large unmet demand for adequate swimming, gym and additional facilities. As a result of the limited and outdated facilities only 15% of respondents to the recent community consultation had membership of the Council's Leisure scheme and 57% stated that they seldom accessed any Council leisure facilities.

Financial Need: As a result of the Review of Public Administration in 2016, four legacy Councils merged with a high level of debt carried over to the formation of the new Causeway Coast and Glens Borough Council. This has posed a major affordability challenge to the delivery of capital projects and has delayed progress on this flagship project for almost 10 years. LUF has presented a once-off funding opportunity, without which the project will not happen and the existing centre will eventually fall into a state of disrepair.

Post-Conflict Need: The rural hinterland of Ballycastle experiences significant sectarian tension and events. A £3m PEACE IV investment in pitch and hall-based leisure facilities at a new cross-community school project reflects the role of sport in

peace building. This wet focused leisure project will support further opportunities for community integration in a neutral space.

Explain why Government investment is needed (what is the market failure).

The existing leisure facilities in the town are located in a poorly converted 60+ year old school building with no swimming pool facilities. These are clearly not fit for purpose in either scope or condition.

Causeway Coast and Glens Borough Council was formed in 2016 from the amalgamation of 4 former councils. These 4 former Councils carried high levels of debt which has now been inherited by the Causeway Coast & Glens at around £80m. This limits the ability of the Council to borrow further funding to service its facility needs and makes case for third party investment in the identified leisure needs in Ballycastle.

In this project market failure has occurred in that the private sector is unlikely to perceive a commercial rate of return on investment in project for social benefit. Thus, if the proposed development is to proceed it will require public sector investment. Positive externalities occur when the growth of goods or services causes wider spill-over benefits to third parties. The redevelopment of the project has the potential to generate the following positive externalities:

1. Enhanced facilities for residents and visitors: The 60+ year old Sheskburn House (current Council dry leisure facilities) is no longer fit for purpose. As a coastal town in N Antrim, the economy of Ballycastle relies heavily on local tourism. However, the lack of facilities means there are few poor-weather attractions which results in a short tourist season and day visits that are highly weather dependant. As well as addressing local need for facilities that support health inducing physically active lifestyles (especially a pool), this project will help extend the tourist season and level out the weather-related fluctuations in day visits, thus supporting local businesses and jobs.
2. Contribute to an increase in economic activity: The development of the project and surrounding locations will not only create short term construction and supply jobs but, more importantly, it will bring a new and long-term upturn in footfall to the town and so increase the attractiveness of the area for economic activity leading to ongoing regeneration.
3. Increased physical activity and healthy lifestyles: In 2020 DfC published the 'Experience of sport by adults in NI' findings which noted participation in sport has remained stagnated for most adults with 56% participating in sports in the previous year. This project will help to promote participation in physical activity and target underrepresented groups including women and girls, older people, people with a disability and those suffering deprivation. In a 2022 consultation, only 15% of the respondents from Ballycastle had membership of the Council's leisure scheme and 97% reported that they would join if these facilities were built.
4. Improved community relations in partnership with sports clubs and community groups – the project aims to become a neutral focal point for community activities and engagement in partnership with local groups. As a neutral venue for the community to come together this project will help address the sectarian legacy of the troubles which is evident in the rural hinterland of Ballycastle.
5. Reduce anti-social behaviour - The redevelopment of the project hopes to address this failing by actively targeting youths and those at greatest risk of

entering into the anti-social lifestyle, through provision of leisure/community activities and programmes.

In line with the ethos of the Levelling Up Fund, Government Intervention is needed to address this market failure with the provision of much needed facilities and services.

The direct outcomes of this project will include:

- health and wellbeing
- economic development
- improve attractiveness of the town
- community cohesion
- learn to swim as a life-skill for local children.

Please set out a clear explanation on what you are proposing to invest in and why the proposed interventions in the bid will address those challenges and barriers with evidence to support that explanation. As part of this, we would expect to understand the rationale for the location.

The plans for a new leisure centre in Ballycastle commenced in 2016 and as part of the work to complete an OBC, evidence of need was established through the Sport England facility planning model and demand analysis. Council adopted three high level objectives for the project:

- address local market needs and demand for leisure offering within Ballycastle
- address social, economic, equality and deprivation challenges in the town; and
- create financially sustainable facilities.

A long list of development options was considered from 'Do Nothing' through to consideration of development on various sites and to a range of facility specifications. It was not possible to conclude the OBC in 2018 due to the uncertainty around the choice of operating model, which would influence both capital and operational affordability. In response, an in-house team developed a Leisure Transformation Plan which was adopted by Council with implementation still ongoing.

After a detailed site assessment (see Appendix 5), the Council decided that the Quay Road is the best location for a new building of around 1,650m² plus outdoor free to use leisure and play provision.

The proposed project that will see the creation of the following facilities:

- 4-lane swimming pool, 8.5m x 25m, splash pool, Sauna, Steam Room, Plant room, Changing & WC Facilities, Jacuzzi, 944m²
- Fitness Gym, 175m²
- Climbing Wall, 75m² to reflect the natural backdrop of Fair Head, one of the best natural climbing locations in the UK & Ireland
- Adaptable Studio space and store for fitness classes and community use, 200m²
- Community Space including meeting room, café and shared kitchen, 66m²
- Staff, ancillary and circulation space: 190m²
- 1.5KM outdoor lit running and walking track with links to existing path network
- BMX Pump track to reflect the local forest-based mountain bike opportunities
- Accessible play park
- Changing Places facility for wider community access

The proposed project schematics are provided within the appended Project Delivery Plan at Appendix 6.

The proposed facilities will address the needs identified and the Feasibility Study at Appendix 5 provides the rationale for the current location:

- The current provision of leisure facilities in a converted school building at over 60 years old are inadequate, in poor condition, have no wet provision and don't meet user needs. This acts as a constraint to attracting new participants to physical activity and in particular under-represented groups (women/girls, people with a disability, older people and people living in social-economic deprivation). The proposed project provides a range of sports, leisure, community, recreation and play facilities on a neutral site.
- In January 2018, Council appraised five possible sites for the development of a new Leisure Centre in Ballycastle. Quay Road was the preferred option from the study for several reasons:
 - Planning requirements to consider the 'town-centre first' policy
 - Proximity to bus routes
 - The 2G pitch is beyond its economic life and is to be replaced by the Shared Schools project
 - Socio-economic impact on deprived communities
 - Synergies with pre-existing pitch and changing provision on the site
 - Linking the upper and lower towns
 - Established planning designation for leisure
 - Avoids flood risk
 - In Council's ownership
 - Allows for continuity of some leisure services during construction
 - Releases Sheskburn as a prime site for economic development close to the sea front

As outline above, Ballycastle has two centres. The northern or lower/costal centre is the focal point for visitors with its cafes, beach, attractive public realm, costal walks, golf course and harbour. This town centre is distant from the main central business district of the upper or southern town centre. Between the two centres is a relatively unattractive 800m uphill walk. This disconnect between the two centres of the town discourages visitors from exploring the 'upper town' and taking advantage of its retail offerings. As a result, the visitors to the town seldom leave an economic legacy beyond their accommodation and immediate food & beverage spend.

The proposed investment, located in the mid-point between the lower and upper town centres, will help to re-establish a connection between the two parts of the town. It will encourage visitors to make the journey to the upper town and will provide a bad weather alternative to costal walks that will reduce cancellations and aborted plans to visit resulting from a bad weather outlook. All this will extend the tourist season and make local tourism businesses more sustainable so reducing the seasonality of employment opportunities.

Please explain how you will deliver the outputs and confirm how results are likely to flow from the interventions. This should be demonstrated through a well-evidenced Theory of Change.

The Theory of Change Model Framework for both themes of Regeneration and Culture is summarised below:

Inputs (Investment)	LUF Outputs (Capital Facilities)	Activities (Partnership Programmes)	LUF Outcomes (Positive Change)	Supporting Rationale & Measurement	Impact (Difference Made)
Regeneration Investment of £7.45m (50%)	<ul style="list-style-type: none"> ♦ New sports centre of 1,650m² ♦ New Community centre space of 250m² 	<ul style="list-style-type: none"> ♦ DfC Master Plan outlines capital investment programmes (details attached) ♦ Council's Town & Village Team engagement plans (details attached) 	<ul style="list-style-type: none"> ♦ Increase footfall in specified count areas by 10% on the 2019 baseline by 2030 ♦ Contribute to a reduction in town centre vacancy rates from current 25% to 20% by 2030 ♦ Improve perception of visitors to Ballycastle from 'average' to 'good' by 2030 	<ul style="list-style-type: none"> ♦ Economic Impact Study Portrush Regeneration EY, 2019 ♦ Perception surveys - annual ♦ Footfall counters – monthly reports ♦ Tourism audits – annual ♦ Retail audits – annual ♦ Independent Post-Project Evaluation (5-year) 	<ul style="list-style-type: none"> ♦ Economic regeneration of the town ♦ Improved socio-economic profile of town area and resident population ♦ More prosperous community and business environment compared to other UK towns
Cultural Investment of £7.45m (50%)	<ul style="list-style-type: none"> ♦ New and upgraded cultural space & facilities: <ul style="list-style-type: none"> ○ 25m Swimming Pool ○ Wet Play ○ Spa area ○ Gym ○ Climbing Wall ○ Adaptable Studio ○ Community space / meeting room ○ Café ○ Pump / BMX track ○ Walking Track ○ Accessible Play park 	<p>General participation:</p> <ul style="list-style-type: none"> • Indoor Fitness Product • Fitness Members • Indoor Classes Product • Swimming Product • Learn to Swim Programme • Swim Lessons <p>Partnerships:</p> <ul style="list-style-type: none"> • Health & Wellbeing Intervention Programmes • Education & Education Authority Programmes • DfC & Sport NI • Disability Sport & Disability Groups • Autism NI • NSPCC & Safeguarding • National Governing Bodies of sport • Age Friendly 	<ul style="list-style-type: none"> ♦ Increase the number of visitors from 43k to 117k per annum by 2030. ♦ Increase consumer spending from £87k to £283k per annum by 2030. ♦ Contribute to improved health and well-being: <ul style="list-style-type: none"> ○ Reduce obesity in children by 2% from 32% (Year 8) and 23% (P1) ○ Reduce mental health crises by 1-2% from current levels. ○ Increase participation in moderate intensity sport from 33% to 38% ○ Increase health & wellbeing programmes' participants (>30k) 	<ul style="list-style-type: none"> ♦ UK Active/Sport England Social Value of Sport 2018 ♦ Programme Evaluations completed by key funders e.g. Sport NI, Health Trusts, DfC etc ♦ Datahub/ 4Global Latent Demand Analysis for CCAG, 2019 ♦ CCAG Leisure Transformation Plan 2019 ♦ User numbers and feedback forms ♦ Funded programmes and attendances ♦ Sporting fixtures and club feedback ♦ 'Hard to Reach' user numbers and feedback 	<ul style="list-style-type: none"> ♦ Improve the quality of leisure provision within CCG ♦ Increase usage of the Facilities and participation by CCG's Borough residents ♦ Promote better health and wellbeing amongst CCG's residents ♦ Significantly reduce the level of annual subvention required to subsidise the provision of the Facilities and Services ♦ Deliver affordable and accessible facilities for everyone

See Appendix 7 for full details, including a summary infographic, Model Framework and Transformation Delivery Plan.

Further details provided In Section 6.4 Monitoring and Evaluation.

Applicants should also briefly set out how other public and private funding will be leveraged as part of the intervention.

In May 2022, a report was taken to the Council's Leisure and Development Committee requesting approval of the preferred option and funding approach this approval was granted and the decisions of the Committee were ratified by Full Council on 7th June 2022.

On this basis, Council is prepared to match-fund 45% of the costs associated with the redevelopment of the project, with the remaining 55% being requested via the Levelling Up Fund. See Section 6.1 for further details of the Financial Case for investment.

If the project progresses to Stage 2 of the Council's capital project management procedures, a Full Business Case (FBC) will be prepared in advance of a final investment decision. This FBC will include detailed design, Planning Application and procurement of an Integrated Supply Team (IST). The FBC process will also exhaust all other funding opportunities, particularly in respect exemplar sustainability and carbon efficiency technologies within the building design.

