

POLICY & FINANCE COMMITTEE

26 SEPTEMBER 2019

YMCA COMMUNITY AND ACTIVITY VILLAGE

1.0 Purpose of Report

- 1.1 To update the Committee on the progress of this flagship project in Newark and Sherwood, and to note and seek approval for the District Council's funding contribution to the project to enable the delivery of Phase 2.

2.0 Background and progress update

- 2.1 Members will be aware, given previous updates on 6th April 2017 and 25th January 2018 of the transformational nature of the offer the YMCA are creating on the site and beyond. The community offer being developed will truly be of National importance as the first of its kind in providing education (Early-years, FE, HE and Adult), recreation, professional sport, health and family-based services integrated in a community facility space.

Phase 1

- 2.2 Phase 1 of the YMCA project, which has a scheme cost of £3.15m, included the construction of two full size floodlit 3G pitches, a floodlit 6 lane synthetic athletics track and field facility, full perimeter security fencing, temporary changing provision and car parking to facilitate the early operation of the site. The two 3G Football pitches and Athletics Track which are now fully operational and the feedback from local football and athletics club users has been extremely positive.
- 2.3 This phase of the project was completed in mid-September 2018 along with enabling infrastructure for Phase 2, which included advanced works such as mechanical and engineering aspects associated with the main village building, which will expedite construction and reduce future installation costs associated with each part of the project.

Utilisation

- 2.4 As of August 2019, 88 groups have based themselves at the Village, utilising either the football pitches or the athletics track. Ten months operating, as of August 2019, peak-time utilisation of the football pitch is 34% and peak-time utilisation of the athletics track is 12%.

Phase 2

- 2.5 The YMCA was on track to commence Phase 2 works in Autumn 2019 with the construction of the main village building and its immediate surrounds. Other elements of the project including tennis, cycling, boating, MUGA and skatepark facilities will follow, subject to funding discussions.
- 2.6 Phase 2 works have been delayed in order to realise additional funding resources and to provide additional time to secure agreements with substantial key stakeholders including:

- Nottingham Trent University
- Confetti
- Newark College (Lincoln College)
- Mansfield and Ashfield CCG (NHS)
- Magnus Academy
- Inspire

2.7 Phase 2 build costs are £9.4m (inclusive of contingency). R.G. Carter Construction was selected by the YMCA to build the Village building after a full OJEU Procurement process was completed. Final contractual discussions are due to be complete by December 2019, ready to commence building onsite by March 2020. The build timeline will support a soft-launch by May 2021 and full launch by the start of summer 2021.

2.8 The Phase 2 building includes: educational classrooms, changing facilities, large community cafe and kitchen, function spaces, early years nursery provision, dance hall, arts and music classrooms, physio therapy rooms, mental health and NHS consulting rooms, PT and functional fitness suite. An Olympic standard climbing centre will be the centre point of the Community and Activity Village.

3.0 **Funding**

3.1 The YMCA project has been supported by a number of organisations, notably in terms of funding, the District Council, Nottinghamshire County Council and Newark Town Council. A summary of the level of committed funding to date is provided below. The YMCA have recently launched their fundraising scheme. The first phase is raising community and national awareness of the project, starting with the YMCA Tall Ships Adventure (see details below). Further professional and business engagement and awareness sessions will commence in November 2019. The YMCA plan to launch a full community capital appeal in February 2020, which will run for the duration of the build cycle.

Funding to Date from NSDC

3.2 **S106 Contributions**

Members will be aware from previous resolutions of Policy and Finance Committee of the overall support towards the YMCA project via S106 spend. A summary of this is captured below:

S106 Receipts	Paid to YMCA	Amount Remaining	Money Held (Total Contribution)
Off Site Sports Provision	£166,068.49	£0	£166,068.49
Maintenance of Sports Facilities	£146,967.42	£0	£146,967.42
Recreation	£26,000.00	£71,422.32	£97,422.32
Community Facilities	£150,000.00	£156,182.79	£306,182.79
Total	£489,035.91	£227,605.11	£716,641.02

3.3 The remaining £71,422.32 from a S106 Agreement at Hoval Works which remains outstanding must be spent by 6th November 2019. It is proposed that this be the final payment transferred to the YMCA via S106.

3.4 The remaining £156,182.79 must be spent by March 2022 and was agreed at this committee to be paid to the YMCA and will be paid in line with agreed triggers which are regularly monitored by the Housing, Health and Community Relations Business Unit.

