

CABINET

23 July 2013

This report is submitted under Agenda Item 11. The Chair will be asked to decide if it can be considered at the meeting under the provisions of Section 100B(4)(b) of the Local Government Act 1972 as a matter of urgency in order for grant funding to be secured from the Football Foundation by the deadline of 31 July 2013.

Title: Barking Abbey and Robert Clack Comprehensive Schools: Acceptance of Football Foundation Grants for Artificial Grass Pitches	
Report of the Cabinet Member for Children's Services	
Open Report	For Decision
Wards Affected: Longbridge and Heath	Key Decision: Yes
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Accountable Divisional Director: Jane Hargreaves, Divisional Director Education	
Accountable Director: Helen Jenner, Corporate Director Children's Services	
Summary: <p>Earlier this year, Barking Abbey and Robert Clack Comprehensive Schools were approached directly by the Football Foundation, the UK's largest sports charity, to apply for capital grants towards the cost of installing new artificial grass pitches and associated equipment such as floodlighting.</p> <p>The schools were successful with bids totalling almost £850,000. This represents approximately 74% of the total project costs, with the schools committed to funding the balance.</p> <p>The Football Foundation requires the grants to be formally accepted by 31 July 2013 and the works to be completed by 31 May 2014. As landowner, the Council is required to be party to the Agreements and it is also proposed that the Council supports the projects by contributing jointly with the schools to a fund to meet fees and potential project overspends, this would be through the Cabinet approved School Modernisation Fund 2013/14 where funding is already in place.</p> <p>The project will provide the schools with a unique opportunity to create high quality sports facilities that would otherwise be unaffordable, radically improving current provision and enhancing opportunities for students and the wider community to participate in sporting activities.</p>	

Recommendation(s)

The Cabinet is recommended to agree to:

- (i) The acceptance of two Football Foundation grant awards and their terms and conditions in partnership with each school
- (ii) Authorise the Corporate Director of Finance and Resources, in consultation with the Divisional Director of Legal and Democratic Services, to establish the detailed terms of agreements and any other necessary legal documentation
- (iii) The commitment to meet any additional costs over and above the contingency allowed on a 50/50 share basis with the schools, to be funded through the School Modernisation Fund 2013/14 where funding is already in place.
- (iv) Enter into a 21 year commitment to retain the Artificial Grass Pitches in use for the purposes conditional to the funding award
- (v) The appointment of a Project Manager to deliver the two Artificial Grass Pitch projects

Reason(s)

- (i) To secure the capital grant awards for the development of improved football facilities for schools and community use within the funding deadlines
- (ii) To assist the Council in supporting its core values to secure a better life and a better future for all and in the value of achieving excellence

1. Introduction and Background

- 1.1 The Football Foundation (FF) is the UK's largest sports' charity, funded by the Premier League, the Football Association and the Government. The FF directs £30m every year into grass roots sport. Artificial Grass Pitches (AGPs) are synthetic grass pitches that offer year-round access to play football regardless of weather conditions. The FF's specification typically includes initial survey work, site strip, drainage system, engineered base layer preparation, "third-generation" synthetic grass pile, pitch markings, goalposts and nets, divider nets, floodlighting and access paths. The specification is designed to meet FA/FIFA regulations.
- 1.2 Barking Abbey and Robert Clack Comprehensive Schools were approached directly by the Football Foundation who were seeking rapid applications for capital grants towards the cost of new Artificial Grass Pitches, complete with flood lighting, drainage works and perimeter fencing. The FF had identified the schools as suitable candidates for grants aimed deprived areas and were keen to receive their bids quickly. The funding award has a community bias. Schools have had to demonstrate a community focus and are further required to develop a five year plan. Other schools are able to book use of the football facilities in the same way as any other organisation.

- 1.3 Both schools submitted bids and have received the FF's offer of grants of £429,797 and £448,435, representing 74% and 73% respectively of the estimated total cost of each project. The value of awards is based upon estimated cost plans prepared for the bids by the FF's cost consultants and technical advisers. The value includes a 5% contingency against unforeseen costs. The FF's Award of Grant letter is attached as **Appendices A/1 and A/2**.