As indicated above, this intervention is a key contributor to the overall Ballycastle Town Centre Master Plan (see Appendix 8) and will complement existing and planned investment from both public and private sectors including a new £50m Shared School Campus will integrate, Council and SEUPB funded, £3m sports pitches and sports hall for both school and community use. The development of a new wet leisure centre and outdoor, free to use leisure and play facilities, will complement this Education Authority, Council and PEACE funded project and will result in a strategic fit with other investments in the town. The combined impact of these projects will result in a suite of fit for purpose leisure and physical activity opportunities that help keep the population mentally and physically well, bring a divided community together and support the economic development of a small market town and its rural hinterland.

The Council also has advanced plans for the redevelopment of the Ballycastle Museum with financial assistance from the Heritage Lottery Fund. This project will see a £1.5m+ investment to restore a 300-year-old listed courthouse to create fit for purpose spaces to protect and display a museum collection based on the history of the town. This project will also create neutral community space for classes, lectures, meetings and other community activities. The museum project will complement the new Leisure Centre via the further implementation of the Town Centre Master Plan and creating another attraction to invite visitors to the upper part of the town and generate additional economic activity.

Letters of support from key stakeholders and DfC are included as Appendix 4.

Explain how your bid aligns to and supports relevant local strategies (such as Local Plans, Local Economic Strategies, Local Cultural Strategies or Local Transport Plans) and local objectives for investment, improving infrastructure and levelling up. For Northern Ireland, Scotland and Wales bids: In addition, explain how your bid aligns to the strategic plans and objectives of devolved administrations.

The OBC demonstrates the 'Strategic Case' for the project and details how the proposed investment fits with local and regional strategies as follows:

- NI Programme for Government 2016-2021
- Recreation and Youth Service (Northern Ireland) Order 1986
- The DfC Strategy "Building Inclusive Communities 2020-2025
- DfC Sport and Physical Activity Strategy, 2022
- Sport NI Corporate Plan 2021-2026

- 'A Fitter future for All: Obesity Prevention Framework 2012–2022 & 2019-2022
- Together Building a United Community
- Causeway Coast and Glens Corporate Strategy 2022-25
- Causeway Coast and Glens Community Plan 2017-2030
- Bridging the Gap 2009 and Causeway Coast and Glens, Sport and Leisure Facilities Strategy 2015
- Draft Tourism Strategy for NI (in development)
- Ballycastle Strategic Town Development and Action Plan, 2009
- Ballycastle Strategic Town Development and Action Plan Review, 2021

The proposal to invest in the project will contribute to key Council-led and Borough focused strategies including the Community Plan and the Council's strategies and plans for economic development, tourism, sport, and leisure. The mission statement of the Council's strategy is aligned to this project particularly in relation to the provision of 'effective accessible and sustainable local public services'.

A new Operational Net Zero wet leisure centre in Ballycastle will address many of the Council's service and community focused policies whilst at the same time address many key NI Executive priorities relating to rurality, physical and mental wellbeing, tourism, the economy, the environment, the climate emergency and engaged communities. The strategic benefits of this project will be experienced by both the local community and tourists to the area.

The delivery of this project will play a central role in delivering Council's strategic priority of developing "healthy, active and engaged communities" and "Climate Change and Our Environment".

The most important outcome from this project will be that the citizens of Ballycastle and its hinterland will, for the first time, have access to fit for purpose Council recreational facilities which help them to develop their physical, mental health and wellbeing and gain important life skills.

Some of the core objectives of the Ballycastle Leisure Centre project are to:

- Provide fit for purpose indoor leisure facilities to replace those at the repurposed school building, Sheskburn House.
- Accommodate the needs of local young people to learn to swim.
- To support healthy lifestyles with the provision of free to use outdoor facilities.
- Improved health and wellbeing of local population through increased involvement in physical activity, sport and community engagement.
- Increase participation in physical activity by individuals from currently underrepresented groups.
- Increased participation in health improvement programmes

The Ballycastle Masterplan sets out the strategic vision for the future of the Ballycastle area. It was developed through a collaborative process and will be used to inform future decisions regarding both planning and development up to 2030.

The Ballycastle Masterplan proposes a vision to protect and enhance the natural qualities of the area and encourage increases in low impact activities. The Operational Net Zero objectives of this project will help address the environmental aspirations of the Master Plan.

Explain how the bid aligns to and supports the UK Government policy objectives. For Northern Ireland, Scotland and Wales: In addition, explain how

your bid aligns to any specific policy objectives, legal and statutory commitments relevant to the devolved administrations.

This project aligns to UK Government policy objectives set out in the Levelling Up Fund Prospectus. Set in the seaside town of Ballycastle with decades of underinvestment and deterioration, the project will make a significant contribution to the Ballycastle and support Council's Covid recovery plan for the area.

A new leisure centre in Ballycastle is consistent with the Council's statutory duties for leisure provision as set out in the Recreation and Youth Service (Northern Ireland) Order 1986.

This project will support local economic growth through the implementation of the local communities' own town and economic development ambitions as articulated in the Ballycastle Town Master Plan.

The development of leisure facilities within 20 minutes' drive time of a rural/urban population is consistent with Sport England and Sport NI policy recommendation and consistent with the DfC Sport and Physical Activity Strategy (2022), the Sport NI Corporate Plan 2021-2026 and Causeway Coast and Glens, Sport and Leisure Facilities Strategy 2015.

The project will make a meaningful contribution to the Levelling Up investment themes: Regeneration and town centre investment and Cultural investment in new and upgraded cultural and sports facilities.

The project will also help deliver two of the cross-cutting themes:

- 'green agenda' – The project will deliver an environmentally sustainable solution for the building fabric; capital works; and future lifecycle and operational costs. The new Leisure Centre will achieve a BREEAM rating of "Excellent" and aim for the exemplary standard of Passivhaus, only achieved by one other leisure centre in the UK (St Sidwell Point at Appendix 22).
- 'reducing crime and delivering safe and secure towns and cities' – Through collaboration with multi-agency partners the Council will use this project to improve community safety, promote community integration and reduce crime.

In addition, this project will help to attract and retain tourists to the north and east Antrim coastal destinations and extend the tourist season. This will help support the implementation of the new Tourism NI brand – 'Embrace a Giant Spirit' and help the local tourism businesses recover from the devastating impact of the Covid pandemic. By creating a destination 'accessible play park' in Ballycastle this project will deliver one of the key priorities of the Council's 2018 Play Strategy. The 'accessible' nature of the facility is both important to promote inclusion for children with a disability but also, based on the experience of a similar facility in Portstewart, this will establish the area as a priority destination for family outings and short stay holidays.

The complementary £50m Ballycastle Shared School Campus project, with associated PEACE funded leisure facilities for community use, will help deliver a safer and more unified local community and further promote post-conflict recovery. Through this project the NI Executive's policy of Together Building a United Community (TBUC) will be delivered in Ballycastle.

Where applicable explain how the bid complements / or aligns to and supports existing and / or planned investments? in the same locality.

Ballycastle Shared School Campus: This is a £50m new school project in Ballycastle that has the potential to build community cohesion and address some of the post-conflict community tensions in the local community. This project will see the co-location of a Catholic and a Protestant post-primary school on the same site with a

range of shared facilities and services where children from the two main traditions will for the first time share their educational experiences on a daily basis. This project has planning permission, has an approved budget and is currently at procurement stage.

SEUPB PEACE IV funded share community and school sports facilities: The Council has fostered a partnership between the Education Authority, SEUPB funders and the two schools involved in the Shared School Campus project. Through this project the sports facilities at the Campus will be enhanced with a £3.5m investment to make them suitable for community use. The enhancements will include new plastic pitch technologies, flood lighting, more changing facilities and a larger sports hall. The Council will run the facilities during non-school time for use by the local community and will deliver cross-community programming.

Ballycastle Museum: The Council also has advance plans for the redevelopment of the Ballycastle Museum with financial assistance from the Heritage Lottery Fund. This project will see a £1.5m+ investment to restore a 300-year-old listed courthouse to create fit for purpose spaces to protect and display a museum collection based on the history of the town. The museum project will complement the new Leisure Centre via the further implementation of the Town Centre Master Plan and creating another attraction to invite visitors to the upper part of the town and generate additional economic activity.

Combined Impact: The new Leisure Centre, combined with the Shared School Campus, enhanced school sports facilities for community use and the refurbished Museum will see the implementation of 4 key elements of the Town Master Plan. When combined, these investments will generate community activity, enhance visitor enjoyment, realise increased tourism and retail spend, promote community cohesion and enhance civic pride. These redevelopment projects will not only create short term construction and supply jobs but, more importantly, they will bring an upturn in the footfall and increase the attractiveness of the area for economic activity, leading to its ongoing regeneration.

Please tick to confirm which of the following Levelling Up White Paper Missions (p.120-21) your project contributes to and write a short sentence to demonstrate how your bid contributes to the Mission(s).

Skills – The development of a wet leisure centre in Ballycastle will help to develop many skills of the community of Ballycastle and surrounding areas. The opportunity afforded by this project to the Ballycastle and surrounding areas to develop the important life-skill of swimming which is of particular importance in a coastal setting. The programmes delivered by the Council and its partners will support performance, leadership and coaching skills across a range of sports and codes. Once acquired these skills have many paid and voluntary applications that contribute to physical, mental, economic and community wellbeing.

Health and Wellbeing – The development of the project will provide a wide range of opportunities for the residents in Ballycastle and surrounding towns and villages to participate in sport and healthy physical activity. The area boasts a significant tourist population from Easter to September and the new project should become an attractive option particularly during inclement weather. The walking/running path, BMX pump track and accessible play park will help encourage a more active lifestyle for all levels of fitness and ability in a safe space that will encourage community cohesion.

Pride in Place – The current Sheskburn facility is dated, the facilities and building are beyond their economic life expectancy. This project will rejuvenate Ballycastle by improving the attractiveness and aesthetics of the building and immediate surrounding area, whilst upgrading the current offering to include swimming facilities, spa facilities, modern gym, BMX trail, walking/running path etc. This will act as a catalyst for the regeneration of the town centre and generate increased footfall at peak and off-peak times. The site vacated at Sheskburn house will allow for the removal of an unattractive building and create a new opportunity for economic regeneration at a beach side location.

Crime – Traditionally underrepresented groups are most likely to participate in criminal activities due to lack of opportunities and affordable community spaces. In 2021, 330 crime incidents were recorded within half a mile of Ballycastle town centre. The development of this project and the associated targeted multi-agency programming for young people will help address these community challenges

Economic Case

Please provide up to date evidence to demonstrate the scale and significance of local problems and issues.

The scale and significance of the issues in Ballycastle are set out in the socio-economic profile included in the OBC, Town centre data sets and community consultation survey information outlined below:

i. Socio economic profile

Ballycastle settlement has a population of 5,465 (Census 2011) with 31,518 residents (12,264 households) living within 20 mins drive time. As the smallest Council in Northern Ireland before the Review of Public Administration, it suffered neglect and a lack of investment over the years:

- 22.63% of people had a long-term health problem or disability that limited their day-to-day activities
- 78.00% of people stated their general health was either good or very good
- 11.13% of people stated that they provided unpaid care to family, friends, neighbours or others
- 24.39% had a degree or higher qualification
- 40.88% had no or low (Level 1*) qualifications
- 60.54% were economically active, 39.46% were economically inactive (NI 33.78%)
- 51.56% were in paid employment
- 7.16% were unemployed
- 1 in 10 households (9.89% v NI 9.13%) were lone-parent households with dependent children
- 1 in 4 households (25.29%) did not have access to a car or van (NI 22.70%)

The Glentaisie and Kinbane SOA, which along with Bonamargy, Rathlin and Glenshesk SOA comprise most of Ballycastle and Rathlin. Bordering both SOAs is Armoy, Moss-side and Moyarget SOA which will be included for completeness:

SOA	Glentaisie & Kinbane	Bonamargy, Rathlin & Gleshesk	Armoy, Moss-side & Moyarget
Population (2017)	2,340	1,873	2,119
Population Change (2007-2017)	9.6%	-0.5%	10.7%
Age 0-15	21.2%	16.5%	21.9%
Age 65+	17.2%	26.4%	14.5%
MDM	124	460	169
Income	25	344	72
Employment	231	459	281
Health & Disability	350	666	348
Education, Skills & Training	347	696	423
Access to Services	222	124	55
Living Environment	333	249	271
Crime & Disorder	251	316	526
Source: NISRA			

NI population comparisons (Age 0-15, 20.9%; Age 65+, 15.9%; 2007-2017 change, +6.2%)

Figures in bold represent those domains where the SOA rank is among the 20% least deprived SOAs in NI for that domain

This shows that the Ballycastle town and hinterland is mostly within the most 20% deprived SOAs in NI, largely due to low income levels.

ii. Town Centre Data

Nexus Retail and Leisure Capacity Report (2017) - The report establishes the proportion of retail services was 8.6% lower than the UK average, which is reflected in a higher proportion of vacant units (25.0% units vacant compared to the UK average of 11.3%).

