

Appendix 7 – New Capital Schemes & Future Years’ Variations

New schemes and Future Years’ Variations to be added to the Capital Programme for 2021/22 to be approved

New Capital Project Approval Request	
Directorate:	Economy, Environment & Culture
Unit:	Culture Tourism & Sport
Project Title:	Withdean Sports Complex - Small sided 3G Development
Total Project Cost (All Years) £:	£550,000 (Estimated works cost)

Purpose, Benefits & Risks:
The recent Sports Facilities Investment Plan (SFIP) undertaken by external consultants has recently been approved and identifies Withdean Sports Complex as a North Hub. This highlights the need and requirement for investment to enhance the sports facilities portfolio at Withdean. The development of Withdean as a sporting facility is also identified in the City Plan (Part One). The proposal is also strongly supported by Freedom Leisure as the current operator who have proposed the project to help increase the long-term financial sustainability of the facility and improve the physical activity offer to its customers and local community. The opportunity and ability to provide a new external sports offer is also key in supporting physical activity levels and mental health.

Capital Expenditure Profile (£'000):						
Funding Source (see guidance below)	2021/22	2022/23	2023/24	2024/25	2025/26	Total All Years
Revenue Contributions	5	56	0	0	0	61
S106 Contributions	0	489	0	0	0	489
Total Estimated Costs & Fees	5	545	0	0	0	550

Financial Implications:
A number of S106 allocations for the development of outdoor sports at Withdean have been identified over the last few years via planning consultation and now can be pooled to support in helping improve and develop the existing sports facilities provision. The S106 allocations together with revenue budget contributions will meet the cost of the development. This project has been proposed by Freedom Leisure as the most advantageous scheme to take ahead at this time in terms of the time scale for delivery and positive financial impact on the existing sports facilities contract. Once completed the new facility will be operated by Freedom Leisure (FL) as part of the sports facilities contract. There will be no ongoing expenditure or maintenance implications for BHCC as all ongoing costs would sit with Freedom Leisure. After allowing for maintenance costs, utilities, admin etc. it is estimated that the facility could generate a net payment/management fee change to BHCC of circa £60,000 per annum.

Capital Variation Approval Request				
Service:	Economy, Environment & Culture			
Project title:	Black Rock Enabling Works			
Variation	£3.900m			
Purpose, benefits and risks:				
<p>In December 2018 the Policy, Resources & Growth Committee agreed that the successful Local Growth Fund bid (Round 3) of £12.111m be used to begin a package of Enabling Works to prepare the Black Rock site for redevelopment. The works included among other things:</p> <ul style="list-style-type: none"> • Sea wall replacement and Marina pedestrian connection • Infrastructure to enable a future public transport “Marina access link” • Junction improvements, including traffic signals, at Duke’s Mound • Reading Room and the Temple • Public realm improvements <p>Works have commenced with both planning and design completed. The project has encountered additional costs associated with this project relate to increases in construction costs, design costs, changes to project scope and impact of delays. A budget variation is requested for additional funding for 2022/23 to meet these additional costs. The variation will be met from capital borrowing with the financing costs to be met from new income streams generated at the site.</p>				
Capital Variation (£’000):				
Year	2020/21	2021/22	2022/23	TOTAL
Capital Grant – Local Growth Fund	2,372	3,739	6,000	12,111
Capital Borrowing			3,900	3,900
Total Estimated Costs	2,372	3,739	9,900	16,011
Financial implications:				
<p>The scheme was initially funded wholly from Local Growth Fund capital grant awarded through the Local Enterprise Partnership. (LEP). The requested variation of £3.9m will be funded from capital borrowing. The associated financing costs estimated at circa £0.138m pa will be met from future income streams generated by the project including the event space, Reading Room and the Temple partly associated with the changed scope. The income generated is estimated to support both financing costs for the borrowing plus future maintenance costs.</p>				