2 Proposal

- 2.1 The grants are conditional upon the schools' acceptance, in partnership with the Council, of the General Terms and Conditions of Grant that require their implementation of Football Development Plans and realisation of the Business Cases that supported their successful bids. Further, the schools have committed to contributing the remaining 26%/27% of the capital project cost; this agreement will be formalised in a signed document currently being drafted by Legal Services. It is further proposed that the Council supports the delivery of the AGPs by sharing the cost of any overspend with each school on a 50/50 basis, with the Council's contribution being drawn from the School Modernisation Fund 2013/14, (approved by Cabinet 14 February 2012; Minute 109).
- 2.2 Acceptance of the grants must be given to the FF no later than 31 July 2013. The first claim for payment must be submitted before 30 November 2013 and the final claim made no later than 31 May 2014.
- 2.3 Whilst the bids were submitted directly by the schools the award of funds can only be made by the FF to the landowner, in this instance the Council. The FF will reimburse the Council for payments they have made against monthly valuations and no funds will be advanced to the Council other than reimbursements after payments.
- 2.4 The procurement of the works will be managed through the FF's framework of specialist contractors and the tendering process will be overseen and evaluated by the FF's quantity surveying consultant. The Council will be responsible for the appointment of a Project Manager to deliver the project and it is proposed that fees arising will be paid from the School Modernisation Fund as part of the Council's 50/50 commitment. If there is an under-spend on the build this will be used to reimburse PM costs. If schools want to carry out any further works this will be school funded and under a separate contract.
- 2.5 Once the funding agreement is signed the Council will need to ensure that property/title requirements are satisfied. This process has already commenced as part of the initial funding offer and will now be completed by the Council's property lawyers.
- 2.6 Conditional Town Planning consent for the Robert Clack AGP and floodlights has been granted. The use is to be restricted between the hours of 9:00 a.m. and 10:00 p.m. and the cricket pitch will need to be relocated. This is in agreement with the school.

3 Schools' Responsibilities

- 3.1 The schools are each obliged under their agreement with the FF to implement five-year Football Development Plans, (FDPs); these plans have already been approved as part of the grant award process. The FDP demonstrates how the schools will deliver the FF's visions and objectives to create a high quality facility and promote participation in football. Attached as **Appendices B/1 and B/2** are copies of each schools FDP.
- 3.2 The schools will be required to instigate and maintain a sinking fund to cover the cost of upkeep of the facility and to ensure that any excess income generated by wider community use of the pitches is ring-fenced into a football development fund.

4. Financial Summary

- 4.1 For clarity the following summary of anticipated spend is as follows;

	Barking Abbey Comprehensive	Robert Clack Comprehensive
Confirmed Football Foundation grants	£ 429,797	£ 448,435
Schools' confirmed capital commitments	£ 150,000	£ 170,000
Total Project Cost	£ 579,797	£ 618,435
Agreed Shared Fund for overspend/fees	£ 50,000	£ 50,000

- 4.2 The FF grant offer will provide annual revenue savings to the school, because they will no longer need to bus pupils out of the Borough to suitable all-weather facilities, as well as essential capital investment at no cost to the school or Council.

5 Options Appraisal

- 5.1 There is no realistic alternative to the proposal as no other capital grants are currently available and internal budgets are insufficient to create the improved facilities.
- 5.2 The option to do nothing would lose the opportunity to address a little of the deficiency of all-weather pitches in the Borough. The need for artificial pitches is emphasised by recent Sport England data; in London there is demand for 269 pitches but there are only 138 in existence which equates to nearly a 50% shortfall. This is mirrored at a local level; Sport England note that within Barking and Dagenham there are 3 artificial turf pitches that are available at all times whilst there is a requirement for 6. There is a recognised strategic demand for artificial turf pitches in the Borough which, at present, the Council has no means of meeting. The Borough's sport and physical strategy recognises this demand and one of its priorities is the provision of new artificial pitches.

6. Consultation

- 6.1 These proposals are broadly ward specific but will offer improved sporting facilities to the wider community beyond ward boundaries. Consultation has taken place between the schools and FF representatives prior to the offer being made.

7. Financial Issues

- 7.1 Implications verified by: Dawn Calvert, Group Manager Adults & Children's Finance. No comments received. Financial issues are covered elsewhere in this report.