NEMS Household survey - The NEMS Household survey set out questions relating to the provision of new facilities in the Borough. A new swimming pool was the most popular request with most demand expressed in Ballycastle compared to elsewhere in the Borough.

'Public and Business Perception Study', Sproule Consulting (April 2017). In terms of the main priorities for business respondents, more recreational facilities (32%), better parking/number of spaces (26%) and more for children/ teenagers (24%). From the general public survey findings, just over half (54%) of respondents (those who live or visit Ballycastle) described their perception of the town centre as average.

Respondents highlighted the need for more recreational facilities (54%). A more recent survey was conducted by the CARD Group in 2021 to take a snapshot of the impact of Covid recovery on the town.

iii. Community Consultation

Council has also recently undertaken community consultation (March 22) on the proposed development plans for a new Ballycastle Leisure Centre. The key headlines from this consultation exercise are summarised as follows:

- 1190 respondents
- 98% supportive of the need
- Swimming pool considered to be a top priority.

Please demonstrate the quality assurance of data analysis and evidence for explaining the scale and significance of local problems and issues. Please demonstrate how any data, surveys and evidence is robust, up to date and unbiased.

i. Socio Economic Data

The socio economic data provides an overview of the demographic, economic and social characteristics of the Ballycastle area. Statistics presented have been derived from desk-based research undertaken using the Northern Ireland Research and Statistics Agency (NISRA) website.

Northern Ireland Statistics and Research Agency, which incorporates the General Register Office, is an executive agency within the Department of Finance. The Agency is the principal source of Official Statistics and social research in Northern Ireland. NISRA conducts the Census of Population every 10 years which every household in Northern Ireland must complete by law. It is used by central and local government, health authorities and other organisations to plan and provide future services.

The socio economic profile presents the age breakdown of all residents of the catchment area analysed in this report, as well as detailing the population age breakdown for Northern Ireland as a whole. All the data has been obtained from the NISRA website with the most recent data set published in 2020.

In compiling this population data, comparisons can be made between the populations of each of the electoral wards. Northern Ireland wide figures have also

been presented to demonstrate the circumstances of each Ballycastle area against the national averages.

ii. Town Centre Data

Throughout the Masterplan Review, a series of site visits, discussions, meetings and facilitated stakeholder workshops were undertaken. The Review has been carried out with a thorough understanding of the spatial context of Ballycastle, the changing nature of the town centre and the characteristics which make Ballycastle unique. Stakeholder engagement was crucial to understanding how Ballycastle has evolved since the 2012 Masterplan, and importantly to ensure regeneration proposals align with and reflect the priorities of those invested in the positive development of Ballycastle. The following groups were engaged through workshop sessions and 1:1 meetings. It was considered these groups were representative of the needs of the local community and businesses in Ballycastle:

- Officers from Causeway Coast and Glens Borough Council
- Department for Communities
- Translink
- Ballycastle Town Team
- Landowners of key sites
- Department for Infrastructure

In March 2021, Council appointed CARD Group Ltd to carry out Perception and Opinion surveys, among people and businesses, within 12 designated town centres within the Borough. The report at Appendix 18 provides the snapshot for the towns recovery after Covid and included:

- The visitor results are based on an overall sample of 50 respondents;
- The trader's results are based on a sample of 19 traders within the town centre.

iii. Community Consultation

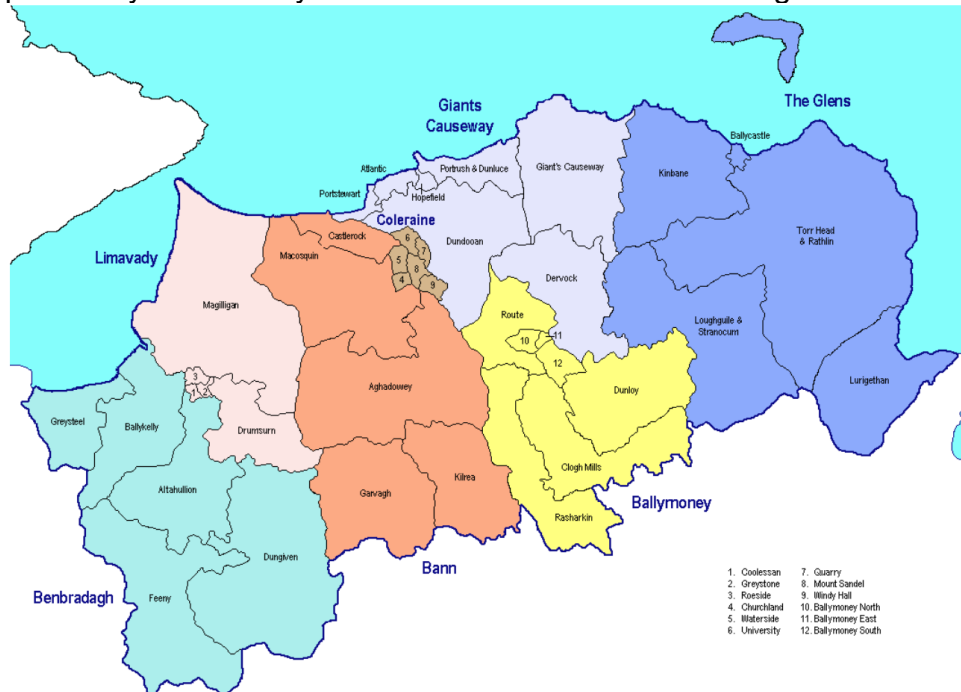
The community consultation survey was published on the Council's website and promoted locally in hard copy within the local centres. The survey was actively promoted to encourage public engagement and the full report at Appendix 10 was generated from the survey findings automatically.

Council will keep this survey portal open for ongoing and focussed consultation as the project develops. A map highlighting the spread of location for respondents and wider tourist draw of the town is provided below:



Please demonstrate that the data and evidence supplied is appropriate to the area of influence of the interventions.

The local socio economic data, town centre data and community consultation relates specifically to the Ballycastle DEA and town centre designated area as shown below:



The Department for Communities appointed Arup in 2021 to undertake a review of the 2009 Ballycastle Strategic Town Development and Action Plan, referred to as the 2009 Masterplan. An aerial map of the town and existing/proposed leisure sites is provided below.

Ballycastle - Aerial Context Plan



Plan identifying proposed sites (not to scale)

The plan notes that diverse range of community facilities that can accommodate cultural and leisure activities remains a key aspiration for stakeholders. Whilst existing facilities have largely been retained, new facilities such as an indoor wet leisure facility, a seafront activity centre and outdoor adventure hub have not yet been developed.

A Facility Needs Assessment highlighted a need for community access to facilities including a swimming pool and wet play area. Stakeholders highlighted the desire for a wet leisure facility in Ballycastle. Feedback highlighted that the facility would help develop the leisure offer, status of the town and attract more footfall.

The recently completed community consultation was targeted at local population and actively promoted to take account of existing users and local community of Ballycastle using the consultation document below:



Council also consulted with the Ballycastle Town Centre Forum on 9th March 2022 (Minutes at Appendix 19). The group were generally supportive of the concept design proposals at Quay Road and the alignment and potential regeneration contribution of the project to the Ballycastle Masterplan 2020.

Please provide analysis and evidence to demonstrate how the proposal will address existing or anticipated future problems. Quantifiable impacts should be forecasted using a suitable model. Theory of Change evidence should be identified and referenced.

As highlighted above, evidence from statistical analysis, longitudinal surveys, specialist independent reports and local consultation has been synthesised to develop a 'Theory of Change' for the project at Appendix 7.

Rationale for Change:

- Existing facilities in the old school building at Sheskburn House are no longer fit for purpose
- No local, year-round access to a swimming pool
- Consultations in 2016/17 showed local support for new leisure facilities
- Further consultations in 2022 indicate that of 1,190 responses to a community engagement exercise, 1,170 are in support of a new leisure centre in Ballycastle

- The Council will be a partner in the new Shared School Campus creating public access to synthetic pitches for hockey, football and Gaelic sports as well as a large sports hall
- Need to develop a new carbon efficient and sustainable facility
- Changes in leisure habits/environment:
 - More gym & leisure lifestyle activities, less formal sport
 - More changing at home less dry changing required
 - Growth of tourism and the loss of wet play in Portrush
 - More sports hall space & flood lit synthetic pitches to become available at Shared School Campus
 - Gym and studio classes driving increasing demand

The existing centre is unable to meet the needs of the community or visitors in its current scope and condition and it will become increasingly financially unsustainable without major capital investment.

In addition, improved health outcomes would be delivered through increased usage of the facilities, as well as generating additional footfall and income from tourism visits resulting from a more attractive and relevant leisure offer.

The new leisure centre option would deliver substantial additionality through increasing usage of the facilities by residents who would not normally use a leisure centre or by attracting users from local commercial fitness providers.

The scope and requirements of the project need to address the strategic objectives of the Council in order to deliver the service improvements sought and meet the demands of the community as detailed below:

No	Objective	Target
1	Provide fit for purpose indoor leisure facilities to replace those at the repurposed school building, Sheskburn House	By 2025 to complete the following DDA compliant facilities: <ul style="list-style-type: none"> • 25m x 4 lane pool • 190 sq m studio/community space • 35 station gym • 75 sqm Bouldering wall By 2030 to increase user satisfaction by 20% on baseline (Increase net promoter score from 39 to 47)
2	Accommodate the needs of local young people to learn to swim.	By 2025 to complete a pool suitable for use with young learners. By 2030 increase number of children on learn to swim classes annually across all Council pools by 10% on baseline (from 3,000 to 3,300)
3	To support healthy lifestyles with the provision of free to use outdoor facilities.	1 km outdoor lit running/walking track: with 8,000 participations per annum by 2030 BMX/Pump Track: 8,000 participations per annum by 2030 Accessible Play Park: 33,000 participations per annum by 2030
4	Improved health and wellbeing of local population through increased involvement in physical activity, sport and community engagement.	By 2030: Leisure membership uptake for postcodes within 20 min drive increased by 20% (from 230 to 276) 30% increase in annual leisure class participations in Ballycastle (from 5,341 to 6,943) 20,291 wet facility participations by 2030 30% increase in annual gym visits (from 9533 to 12,393) 30% increase in annual community group studio bookings (from 10,920 to 13,933)

5	Increased participation in physical activity by individuals from currently underrepresented groups	Increased participation in physical activity by 30% by individuals from currently underrepresented groups <ul style="list-style-type: none"> • Users with a disability: (from 906 to 1,178) • Women and girls: (from 2,981 to 3,875) • Users from areas of high social need: (from 927 to 1,205)
6	Increased participation in health improvement programmes	Number of participations by users on programmes specifically targeting health improvements. Increased by 30% from 277 to 360

The overall impact of which will:

- Continue to generate additional economic and social benefits for the area (reference Sport England/UK Active Social Value);
- Contribute to the wider regeneration of Ballycastle to being a better place to live, work, visit and invest (reference previous regeneration of Portrush Economic Impact Study).

Please describe the robustness of the analysis and evidence supplied such as the forecasting assumptions, methodology and model outputs. Key factors to be covered include the quality of the analysis, the quality of the evidence and the accuracy and functionality of the models used.

The OBC represents the culmination of five years preparatory research and analysis to determine the needs and objectives of the local area. This has involved working with various market/industry experts and commissioning independent research to forecast benefits. The forecasting assumptions, methodology and model outputs are outlined below:

Cultural	Sources	Comment
(i) Market Trends and Industry Benchmarks	<ul style="list-style-type: none"> • Alliance Leisure, Gym Metrix (2019) • UK Active / CIMPSA: Covid recovery planning (2020) • APSE KPI's / benchmarks (2020) 	<p>Covid 19 has had a major impact on the sector, with facilities being closed for much of the period from March 2020 until January 2021. When the facilities re-opened, they had restricted capacity due to various covid measures e.g. social distancing.</p> <p>Income has been reduced c.60% due to the impact of the closures and restrictions and footfall is not expected to return to pre-pandemic levels until late 2022.</p>
(ii) Latent Demand Analysis and Income Potential	<ul style="list-style-type: none"> • 4Global research (2019) • In-house Team 'Shadow Bid' (2019) 	Analysis has identified substantial latent demand for fitness and swimming that cannot be satisfied by the current facilities (included as Appendix 17) .
(iii) Social Value Benefits	<ul style="list-style-type: none"> • UK Active/Data Hub, Council report, 2019 • Sport England /SIRC, Social and Economic Value of Sport, 2018 	<p>The NPC figures include the social value benefits that the project is expected to deliver, particularly in terms of improved health and wellbeing outcomes from more people in the Borough being physically active.</p> <p>Recent research undertaken by UK Active using data provided by Datahub has produced a social value of £477.72 per regular leisure user in the Borough.</p>
Regeneration	Sources	Comments

(iv) Construction Benefits	<ul style="list-style-type: none"> NI Construction Sector multipliers (endorsed by DfE economists). 	<p>As a guide it is estimated that every £1m in construction related output typically corresponds to 7 direct construction jobs in NI.</p> <p>It is estimated that for the NI Construction Sector in 2018 every direct construction job supports an additional 0.25 jobs due to supply chain/ indirect impacts.</p>
(v) Tourism Benefits	<ul style="list-style-type: none"> NISRA, Tourism Statistics on Trips, Nights and Spend 2019 	<p>CCAGBC recorded over 1m trips, 3.5m nights and £192m spend in 2019. CCAGBC attracted the second largest number of NI overnight trips and a high proportion of both domestic and overnight trips to NI in 2019 (included at Appendix 20).</p> <p>The overall tourism benefit is calculated on basis of additional tourism offering and trips and NISRA statistics on average duration of stay and spend per out of state and domestic visitor. This benefit is adjusted for accepted levels of deadweight, displacement and a GVA adjustment of 50%.</p>
(vi) Town Centre regeneration	<ul style="list-style-type: none"> Economic Impact Assessment of Portrush Regeneration Programme, EY (2020) 	<p>Council commissioned EY to carry out an independent Economic Impact assessment of the impact of the £11.3m investment.</p> <p>At a headline level the report concluded: 'The economic impact of the Portrush Regeneration Programme has been significant and will continue across the next decade and beyond'. The total economic benefit was estimated at a £3 for £1 invested (included at Appendix 21).</p>

Please explain how the economic costs of the bid have been calculated, including the whole life costs.

The OBC contains Net Present Value (NPV) analysis in line with HMT Green Book guidance and sets out the monetary costs as follows:

- Economic Costs:
 - Capital costs (including construction costs, professional fees, statutory charges and whole lifecycle costs);
 - Recurrent costs of project delivery (including any staffing, overheads and repairs and maintenance).

Concept design cost estimates have been prepared by GM Design based on initial accommodation schedules for the preferred option with allowances for professional fees, design risk, future inflation, optimism bias and for building a carbon efficient building using standard industry benchmarks as follows:

Capital Cost Estimate (incl. inflation)	Preferred Option
Size	1,650sqm
Cost:	£'000
Building works	6,987
Additional Cost for Net Zero Facility	1,053
Capital works	7,040
External Site works & Accessible Play Park	2,799
Sub total	9,839
Costs including preliminaries	10,823
Design development contingency	1,082
Sub total	11,905
Professional fees	1,310

Total before OB	13,215
Optimism Bias	1,586
Gym stations	100
Total	14,900

In accordance with guidance, an allowance has been made for optimism bias of 12% to reflect the risk associated with the project for both the design and construction and subsequent operational phases.

For the construction phase the project has used Green Book Guidance and the Mott McDonald methodology based on the leisure centre being considered to be a standard building.

A detailed leisure financial model has been prepared that allows a full cost benefit analysis to be carried on the shortlisted options over the whole 25-year life of the project.

The breakdown of expenditure and capital costs (including lifecycle costs) is provided in the Financial Case, section 7. The figures have been discounted as per the Green Book guidance to provide a Net Present Cost (NPC) for the preferred option as follows:

	£'000
Capital Costs	
Cost Of New Leisure Centre	14,901
Lifecycle Costs	2,802
Revenue Costs	15,575
Total Undiscounted Cost	32,879
Total Discounted Cost	25,376

Please describe how the economic benefits have been estimated, including a discussion and evidence to support assumptions.

The OBC contains Net Present Value (NPV) analysis in line with HMT Green Book guidance and sets out the monetary benefits as follows:

- *Economic Benefits:*
 - Income generation sources.
 - Monetised economic benefits

	£'000
Leisure Centre Income	6,327
Benefits	
Social Value - Health Benefits	20,753
Construction Economic Impact	4,968
Residual Value of Capital Costs	6,425
Total Undiscounted Benefit	38,473
Total Discounted Benefit	25,626

The income generation (or cash releasing benefit) of £283k per annum represents a significant uplift in fitness and swimming income based on the latent demand analysis and 'sparkle effect' of a new centre. The capital investment in zero carbon technology also realises a significant benefit (cost saving) in utility costs of c.45% per year.

The NPC figures include the social value benefits that the project is expected to deliver, particularly in terms of improved health and wellbeing outcomes from more

people in the Borough being physically active. Much of these benefits will accrue to the individual from improved physical and mental wellbeing, which in turn will deliver savings for the local health services in terms of the population leading longer, healthier lives and with a corresponding reduction in lifestyle related conditions (such as obesity, diabetes, heart diseases, etc). In addition, there would be further benefits expected in terms of educational attainment and a reduction in anti-social behaviour amongst young people.

Recent research undertaken by UK Active using data provided by Datahub has produced a social value of £477.72 per regular leisure user in the Borough. This monetary social value figure and an estimate of the number of regular users expected to use the leisure centre under each option has been used to generate an annual social value figure in £'s for each option which has been included within the NPC calculations. For the new build options the social value benefit would be c. £927k per annum as the steady state forecast during the first 25 years of operations. Overall construction related spend of £15m is estimated to create or sustain 77 direct jobs and 116 direct, indirect and induced job years of employment valued at £4.9m during construction period. These benefits have been profiled over two financial years to reflect the build period.

A residual value equivalent to 50% of the initial capital investment is included within the economic analysis to reflect the remaining economic life and residual benefit in year 25.

Please provide a summary of the overall Value for Money of the proposal. This should include reporting of Benefit Cost Ratios (BCR).

A detailed leisure financial model has been prepared and is set out in the OBC that allows a full cost benefit analysis to be carried on the shortlisted options over the whole 25-year life of the project. The breakdown of operational income and expenditure and capital costs (including lifecycle costs) is provided in the Financial Case, section 7. The figures have been discounted at 3.5% as per the Green Book guidance to provide a Net Present Cost (NPC) for the shortlisted options and the Status Quo/Do Nothing comparator.

The NPC figures for the preferred option are set out below and in more detail in Appendix 9. The figures indicate that both new build options would offer better value for money to the Council than the Status Quo/Do Nothing option and preferred option would deliver a positive Net Present Value to the Council over 25 years of £250k.

Base Year 2022	£'000
Total Discounted Costs	25,376
Total Discounted Benefits	25,626
Net Present Value	250

The BCR is calculated on the basis of total discounted cost of £25,376k and total discounted benefit of £25,626k resulting in a OBC BCR of 1.01.

However, the LUF Single Projects Costings and Planning Workbook which does not take account of recurrent and lifecycle costs in the BCR generates an 'initial' BCR of 2.20.

An 'adjusted' BCR has also been calculated which includes an additional Tourism benefits for the area based on NISRA tourism statistics (2019) and an uplift of 1% on annual trips which reflects the seasonal tourism and indoor leisure offering. GVA is estimated at 59.9% based on NI Annual Business Inquiry Report Unit Results (2021) and applied to the forecasted benefits.

On this basis, the LUF Single Projects Costings and Planning Workbook generates an 'adjusted' BCR of 2.75.

A more detailed explanation of how the initial and adjusted BCR have been calculated is included within the OBC and NPV schedule attached as Appendix 9. It is noted that the sensitivity analysis does not change the results of the OBC but highlights the sensitivity to key assumptions.

Please describe the nonmonetised impacts the bid will have and provide a summary of how these have been assessed, including the expected scale of these impacts. These will be factored into the overall Value for Money assessment of the bid.

The OBC uses HMT Green Book Multi-Criteria analysis to identify non-monetary benefits. To allow for the comparison of options, each criterion has been allocated a weighting out of 100% to reflect its relative importance as detailed below:

No.	Criteria	Factors being Assessed	Weighting
1.	Alignment and contribution to Council's Strategic Priorities	An assessment of the options ability to realise: <ul style="list-style-type: none"> Community Plan Outcomes and Actions Corporate Strategy Priorities Business Plan objectives and work streams 	10
2.	Addressing identified strategic need across the Borough	An assessment of the options ability to realise: <ul style="list-style-type: none"> Facilities Strategy deficits and gaps in provision Latent demand analysis. 	20
3.	Adherence to the Principles of the SWB Health and Wellbeing Mandate	An assessment of the options ability to realise: <ul style="list-style-type: none"> High quality leisure and sports services Accessible need-based programmes Sustainable facility provision via effective partnership working. 	30
4.	Delivering better health and wellbeing outcomes for the local community	An assessment of the options ability to realise: <ul style="list-style-type: none"> Increased levels of participation in physical activity Improved health and well-being An enhanced quality of life. 	30
5.	Impact on broader statutory requirements	An assessment of the options ability to realise: <ul style="list-style-type: none"> Positive Equality outcomes Positive Sustainability outcomes Positive Social Inclusion outcomes Positive Rural Proofing outcomes. 	10
Total Weighting			100

Each option has been given a score between 1 and 10 against the criteria with an option scoring 10 having the maximum positive impact. The preferred option scored highest in non-monetary terms with a score of 920 (or 92%) as shown below:

Criteria	Weight	Preferred Option	Weighted Score
1	10	9 – Substantial contribution to the Councils strategic priorities in relation to promoting better health and wellbeing and the delivery of more sustainable and accessible services	90
2	20	10 – Addresses the need for additional capacity especially in relation to fitness and swimming	200
3	30	9 - Will deliver high quality, accessible leisure and sports services through a sustainable operating model	270
4	30	9 – Will deliver a significant increase in participation and tangible improvements in health and wellbeing	270
5	10	9 – Will realise positive outcomes in relation to promoting equality (more varied programming), sustainability (zero carbon and reducing energy use), social inclusion (more accessible and affordable activities) and rural proofing (may free up capacity for more local use)	90
Total	100	48	920
Rank			1

In addition to the OBC analysis, Council procured the services of Gauge NI in 2016 to undertake a baseline study to measure the Social Value of services provided to the public by the Council Leisure & Sport, Community and Culture departments. The range of activities provided by Council generates a social value of approximately £1:£13 over a five year period. Whilst this monetised return has not been used in the OBC (as it relates primarily to revenue investment not capital investment), it does validate the 'Impact Value' achieved for the extensive range of stakeholders (report included as Appendix 16).

Please provide an assessment of the risks and uncertainties that could affect the overall Value for Money of the bid.

The non-monetary risks are assessed in the OBC to have a 'medium' risk overall:

Risk	Preferred Option (H/M/L)	Comment / Mitigation
Establishment of the Governance and decision-making process	L	Project Board and governance arrangements already in place
Construction / Programming delays	M	Procure a construction team with sufficient skills and experience to deliver the project on time and on budget
Delay or failure to obtain Planning permission / other statutory approvals	L	Ensure continued informal communication with planning department as designs develop. Continue to develop designs in line with Ballycastle Masterplan.
Procurement Risks	L	Ensure sufficient resources invested to allow procurement documentation to be fully developed and for robust proposals to be submitted
Project Funding Risks	H	Project reliant on external funding and significant funding commitment from Council.