8. Legal Issues

- 8.1 Implications verified by: Daniel Toohey, Principal Corporate Solicitor and Allan Donovan, Contracts Lawyer
- 8.2 This report is seeking Cabinet approval to enter into an agreement and access grant funding being made available by the Football Foundation for the benefit of Barking Abbey and Robert Clack comprehensive schools.
- 8.3 By the terms of the grant funding agreement the grant is being made available to the respective schools but the Council is named as being jointly and severally liable with the recipient schools.
- 8.4 As with most grant funding agreements, there are provisions that govern when any repayment (or, "claw back") may apply. These would typically take effect if any funding remained unspent or was not applied within a given timeframe. Additionally, the funding is capped at about 74% of the overall anticipated spend for both schools with the schools accepting liability for the remaining costs. Another scenario to be aware of is the possibility of overspend for one or both projects.
- 8.5 The implication for the Council should any of the above scenarios arise would be the Council's financial liability under the joint and several liability provisions of the funding agreement. The report author has sought and obtained advice from the LBBD legal practice regarding the best way to manage, control and minimize any such risk going forward.

9. Other Implications

9.1.1 Risk Management

The risk that there will be additional cost when realising the AGP projects is addressed by the involvement of the FF's appointed cost consultant who specialises in the successful delivery of AGP projects. The risk is further ameliorated as the feasibility budget estimates that informed the bids were prepared in consultation with the FF's technical and financial advisers and therefore benefited from a wealth of specialist experience of similar projects. Risk of funding shortfall is medium impact (2) and low probability (1) = 2 green.

- 9.1.2 The risk that the project may not be delivered within the timescale determined by the award of grant will be minimised by procuring the works using the FF's specialist contractor framework. The framework contractors are vetted by the FF's

technical and cost consultancies who will be responsible for preparing and evaluating the tenders. There has also been a significant level of pre-planning work by the specialist consultant and geo-technical surveys are about to commence. The FF's award is conditional upon the project being procured using their own tried and tested procurement route. The Council will also appoint a Project Manager from its own consultancy framework to take responsibility for delivering the overall project effectively.

Contractual Issues

The FF will instruct their own framework administrators to obtain tenders from their six framework partners. This will involve each of the partners coming to site to undertake their own inspection. The form of contract to accompany this procurement route will be the FF's standard tried and tested arrangement set up with their framework partners.

9.3 Staffing Issues

There are no staffing issues other than the requirement, set down in the FF's award of grant letters, that a representative of the maintenance staff attends and passes an Institute of Groundsmanship approved course on synthetic pitch management. School staffing is already in place.

9.4 Customer Impact

Both the short and long term impacts of this proposal will make a significant contribution to the Borough's efforts to promote sport, health, community participation and achieving excellence through 'Sporting Barking and Dagenham' as well as being a great addition to the schools' sporting excellence in football. For those leaving school, employment opportunities will be enhanced. The benefits yielded by the project will be positive for customers regardless of race, gender, disability, sexuality, faith, age and will promote community cohesion.

9.5 Safeguarding Children

Adoption of the recommendations will contribute to the Council's objective to improve the wellbeing of children and whole life opportunities.

9.6 Health Issues

Delivery of the AGP projects will meet the Council's aspirations for healthy lifestyles and participation in sporting activities. Community access to facilities by young people in the holiday periods will increase and it is anticipated that club and community use will increase significantly.

Artificial sports surfaces have proved particularly successful in the take up of football by women. National evidence has demonstrated that women, particularly young women, often stop playing sport during adolescence and young adulthood and this is not replaced by any other form of physical activity (Women's Sport and Fitness Foundation WSFF 2011). One of the key influencing factors in women's participation is the standard and quality of facilities; hence the proposed investment may potentially increase women's participation (WSFF 2009).

9.7 Crime and Disorder Issues

Approval of the proposal will satisfy a local need for a wider spectrum of evening, weekend and school holiday period activities to prevent anti-social behaviour. To support this, provision needs to be accessible and affordable.

9.8 **Property / Asset Issues** - This proposed decision would facilitate the improvement and renewal of Council assets.

Background Papers Used in the Preparation of the Report:

Cabinet 14 February 2012; Minute 109 – School Modernisation Fund 2013/14

List of appendices:

- **Appendix A/1** Football Foundation Facilities Award of Grant letter Barking Abbey Comprehensive School
- **Appendix A/2** Football Foundation Facilities Award of Grant Robert Clack Comprehensive School
- **Appendix B/1** Robert Clack Comprehensive School Football Development Plan
- **Appendix B/2** Barking Abbey Comprehensive School Football Development Plan