Risk	Preferred Option (H/M/L)	Comment / Mitigation
Scope of Works - alterations, amendments to scope could create time delays and additional costs	M	Procure a sufficiently skilled and experienced design team
Community Support	L	Continued engagement with local community groups and stakeholders. Fully engage in the consultation process at time of planning
The project does not deliver the financial and non-monetary service outcomes	M	Ensure the performance of the in-house leisure team is monitored through regular reviews and the use of KPIs
The pandemic continuing to present trading uncertainties	M	Patterns of use may have changed and will need to be reflected in the design and operation of the new facilities
Total	M (14)	
Rank	1	

The OBC also includes sensitivity analysis in section 5.5.

We would expect an Appraisal Summary Table, to be completed to enable a full range of impacts to be considered. This should be consistent with the relevant appraisal guidance for the bid. For Regeneration or Cultural bids, the Appraisal Summary table should be consistent with the DLUHC appraisal guidance. Any additional evidence to support your responses to this section should be referenced within your responses.

The OBC concludes that all five business case elements are met, and the project has the potential to achieve the project objectives. As proposed, the developments are technically deliverable, and the preferred option has been developed through a robust and objective appraisal process.

The table below summarises the results of the monetary, non-monetary and risk analyses:

	Option 1	Option 3	Option 3+	Option 4	Option 4+
Net present social value (NPSV) £000	- 114	1,060	1,241	1,011	250
NPSV ranking	5	2	1	3	4
Non monetised benefit scores	130	700	800	820	920
Non monetised ranking	5	4	2	2	1
Risk scores	n/a	M	M	M	M

The preferred option emerging from the OBC is to progress with Option 4+: Reduced scale leisure centre (1,650m²) at Quay Road with 25m pool (4 lane), gym, large studio, changing, reception/office, wet play features and spa, café, changing places facility, bouldering wall and outdoor pump track and accessible play park. On balance this option scores highest and is the option deemed to be most able to meet the project aims and the needs of the community.

The proposed site layout, floor plans and facility mix are illustrated below:



Deliverability

Please confirm the total value of your bid.

The total value of the bid is £14,900,000.

The breakdown of this cost and financial profile over the period 2022-25 is included within 'Costings and Planning Workbook - Table C – Cost Estimates' and summarised as follows:

A) Line	B) Enter Cost Description	C) Total Costs (£)	D) % of Total Project	
1	Construction Costs & Equipment	£7,936,000.00	53%	
2	Carbon Efficiency Measures	£966,000.00	6%	
3	Preliminaries	£890,000.00	6%	
4	Design Risk Allowance	£979,000.00	7%	
5	Professional Fees	£1,185,000.00	8%	
6	Inflation	£1,509,000.00	10%	
7	Optimism Bias	£1,435,000.00	10%	
(Please insert additional rows above this line)		Totals	£14,900,000.00	100%

Please confirm the value of the capital grant you are requesting from LUF.

The capital grant requested from LUF is £8,142,850 (55% of total costs above).

The funding profile over the period 2022-25 is included within 'Costings and Planning Workbook - Table B – Funding Profile' and summarised as follows:

Total LUF Grant	£8,142,850	55%		
Total Match Contribution	£6,757,150	45%		
Total Project Costs	£14,900,000	100%		
Project Commencement Date:	01 April 2022			
Project Completion Date	31 March 2025			
Funding Profile from Table B:				
Year	Grant	Match	Total	
1	2022/23	£248,333	£0	£248,333
2	2023/24	£2,631,506	£2,153,050	£4,784,556
3	2024/25	£5,263,011	£4,306,100	£9,569,111
4	2025/26	£0	£298,000	£298,000
5	2026/27	n/a	£0	£0
Totals:		£8,142,850	£6,757,150	£14,900,000
		55%	45%	100%

This financial profile demonstrates that the LUF grant can be spent by 31 March 2025 with front loading of LUF support on design fees. The remaining expenditure on completion, including retention sums payable will be wholly funded by Council in 2025/26.

The financial profile is predicated on an assumed start date for progression to detailed design for planning application of November 22 as per Single Project Costings and Planning Workbook - Table D Delivery Milestones. Any delay in the notification of the LUF funding outcome beyond October 22 may extend this timeframe.

As noted above, a result of the Review of Public Administration in 2016, four legacy Council's merged with a high level of debt carried over to the formation of the new Causeway Coast and Glens Borough Council. This has posed a major affordability challenge to the delivery of capital projects and has delayed progress on this project for almost 10 years.

LUF has presented a once-off funding opportunity, without which the project will not happen and the existing centre will eventually fall into a state of disrepair.

Please confirm the value of match funding secured. Where match funding is still to be secured please set out details below. If there any funding gaps please set out your plans for addressing these.

As indicated above, Council will provide match funding of £6,757,150 or 45% of the anticipated capital cost of delivering the project. This will be funded via the Council's borrowing capacity from the Public Works Loan Board and will be borrowed over a 25-year period at an estimated interest rate of 3.5%.

The cost of the Council's £6,757,150 contribution to the project is included within Council's Capital Programme (ten-year forecast) which is subject to monthly scrutiny by the Capital Projects Working Group and stringent financial controls. On realisation of the asset, loan financing will be drawn down from the Public Works Loans Board.

The Capital Programme is also subject to review and approval by Finance Committee and Council and independent audit by Internal Audit and External Audit by NI Audit Office for reporting to the Audit & Risk Committee.

The Council's Finance Director has confirmed in writing that these borrowings are available and affordable (Appendix 11 - Pro Forma 8 Chief Finance Officer Declaration).

There are no funding gaps. However, if the project progresses to Full Business Case, Council will exhaust all other funding opportunities, particularly in respect exemplar sustainability and carbon efficiency technologies and building design.

If you are intending to make a land contribution (via the use of existing owned land), please provide further details below and confirm who currently owns the land, details of any restrictions and the estimated monetary value.

In addition to the match funding of £6,757,150 or 45% of the anticipated capital cost of delivering the project, the Council will also contribute the existing site at Quay Road, Ballycastle.

This site is currently owned by the Council and is used for leisure and recreation purposes. Other than complying with the normal planning requirements there are no restrictions on how the site could be used.

As the Council is not factoring the site value into its financial contributions of 45% and a formal valuation has not been sought.

Please confirm if your budget includes unrecoverable VAT costs and describe what these are, providing further details below.

The Council's Finance Director has confirmed that VAT is fully recoverable on this new build project. VAT has therefore not been included in any of the cost estimates.

Please describe what benchmarking or research activity you have undertaken to help you determine the costs you have proposed in your budget. Please advise on any assumptions.

This OBC has been developed to concept design by a multi-disciplinary consultant team. The consultant team has included independent Quantity Surveyors and Cost Consultants.

The Cost Consultants have extensive experience in delivering indoor and outdoor leisure facilities and have used their current knowledge of similar projects to develop the indicative costs for each area of the proposed project. Cost estimates have been based on typical current square metre costs for similar facilities.

The costings have also been derived from work previously undertaken by the design team and benchmarked against recent experience of similar build projects and other comparable projects managed by Council's Capital Delivery Team.

As the project progresses to full detailed designs a pre-tender estimate will be developed by the cost consultant.

As part of the Invitation to Tender process, respondents will be required to submit a fully costed activity schedule for the project. Cost certainty will only be achieved when the selected Integrated Supply Team is in contract at a fixed price.

At the current concept design stage, the Council's Capital Projects Team has concluded that the most accurate costing available is to use the in-house leisure management experts estimate the size required for each zone of the building and then use the construction industry cost consultants, with current experience of leisure projects, to apply the typical cost per m2 values with additional appropriate provision for contingency, OB, inflation and professional fees.

The following assumptions have been included:

- Design Development contingency: 10%
- Preliminaries: 10%
- Professional fees: 11%
- Optimism Bias: 12%
- Operational Net Zero uplift: 18%
- VAT: 0%
- Inflation forecast to completion date: 17%

Please provide information on margins and contingencies that have been allowed for and the rationale behind them.

Margins and contingencies have been included to reflect the current stage of the projects development. It is anticipated that these upper levels for cost uncertainty and risk will reduce as the project progresses through detailed design.

The rationale for design risk contingency, Optimism Bias, Operational Net Zero and inflation is provided below:

Design Risk: the provision of 10% is based on the design teams experience of similar projects at this stage of development and the complexity of the build and site characteristics.

Optimism Bias: in accordance with guidance, an allowance has been made for optimism bias of 12% to reflect the risk associated with the project for both the design and construction phases. For the construction phase the project has used

In line with the Net Zero Emissions for all new Council Buildings a paper presented to the Environmental Services Committee on 8 March 2022 requesting a decision to only build 'net zero standard' new buildings. This paper has been considered by Arup and to assist with the considerations a summary breakdown of levels of sustainability together with estimated additional costs and comments are detailed in below. The preferred options are costed on the basis of the Net Zero Carbon Emissions additional cost estimate (baseline plus 18%) with the benefits factored into the revenue model in terms of lower energy usage.

Levels of Sustainability accreditations	Baseline against increased costs	Comments
Modern building	Baseline	BREEAM target rating of "Excellent"
Passivhaus accreditation	Baseline plus 9-11%	Assumes Passivhaus premium. Estimated preliminary costs and subject to future design development and detailed energy modelling.
Net Zero Carbon Emissions	Baseline plus 18%	Estimated preliminary costs and subject to future design development and detailed energy modelling.

Inflation: The inflation assumptions contained within the capital cost estimate reflect the projected construction timeframe and have been provided by the technical team's QS, Sammons. These are sourced from The Building Cost Information Service which provides cost and price data for the UK construction industry. It is a part of the Royal Institution of Chartered Surveyors.

Please set out below, what the main financial risks are and how they will be mitigated, including how cost overruns will be dealt with and shared between non-UK Government funding partners. (You should cross refer to the Risk Register).

The OBC considers the main financial risks linked to the construction programme which are summarised along with mitigation strategies below:

Risk	Mitigation	Owner of cost risk
Construction inflation	Project fully designed by Council appointed consultant team and subject to a fixed price tender exercise.	Council owns this risk and manages the risk via amendments to the loan request from Public Works Loans Board.
Design risks	Ensure selection criteria includes recent experience of the design and delivery of comparable scale new build leisure centres. Designs fully worked up prior to tender and signed off by Head of Service and Project Board. All design changes with material cost implications must be exposed to the Change Control Procedures involving the Project Board	Council owns this risk and manages the risk via amendments to the loan request from Public Works Loans Board.
Construction delays due to weather	Fixed price tender	Integrated supply team
Ground conditions	Full site investigations provided for within the professional fees. Risk should be low	Council owns this risk and manages the risk via amendments to the loan request from Public Works Loans Board.
Contractor insolvency	Financial health check included as part of the procurement process. Integrated supply team required to purchase a Bond as a form of	Council owns this risk and manages the risk via amendments to the loan request from Public Works Loans Board.

	insurance against the financial risks associated with contractor insolvency.	
Contractor inexperience	Ensure selection criteria includes recent experience of the construction and delivery of comparable scale new build leisure centres	Council owns this risk and manages the risk via a suitably skilled ICT.
Supply delays due to residual pandemic issues	Fixed price tender	Integrated supply team
Revenue risks of higher operating costs or lower than anticipated income levels.	The revenue cost and income forecasts are based on risk averse predictions and developed with the Council's extensive experience of running indoor wet and dry leisure facilities.	Council owns this risk and will manage the risk via amendments to its annual budgeting and rate setting exercises.
Procurement documentation insufficiently developed to allow for robust proposals to be submitted	Ensure sufficient time and resources allocated to the project team to allow the development of robust procurement documentation Appoint project manager early on in the project	Council owns this risk and will manage the risk via amendments to its annual budgeting and rate setting exercises.
Contract Management fails to effectively manage the contractor	Appoint project manager early on in the project via the ICT. Highly developed tender pack clearly setting out requirements. PM reports to and held to account by Project Board.	Council and ICT via performance management arrangements and PI insurance.

Please see more detailed Risk Register in the appended Project Delivery Plan. Whilst it has not been possible to develop a costed risk register at this stage of the projects development, the combined design risk contingency and Optimism Bias provision of 22% is deemed to be adequate.

The risk exposure and sharing of cost overruns will be based on the breakdown included within LUF Single Project Costings and Planning Workbook – Table C Cost Estimates i.e. shared proportionately on a LUF 55% / Council 45% basis. Conversely, if there are any reductions in the design risk/OB allowance required these savings will be shared proportionately with LUF.

Council is committed to meeting any capital cost overruns associated with the delivery of the proposed project (over and above the design risk/OB allowance) therefore effectively capping the risk exposure to LUF funding commitments to the project which can be reviewed as the project progresses through detailed design. The interdependencies in terms of both the funding mix and year end sensitive spend from central government pose a key financial risk to project delivery. Aligning approval timeframes, detailing clear cost apportionment methodology and commencing the ICT contract at the earliest opportunity this year will help mitigate this risk.

The CFO has confirmed ongoing affordability of the project and accepted responsibility for meeting the ongoing revenue requirements in relation to the project under the declaration in Appendix 11.

If you are intending to award a share of your LUF grant to a partner via a contract or sub-grant, please advise below.

Not applicable

What legal / governance structure do you intend to put in place with any bid partners who have a financial interest in the project?

Not applicable

Please summarise your commercial structure, risk allocation and procurement strategy which sets out the rationale for the strategy selected and other options considered and discounted.

All procurement will be delivered in compliance with NI Public Procurement Policy and Public Contract Regulations for both the appointment of the ICT and IST using standard NEC contracts.

The European public contracts directive (2014/24/EU) applies to public authorities including, amongst others, government departments, local authorities and NHS Authorities and Trusts. The directives set out detailed procedures for the award of contracts whose value equals or exceeds specific thresholds. Thresholds are net of VAT and are reviewed annually.

The Council's procurement strategy is based on current procedure and guidance from Construction & Procurement Delivery (CPD). As a public body, Council is therefore bound by the Public Contracts Regulations 2015. These procedures should be reviewed and amended as part of the Full Business Case.

Due to the timescales and specialist nature of the construction and with the associated constraints, the Procedure for this procurement process will be the Restricted Procedure (Regulation 28 of the Public Contracts Regulations 2015). This has been chosen to restrict the number to be invited to tender to a limited number based upon an evaluation of the pre-qualification information submitted by Economic Operator applicants. This ensures that only experienced contractors are considered for submitting proposals/ costs.

An open procedure has not been chosen as many suppliers may exist in the market (throughout Europe) and it is not feasible to issue Invitation to Tenders to each. The open procedure is more suited when there are a small number of suppliers expected to request an ITT.

In accordance with Northern Ireland Public Procurement Policy, the NEC Engineering and Construction Contract (ECC) has been chosen. It should be noted that although the NEC3 is the current industry standard, the NEC4 is replacing the NEC3 in many government projects and it is anticipated by the time this project is procured that the NEC4 will be the industry standard.

The contract comes with various options related to payment mechanisms including:

- Option A – Priced Contract with Activity Schedule
- Option B – Priced Contract with Bill of Quantities
- Option C – Target Contract with Activity Schedule
- Option D – Target Contract with Bill of Quantities
- Option E – Cost Reimbursable Contract
- Option F – Management Contract.

Council's Capital Delivery Team has revisited the Procurement Strategy set out in the OBC and advised on the use of Option B - Priced Contract with Bill of Quantities Contract for the following reasons:

- All aspects of the scheme will be accurately measured out, quantified and therefore, can be re-measured.
- Cost savings or additional works can be accurately assessed with ease.
- Option B Bill of Quantities is detailed by the Client / Design Team RICS Chartered Quantity Surveyor, in-lieu of the Main Contractor creating work

activities. This reduces the opportunity for ambiguity which results in opportunities for careful cost control

In summary exceeding the budget is considered to be a significant risk to the project and therefore Main Option B is the most suitable to mitigate this. Additional clauses (Z clauses) will be added to the Main Option B contract in keeping with CPD recommendations for government contracts.

Specific terms will form part of the negotiation however, the guiding principle will be to ensure that the payments are staged and a retention is built in to ensure delivery of the project to the required standard:

Specialist equipment such as gym machines will be procured outside of the main construction contract in line with Council procurement policy.

The Council's own in-house Capital Team of construction professionals will manage the procurement, design, construction and defects phases of the project. In addition, a client-side Project Manager within the Integrated Consultant Team will manage the relationship with the Integrated Supply Team with a specific focus on their adherence to requirements of Time, Cost and Quality. The Project Board will hear monthly (and exceptional if necessary) reports on the performance of the Integrated Supply Team on these matters and the Capital Team will be onsite for Technical Working Group meetings on a weekly basis.

In 2022 the Council agreed a policy of Operational Net Zero for all major capital projects including new build and major refurbishment projects. In addition to the current building control standards for low carbon / low energy construction techniques the Council has include an additional budget of around 18% so that this facility achieves Operational Net Zero. The costs consultants advising the Council on this project that, based on March 2022 energy prices this additional investment will achieve break even in around 17 years as well as making a positive impact on the environment.

In the procurement process for all of the options, there is a requirement to set criteria that reflects the Council's requirements to deliver real social value to local people, including but not limited to the creation of quality jobs, work related training opportunities and economic benefits for local companies.

New guidance on achieving Social Value through capital procurement will be implemented within the procurement competition with the Council's in-house Capital Team due to attend upcoming training in Social Value delivered by the Strategic Investment Board.

This learning will be applied to this project through the ITT requirements, tender assessment process and Z clauses in the NEC 3 contract. The Project Manager will also report monthly to the Project Board on compliance with the Social Value contractual commitments.

The initial consideration of procurement risks and potential risk apportionment is set out below:

Procurement Risk	Proposed Mitigation
Procurement documentation insufficiently developed to allow for robust proposals to be submitted	<ul style="list-style-type: none">• Ensure sufficient time and resources allocated to the project team to allow the development of robust procurement documentation• Appoint project manager early on in the project

<p>Failure to procure a sufficiently skilled and experienced design team</p>	<ul style="list-style-type: none"> • Ensure selection criteria includes recent experience of the design and delivery of comparable scale new build leisure centres with examples of projects to be provided and references to be taken up • Ensure named individuals in the design team allocated to the project have sufficient experience • Ensure budget for design development is sufficient • Ensure in house leisure team involved in the development of the design including the fit-out phase
<p>Failure to procure a construction team with sufficient skills and experience to deliver the project on time and on budget</p>	<ul style="list-style-type: none"> • Ensure selection criteria includes recent experience of the construction and delivery of comparable scale new build leisure centres with examples of projects to be provided and references to be taken up • Ensure named individuals in the team allocated to the project have sufficient experience including sub-contractors and supply chains • Ensure the budget for the construction stage is robust and sufficiently detailed • Ensure project manager appointed early on in process and they are involved in the selection of the design and construction team
<p>The completed leisure centre does not meet the requirements of the project and/or in house team</p>	<ul style="list-style-type: none"> • Ensure in house leisure team remains closely involved in the development of the design and in any value, engineering exercises and/or design changes so as to ensure any changes would not impact negatively on ability of the project to meet its outcomes (such as reducing/removing key elements from the project to save money which could negatively impact on operations) • Ensure project commissioning and handover is properly managed including monitoring and management of the snagging process and involve the in-house leisure team in this process
<p>The project does not deliver the financial and non-monetary service outcomes set out in the Council's requirements</p>	<ul style="list-style-type: none"> • Undertake regular reviews of the business case and update the revenue model as and when required to reflect changing conditions (such as higher than estimated inflation) • Ensure the performance of the in-house leisure team is monitored through regular reviews and the use of KPIs and take prompt action to address any performance issues

Who will lead on the procurement and contractor management on this bid and explain what expertise and skills do they have in managing procurements and contracts of this nature? If the procurement is being led by a third party and not the lead applicant, please provide details below.

Council's own in-house Capital Projects Team of construction professionals will manage the procurement, design and construction and defects phases of the project. In addition, a client-side Project Manager, within the Integrated Consultant Team, will manage the relationship with the Integrated Supply Team with a specific focus on adherence to the contractual requirements of Time, Cost and Quality.

The Director of Finance, who is Senior Management Team lead on procurement matters, will attend Project Board meetings or delegate attendance to ensure

procurement and financial oversight and ensure no deviation from procurement policy or projected spend.

Financial payments will be made against IST/ICT invoices in line with NEC Contract 3 and reconciled accordingly for drawdown of grant funding in line with expenditure profiles and terms and conditions of funding.

Once the project is fully funded and an investment decision is made by the Council, a Project Board will be established. Prior to that final investment decision, a Project Steering Group will reflect the duties of what the formal Project Board will undertake once the project is in delivery phase. Technical Group meetings will support the Project Manager to provide the day to day operational and technical management of the project and will produce monthly progress reports against the Delivery Plan on design quality and cost, issue log, risk register, change control and H&S reports to be considered by the Project Board.

The Director of Leisure and Development, with a long history of directing large capital projects, will chair the Project Board as the SRO. The Director of Finance will take the role of Investment Decision Maker. The Project Board will also be serviced by the Head of Service for Leisure as the Project Sponsor and other technical experts from the Council's Capital Team and the Strategic Investment Board. A group of Elected Members will provide scrutiny and challenge on the Project Board. Two experienced independent Project Managers from the Strategic Investment Board (SIB) have also been embedded within the Council and they will be required to establish a Project Management Office for the project. This PMO will draw on experienced personnel from across Council including:

- Capital Projects Team
- Procurement
- Finance
- Marketing & Communications
- Sport & Leisure
- Estate Management

The Project Managers from SIB have extensive experience of delivering large capital projects of up to £40m+ including Sports Institute NI £13m and the Aurora Sports Complex in Bangor £45m. In addition SIB has an extensive network of project management professionals who will be available for help and guidance throughout the delivery of this project.

Are you intending to outsource or sub-contract any other work on this bid to third parties? For example, where you have identified a capability or capacity gaps.

Not applicable.

How will you engage with key suppliers to effectively manage their contracts so that they deliver your desired outcomes. What measures will you put in place to mitigate supplier/contractor risks and what controls will you implement to ensure they deliver on quality.

The Pre-Qualification Questionnaire for both the Integrated Consultant Team and the Integrated Supply Team will have qualifying requirements relating to:

- Financial reserves
- Security bonds
- Level of insurances for professional indemnity and public liability

- Experience of contracts of a similar size, complexity, and type of project

Only after passing the necessary due diligence checks in these areas will potential suppliers be invited to tender.

One of the key factors in effective contract management is to start off the contractual relationship with a clear understanding by all parties as to the time, cost, quality and performance expectations of the contracting authority and to have these clearly defined within the contract. The Council will achieve this within this project through the development of a full tender pack by an independent Integrated Consultant Team. This team will have recent experience of successfully delivering leisure projects of a similar scale and complexity. The tender pack will include the following:

- Full designs by a multi-disciplinary team to RIBA Developed Design Stage 4
- Bill of Materials
- Works' information pack
- Social Value minimum requirements
- NEC3 Contract and additional conditions
- Price List
- Drawings
- Specification
- Site Information
- Pre-Construction Information

The Council's own in-house Capital Team of construction professionals will manage the procurement, design, construction and defects phases of the project and the relationships with the external suppliers. In addition, a client-side Project Manager within the Integrated Consultant Team will manage the relationship with the Integrated Supply Team with a specific focus on their adherence to requirements of Time, Cost and Quality.

A project Steering Group will be chaired by the SRO in the project development phase. This group will oversee the Business case, procurement and design phases of the project and make investment decision recommendations to the Council. Once the investment decision is made, the Steering Group will be supplemented by a group of Elected Members and from that point on will perform the duties of the Project Board which are to manage the implementation of the project with specific reference to the performance of the project to the project plans for Time, Cost and Quality. The Project Manager will be held to account for supplier/contract management by the SRO as Chair of the Project Board.

The Project Board will receive monthly (and exceptional if necessary) reports on the performance of the Integrated Supply Team on all matters and the Capital Team will be onsite for Technical Working Group meetings on a weekly basis.

There will be an agreed policy of delegated decision making and change control with the Capital Team able to make decisions on change controls that have no material impact on the project budget or performance issues. Changes that have the potential to have material implications on budget, performance or scope of the project will require the approval of the Project Board and the Full Council if there is a risk of exceeding the project budget (including OB).

Technical Group Meetings will support the Project Manager to provide the day to day operational and technical management of the contractors and suppliers. Monthly reports to the Board will highlight issues, risks, time/cost/quality updates, change requests, compensation events and any supplier/contractor issues.

The Project Manager will be required to work with the Integrated Supply Team to challenge the upcoming activity schedule to ensure that the supply chain has an appropriate level of notice for the timely supply of materials and equipment to avoid potential delays. The Project Manager will report to the Project Board on all matters to do with Time, Cost, Quality, Change Controls, Social Value and Health and Safety on site.

Contractor payments will be governed by the completion of costed activities within the works schedule. Prior to the release of stage payments, the work activities will be inspected by the Project Manager before funding is released. Any defects, issues or claims for compensation events will be discussed at the Technical Group and the reported to the Project Board. Resolution of these issues will be managed in accordance with the relevant clauses in the NEC 3 contract.

Please set out how you plan to deliver the bid (this should be a summary of your Delivery Plan).

The Project Delivery Plan contains details of: Project Contacts List; Project Delivery Programme; Existing Site Information and photographs; Concept Drawings; Outline Costs; Risk Register; and Sustainability.

The Project Contacts List demonstrates an understanding of the roles and responsibilities, skills, capability, or capacity needed. Council has developed significant in-house expertise in the management and delivery of capital projects with a dedicated Capital Programme Delivery Team. The appointed Design Team will source and appointed a range of specialist suppliers to the ICT to advance the project through detailed design.

The Project Delivery Programme and Construction Programme provides a Gant chart of the key milestones, key dependencies and interfaces, resource requirements, task durations and contingency.

A high-level project plan is summarised below and included within 'Costings and Planning Workbook - Table D – Milestones Delivery.' A more extensive delivery plan will be developed at the FBC stage which will set out in more detailed the individual stages and key milestones for the project including the procurement of the design, technical and construction teams, the planning approvals process, design development, demolition and construction phases, and finally the mobilisation, commissioning and operational stages.

Stage	Date
1 - OBC Approval	June 2022
2 - FBC Approval	October 2023
3 - Construction	October 2023 – March 2025
4 - Leisure Centre Opens	April-June 2025

The Design Team will appoint a range of specialist consultants as part of the ICT and confirmation of any powers or consents needed, and statutory approvals e.g. planning permission and building control approvals.

A governance structure has been put in place by the SRO with clear roles and responsibilities. The Project Delivery Plan has been put in place from the outset of the project and updated on a monthly basis for review by the Project Steering Group and Technical Group as follows:

- *Project Board:* the role of the Project Board is to provide strategic governance to the project and to monitor and control the high level project cost, quality and time outcomes. The Board will receive project reports and recommendations from the Steering Group. The SRO, supported by the Board, will control project expenditure within the limits of quantum and the

conditions articulated in the external Letters of Offer (such as in relation to update of the tender sum and associated contingency amounts once the construction contract has been awarded together with any release of OB necessary throughout the project).

- *Steering Group* - the role of the Steering Group is to provide the tactical and technical management of the project and to produce project cost, quality and time reports and recommendations for the consideration and approval of the SRO. The Steering Group will also receive updates from the Project Sponsor on consultation with wider stakeholders.
- *Technical Meeting* - the role of the Technical Meeting is to support the Project Manager to provide the day to day operational and technical management of the project and to produce information and to prepare a monthly progress report against programme, design quality and cost and separate issue log and risk register to be considered by the Steering Group.

Council will deploy existing templates for progress reporting against key milestones, costs, risks and key decisions/issues is included within its standard 'Project Dashboard'.

Finally, Council will consider the engagement of DoF's Construction Procurement Division to provide independent oversight on the Steering Group. Departments are required to engage with CPD or another Centre of Procurement Expertise on all their procurements. To provide Departments with this service within CPD Client Advisory Branches 1&2 provide a construction procurement client advisory service to public sector clients on grant funded construction projects.

The Client Advisors assist Departmental clients to implement NI Public Procurement Policy through conditions of grant on grant funded construction projects in order to secure best value for money.

The best practice construction procurement approaches they advise on are based on the Northern Ireland Public Procurement Policy Framework for Construction Projects and include Achieving Excellence and Gateway Reviews.

The Advisors assist Departments fulfil their roles and responsibilities in relation to project governance, EU Regulations, Public Contract Regulations and value for money in project delivery.

Please refer to the appended Project Delivery Plan Appendix 6.

Please demonstrate that some bid activity can be delivered in 2022-23.

During July – October 2022, the Project Management Office for this project will focus on the preparation of the Pre-Qualification Questionnaire (PQQ) and the Invitation to Tender (ITT) documentation for the Integrated Consultancy Team.

This will mean that, if successful in the LUF application, the Council will immediately move to initiate the procurement exercise for the integrated consultant team.

The newly appointed Integrated Consultant Team will be in a position to initiate a number of key tasks including:

- Begin the detailed designs
- Commission site investigations and surveys
- Consultations with key dependencies/expert bodies such as Rivers Agency, Planners, Road Service, archaeologist services, environmental reports etc
- Begin to prepare the planning application
- Preparation for the pre-planning application community consultation

- Begin to prepare the tender documentation for the PQQ for the Integrated Supply Team

This is all essential design work that will contribute to capitalisable expenditure in the 2022/23 financial year of around c.£248k.

Risk Management: Applicants are asked to set out a detailed risk assessment.

The key risks captured for the project, including unmitigated and residual risks are listed below:

Project Risks									
Risk Ref & Category	Risk Description	Unmitigated			Mitigated			Mitigation Measures	
		L.	I.	CI	L.	I.	CI		
Delivery Risks									
D.1 Delivery/ Financial	<i>There is a risk that:</i> Capital costs exceed agreed budgets and/or approved levels of expenditure.	4	4	16	2	3	6	<ul style="list-style-type: none"> • Agreed Concepts and Works Programme and outline plan for OBC • Appoint experienced advisors, including independent cost consultants. • Experienced Council Estates team responsible for building works • Adequate Optimism Bias provision in OBC. • Implementation of strong governance and assurance arrangements 	
D.2 Delivery/ Programme	<i>Works –Capital Cost Increase: Potential supply chain pressures resulting in claims from the contractor.</i>	4	4	16	2	3	6	<ul style="list-style-type: none"> • Appointment of contractor following competitive tender process. • Contract administration and certification of payments. • Final Account: including finalisation of measured quantities and assessment of claims received. • OB of 12% assumed in budget 	
D.3 Delivery/ Programme	<i>There is a risk that:</i> New Leisure Centre is not delivered in accordance with the planned programme	4	4	16	3	2	6	<ul style="list-style-type: none"> • Funding to be secured post-OBC approval • Include costed risk provision within the overall capital funding envelope for some programme slippage. • Consider contract payments on basis of activity schedule to incentivise delivery of the works. • Phased handover programme agreed with the Contractor 	
D.4 Contract Management	<i>There is a risk that:</i> The contract does not provide appropriate allocation of risk, and is not effectively managed.	3	4	12	1	2	2	<ul style="list-style-type: none"> • Adoption of industry best practice forms of contracts (NEC Standard Building Contract.). • Reporting and monitoring of contract management performance through Project Board and assurance framework. 	
Operational Risks									
Op.1 Operational/ Financial	<i>There is a risk that:</i> Failure to secure appropriate staff to operate new Leisure Centre	2	4	8	2	3	6	<ul style="list-style-type: none"> • Early identification of requirements and prioritisation of key roles completed 	

Op.2 Operational/ Financial	<i>There is a risk that:</i> Uptake/usage less than anticipated	4	4	16	2	4	8	<ul style="list-style-type: none"> • Identification of user groups and implementation of Marketing and Engagement Strategy. • Development of Widening Participation Strategy. • Working with Sports groups, community, TNI etc
Op.3 Operational/ Financial	<i>There is a risk that:</i> new Leisure Centre is not financially sustainable, due to revenue costs associated with the operation and maintenance.	4	4	16	2	4	8	<ul style="list-style-type: none"> • Detailed TOM prepared and to be kept under review • Ongoing review of operational costs and income generation projections
Op.4 Operational/ Benefits Realisation	<i>There is a risk that:</i> Social/wellbeing and economic benefits are not realised	3	3	9	2	3	6	<ul style="list-style-type: none"> • Promotion to domestic user groups • Promotion to visitors
Op.5 Operational/ Benefits Realisation	<i>There is a risk that:</i> Funding from government sources is not forthcoming	3	3	9	2	3	6	<ul style="list-style-type: none"> • The project fits with Government strategy • Submit funding applications to Levelling Up programme
Op.6 Operational/ Benefits Realisation	<i>There is a risk that:</i> Subvention from Council is not forthcoming	3	3	9	2	3	6	<ul style="list-style-type: none"> • The project fits with Council strategies • Subvention forecast to be significantly lower than existing figure

Please provide details of your core project team and provide evidence of their track record and experience of delivering schemes of this nature. Please explain if you are intending to sub-contract any of this work or if a third party is managing the project and not the organisation applying.

Council has a dedicated Capital Projects Team of construction professionals who will oversee the design, procurement, construction and defects phases of the project. In addition, a client-side Project Manager within the Integrated Consultant Team will manage the relationship with the Integrated Supply Team with a specific focus on their adherence to the contractual requirements including Time, Cost and Quality. In recent years Council's Capital Projects Team has used this approach to the procurement and deliver of several major capital projects including Portrush Sea Defences/Harbour Rock Armour £4m, Portrush Public Realm £11m, Dungiven Leisure Centre £3m, Coleraine Rugby Avenue 3G pitch £1.5m and Portrush Recreation Grounds £3.3m (ongoing with support of LUF).

Dungiven Sports Centre (£3m) – Facilities provided incorporate a new changing pavilion with integrated 4 court sports hall, a FIFA standard synthetic football pitch and associated site works. Throughout project delivery, project governance was aligned to Prince 2 Project Management procedures which resulted in the project managing risk facilitating delivery on time, within budget and to a high quality.

Portrush Public Realm (£11m) - The public realm scheme has re-generated the sea-side town centre of Portrush, transforming the streetscape and built environment with high-quality granite materials being used throughout, new lighting columns and street furniture. The positive improvements to the town's appearance and infrastructure are befitting of Portrush's position as a high-quality visitor destination and were delivered to allow the resort to reach its full potential to welcome The 148th and 153rd Open

Golf Championships. The scheme involved extensive engagement and consultation in the development of design proposals and the subsequent acquiring of all statutory consents.

Council's Capital Projects Team will outsource an Integrated (multi-disciplinary) Consultant Team (ICT) to design the project, lead the planning process, lead the procurement of the Integrated Supply Team (IST) and manage to construction contract with the IST.

The procurement of the ICT and IST will have a requirement, as a pre-qualification condition, that respondents must have experience of successfully delivering multiple contracts of a similar scale, complexity and facility type to this project.

The Capital Projects Team will establish a Project Management Office (PMO) for the project. This PMO will draw on experienced personnel from right across the Council including:

- Capital Projects Team
- Procurement
- Finance
- Marketing & Communications
- Sport & Leisure
- Estate Management
- Legal
- HR

In addition, two experienced independent Project Managers from the Strategic Investment Board (SIB) have also been embedded full-time within the Council and they will be available to support the delivery of this project via the PMO. The Project Managers from SIB have extensive experience of delivering large capital projects including Sports Institute NI £13m. Tollymore National Outdoor Centre £5.3m and the Aurora Sports Complex in Bangor £45m.

SIB also has an extensive network of project management professionals who will be available for help and guidance throughout the delivery of this project if required. The recent history of this wider team includes the 15,000 m², South Lakes Leisure Centre and 50M pool in Craigavon at a cost of around £35m.

Key personnel within the PMO and the Project Board include the following:

SRO: Director of Leisure & Development with a long history of leading large capital projects from inception to delivery

IDM: Director of Finance who is currently responsible for an annual revenue budget for the Council of circa £80m plus capital. The IDM will make investment decisions within the budget authority approved by the Council. Any material changes to this budget will require the prior approval of the Council.

Capital Team: Multi-disciplinary construction professionals

Client-Side Project Manager: from within the external ICT with relevant experience of similar scale, complexity and facility type

Project Sponsor: Head of Leisure with extensive history of leisure facility design and management

Procurement Team: In-house procurement professionals from the Council Corporate Services Dept.

Independent Technical Experts: SIB experienced project managers

Elected Members: Constructive challenge to the Project Board and representing the needs of the project at full Council level if required.

Please set out what governance procedures will be put in place to manage the grant and project. We will require Chief Financial Officer confirmation that adequate assurance systems will be in place.

Council applies a 4 stage Capital Project Management Process. Each point of progression to the next stage of the process requires a Council decision:

1. Outline Design / OBC.
2. Detailed Design / Procurement / FBC.
3. Construction.
4. Benefit Realisation.

For Projects more than £1m, three levels of governance are applied to ensure adequate assurance is in place: Level 1 - Technical Group, Level 2 - Steering Group and Level 3 - Project Board. Throughout the project management process, quality, cost, time and risk are monitored and reported to the Project Board. The Project Board will also oversee Health and Safety, Risk Management, Change Control, Compensation Events and Social Value.

The Director of Finance will attend Project Board meetings to ensure financial oversight and ensure no deviation from Council's governance policies and procedures and to ensure that the project remains within the approved budget. Financial payments will be made against IST/ICT invoices in line with NEC Contract 3 and reconciled accordingly for drawdown of grant funding in line with expenditure profiles and terms and conditions of funding. All invoices will be subjected to inspections by the Project Manager to ensure that the work packages have been completed to the required design, specification, and quality. Any disputes will be managed within the procedures set out in the relevant NEC contract provisions. The in-house Capital Projects Team will establish a Project Management Office (PMO) for the project. This PMO will draw on experienced personnel from right across Council including:

- Capital Projects Team
- Procurement
- Finance
- Marketing & Communications
- Sport & Leisure
- Estate Management
- Legal
- HR

The project governance structures will include the following:

Senior Responsible Owner: the most senior officer responsible for the project and chair of the Steering Group and Project Board.

Investment Decision Maker: this will be the Director of Finance who will make investment decisions within the budget authority previously approved by Council. Any material changes to this budget will require the prior approval of Council.

Project Steering Group: a multi-disciplinary working group tasked with developing the project to Investment Decision stage

Project Board: takes over from the Steering Group to oversee the delivery of the project once the investment decision is made.

Project Management Office: officer level multi-disciplinary group with all the relevant skills and experience to deliver the project and bring it into effective service

Technical Group: a group of construction professionals from Council's in-house Capital Projects and the ICT to oversee the implementation of the contract by the IST and resolve any issues or disputes.

Project Manager: appointed from within the ICT and with full-time responsibility for managing the delivery of the contract by the IST and reporting on time, cost, quality, risk, H&S, change controls, compensation events and Social Value to the Project Board.

Project Sponsor: The Head of Service for Leisure Services and the 'go to person' in relation to the design and performance requirements of the completed project

Independent Technical Experts: Project Management experts on secondment from Strategic Investment Board (SIB) to assist Council on project planning and delivery

Capital Projects Working Group: this is the officer group set up within council to oversee the planning and implementation of all capital projects. This group has already scrutinised and approved the project OBC and recommended its successful approval to the Full Council meeting in June 2022.

In addition to this project management structure there will be regular progress and risk reports to Council's Senior Leadership Team and to the Leisure & Development Committee and on to Full Council. The management of all aspects of the project will be open to scrutiny by the Internal and External Audit and reports on the quality of the governance will be reported to the Audit Committee. All recent reports to the Audit Committee on the delivery of capital projects have been 'satisfactory'.

As a statutory body exposed to audit scrutiny by the NI Audit Office, Council has a full set of good governance policies and procedures that will be applied to this project that include inter alia:

- Anti-corruption and Bribery
- Whistle Blowing
- Dignity at Work
- Conflict of Interests
- Procurement
- Elected Member and staff codes of conduct
- Delegated decision making
- Financial Controls

In setting the budget for the project, Council has used experienced external cost consultants who have relied on their current knowledge of the construction market and leisure project costs. The cost consultants have applied appropriate uplifts to their estimates for contingency, Optimism Bias, construction cost inflation, design risk mitigation and operational net zero.

If applicable, please explain how you will cover the operational costs for the day-to-day management of the new asset / facility once it is complete to ensure project benefits are realised. You should also consider any ongoing maintenance and servicing costs. Please note that these costs are not covered by the LUF grant.

As part of the OBC an initial financial model has been prepared for the two highest scoring options to evaluate affordability in both revenue and capital on a whole life (25 year) basis. To ensure that the preferred option is affordable and would offer VFM a Status Quo/Do Nothing comparator has been prepared to measure the projected whole life costs of undertaking only essential refurbishment of the leisure centre required to extend its life for another 25 years.

The financial model is based on the income and cost projections for the new leisure centre taking account of the latent demand analysis, the current net costs of service provision and benchmarking data taken from similar projects in which the consultant team has been involved.

The steady state net revenue estimates for the preferred option 4+ represent a significant increase of c.£270k on the current operational subvention (reflecting the addition of the swimming pool) as detailed below:

Operating Forecast	£
Projected Income:	
Pools	112,506
Fitness/Health Suite	127,422
Halls/Room Hire	27,043
Miscellaneous Income	2,381
Bouldering	7,000
Grants Income	6,500
	282,852
Projected Costs:	
Staff Costs	520,077
Utilities	80,537
Supplies & Programme Costs	42,477
Premises	11,743
Estates Support	23,907
	678,741
Net Cost/Subvention	-395,889

The model has a number of assumptions applied, as set out below:

The sensitivity analysis indicates how changes in income and/or costs impact on the

Financial Model assumptions
Latent demand analysis factored into the revenue projections for fitness and swimming
Revenue costs based on current operating model uplifted for new faciality mix and usage levels
Fees and charges set at April 2022 prices
Includes a full refurbishment in year 17 for new build
External Grants of at least 50% from Government for new build options
Borrowing over 25 years at 3.5%
Allowance for lower utility costs in new build options to reflect investment in zero carbon technology

affordability of the project. For example, a 10% fall in income and a 10% rise in operating costs would increase the annual subvention by year 5 from £395k to £492k, an increase of circa 24%. Vice versa a 10% rise in income would reduce subvention to £367k in year 5. The analysis illustrates how sensitive the model is to changes in income and expenditure. For example, energy costs are currently very high and a 50% increase in energy costs would add 8% to the overall project costs, highlighting the importance of pursuing a more intensive carbon neutral strategy to help mitigate the risks of rising energy costs.

The CFO has confirmed ongoing affordability of the project and accepted responsibility for meeting any ongoing revenue requirements in relation to the project under the declaration in Appendix 11.

Council is fully committed to in the in-house operation of the new facility and will manage the facility in a long-term sustainable way to deliver value in line with those aims set out in the Case for Investment.

An In-House Leisure Services Transformation Plan was approved in 2019 (prior to pandemic) for the period 2020-30 which now applies to Council's six major leisure facilities, including the planned investment in Ballycastle included in Appendix 12.

This transformation plan will be greatly enabled and improved upon by the proposed project in Ballycastle, however it does provide assurance regarding Council's capacity and capability to deliver the required change, specifically:

- A high-level description of the cultural and broader social value being delivered;
- A description of how people will be encouraged to engage with the new facility, with a particular focus on people with typically lower engagement levels;
- High-level activity plans.

Monitoring and Evaluation Plan: Please set out proportionate plans for monitoring and evaluation.

The monitoring and evaluation plan covers the key stages of the project lifecycle from pre-implementation, implementation and benefits realisation:

i) Pre-Implementation - Construction Management

The construction contract will be overseen by Council's Capital Delivery Team. Post appointment the key task to be undertaken to ensure that Council gets good value for money and high quality refurbishment are as follows:

- Meet with the contractor and work with the contractor to agree an appropriate contract delivery plan;
- Attend weekly/fortnightly progress meetings receiving feedback on progress against the plan;
- Agree appropriate remedial action where there is a deviation against budget or timeframe;
- Complete a snagging list along with the contractor towards completion;
- Carry out a review pre-handover from the contractor.

When the project reaches completion there will be a twelve-month defect period in which the successful contractor will be required to correct any defects. After the defect period ends the site will be handed over to Council's Estates Department to maintain.

ii) Pre-implementation - Capital Project Monitoring

The SRO will have overall responsibility for monitoring and evaluation of the project. The Project Board will monitor the capital delivery of the project will take place on a monthly basis until the project is completed. Specific monitoring indicators are:

- Works duration;
- Construction quality;
- Cost of construction.

The SRO will be responsible for collation and dissemination of monitoring information which will be presented at monthly meetings within the project team. It is recommended and expected that any issues will be escalated and communicated in advance of the monthly meetings if they are deemed to be project critical.

iii) Post Implementation – Operational Monitoring

When the asset is handed over for operational use the project will be managed and operated by Council's Leisure and Development Department; Council brings extensive experience of managing community sport, leisure and recreation facilities. The independent business case team is confident that Council has officer resources with the experience and competency to manage what the proposed facility is targeting in the same market.

Facility staff will report to the General Manager who in turn will prepare regular monthly progress report to Council's Leisure and Development Department. These will also form part of the agenda at Leisure and Development Committee meetings in order that elected members are fully cognisant with all stages and performance of the community recreation facility. Key to management of the facility will be ongoing feedback from users to ensure that their recreational needs are being met.

In line with any investment of public monies it is important that a robust monitoring and evaluation framework is established for the project and is used to confirm if the project has contributed to the aims, objectives and non-monetary impact set out in the OBC. As both promoter and funder of the project the responsibility to implement a strong monitoring and evaluation framework rests with Council and the Head of Service.

iv) Post Implementation - Benefits Realisation Plan

The following Benefits Realisation Plan is proposed during the first five years of operation:

Objective	Target	Measurement by
Provide fit for purpose indoor leisure facilities to replace those at the repurposed school building, Sheskburn House	By 2025 to complete the following DDA compliant facilities: 25 x 4 lane pool 190 sq m studio/community space 35 station gym Bouldering wall By 2030 to increase user satisfaction by 20% on baseline (Increase net promoter score from 39 to 47)	Facilities created. User satisfaction survey
To support healthy lifestyles with the provision of free to use outdoor facilities.	1 km outdoor lit running/walking track: 8,000 participations per annum by 2030 BMX/Pump Track: 8,000 participations per annum by 2030 Accessible Play Park: 33,000 participations per annum by 2030	Facilities created Footfall counters
Improved health and wellbeing of local population through increased involvement in physical activity, sport and community engagement.	By 2030: Leisure membership uptake for postcodes within 20 min drive increased by 20% (from 230 to 276) 30% increase in annual leisure class participations in Ballycastle (from 5,341 to 6,943) 20,291 wet facility participations per annum by Yr 5 30% increase in annual gym visits (from 9533 to 12,393) 30% increase in annual community group studio bookings (from 10,920 to 13,933)	Council records
Increased participation in physical activity by individuals from currently underrepresented groups	Increased participation in physical activity by 30% by individuals from currently underrepresented groups Users with a disability: (from 906 to 1,178) Women and girls: (from 2,981 to 3,875) Users from areas of high social need: (from 927 to 1,205)	Council records
Increased participation in health improvement programmes	Number of participations by users on programmes specifically targeting health	Council records

	improvements. Increased by 30% from 277 to 360	
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Council already has the Customer Relationship Management (Legend) software necessary to collect the specific data required to undertake this monitoring over a five-year period.

v) *Post Project Evaluation*

It has been agreed by Council that a post project evaluation of the investment of public monies in the project in this project will be undertaken independently. The following actions will be undertaken in order to secure an independent evaluation:

Action	Who	When	Resources
Council Director will identify competent evaluation service providers	Council Director	Three months prior to handover of the project	Time input
Agree terms of reference with funders to appoint an independent evaluator to carry out a five year evaluation	Council Director and funder nominated Officer	Two months prior to handover of the project	Time input
Produce annual interim evaluation reports (year end for first four years) and a final PPE report at the end of year five	Council Director and funder nominated Officer	End of year one, two, three and four post hand over of the project by the Contractor for the interim reports and end year five for the final report	£50,000 over the five-year evaluation timeframe

See Appendix 13 for Costings and Planning Workbook - Table E – Monitoring and Evaluation and Theory of Change Model at Appendix 7 for further details.