3.5 Tall Ships Adventure (TSA)

In addition to the above NSDC has recently committed £15,000 to the YMCA Tall Ships Adventure (TSA). The TSA is a fundraising venture launched on 30 August 2019. It is a relay-style sailing challenge around the UK. There are eight legs in total, and at each port a new crew of community members will take to the helm. It is supporting up to 80 young people and adults from Newark and Sherwood to sail around Great Britain 'telling the story by action'. At the time of print 72 individuals have engaged or will engage on the activity, with recruitment still ongoing.

3.6 All funds raised by crew members will support the build of Community and Activity Village, which will deliver many benefits for residents in Newark and Sherwood and beyond our district boundaries. Therefore, the YMCA approached the Council as one of its primary delivery partners to provide a financial contribution.

3.7 Due to the timing of this request, to prevent unnecessary delay and given that the Adventure set sail in between committee dates, a contribution of £15,000 was approved under the Council's delegation arrangements for dealing with matters of urgency. It was agreed, in consultation with Councillor David Lloyd, Leader and Chairman of Policy and Finance Committee and Councillor Paul Peacock, Labour Group Leader and Oppositions Spokesperson on 4/09/2019 to fund the Council's contribution from the Change Management Reserve.

Capital Receipt from the sale of Elm Avenue

3.8 Members will be aware that the Elm Avenue (stadium) site was transferred by NCC to the District Council in September 2018 for a consideration of £1 in order to generate a capital receipt which would be split equally between the YMCA and NCC after reasonable costs have been deducted in securing planning approval for residential development. The NSDC capital receipt is required under the terms of the agreement with NCC to be recycled into the YMCA project.

3.9 As the sale of the land has yet to be concluded, the YMCA has requested that the District Council forward fund £150,000 of its anticipated capital receipt to support the financing required by the YMCA in order to secure the delivery of Phase 2. Asset Management colleagues have confirmed that the market value of the site, even accounting for the NSDC 50% share and deduction of reasonable costs, would generate funds comfortably in excess of the £150,000 advance sought.

Land Assembly

- 3.10 As Members will recall from the report to the Policy and Finance Committee of June 2018 there is an aspiration to secure additional land from Tarmac in order to allow an improved cycle track and boating offer. Such discussions are ongoing and at the time of print are yet to be concluded, as captured in an exempt report on this agenda. It is not proposed that NSDC contribute any additional monies to any lease which may be agreed. Rather, NSDC will take a head lease, with YMCA absorbing (including costs) a sub-lease.

Funding to Date from Other Organisations

- 3.11 Members will be aware from previous reporting of the contributions towards the YMCA project from Nottinghamshire County Council and Newark Town Council. For the avoidance of doubt Nottinghamshire County Council have contributed £1m towards the scheme. Newark Town Council have contributed £352,000 capital. The football foundation have additionally contributed £450,271.

4.0 Equalities Implications

- 4.1 Equalities implications are considered in the Equality Impact Assessment and this will be subject to further monitoring as part of the evaluation process and ongoing monitoring of the impact of the project. However, there are no adverse Equality Implications identified in the Equality Impact Assessment.

5.0 Financial Implications (FIN19-20/6214)

- 5.1 The S106 contribution captured in paragraph 3.3 is available and has a time limit, therefore it would be reasonable to transfer these funds to the YMCA.
- 5.2 The S106 contributions and Tall Ships Adventure funding captured in paragraphs 3.4-3.6 are already authorised and within budget.
- 5.3 The forward funding of £150,000 of the Elm Avenue capital receipt can be made available from the Capital Provision until such time as the receipt is received. This is likely to be several months away, subject to the market offers, but as confirmed in paragraph 3.9 above the overall likely sales value will more than recover the £150,000 however, it should be noted that if a land sale does not progress or the sale value is less than anticipated, the Council will have to fully or part finance this transaction.
- 5.4 The revenue budget should include an income and expenditure budget for the lease with Tarmac as per paragraph 3.10. This will have a nil impact due to the sub lease with the YMCA.

6.0 Community Plan – Alignment to Objectives

- 6.1 The YMCA is a key partner and the delivery of this project will contribute towards the delivery of a number of priorities contained within the Community Plan 2019-2023; particularly the objective to ‘improve the health and wellbeing of local residents, with a particular focus on narrowing the gap in healthy life expectancy and other health outcomes’ and to ‘reduce levels of deprivation in target areas and remove barriers to social mobility across the district’.

7.0 Comments of Director – Growth & Regeneration

7.1 I welcome the progress made on what will be a transformational and long-term project with far reaching benefits for residents of Newark and Sherwood. The report provides a helpful update on the funding strategy and particularly the overall levels of financial support rightly offered by the District Council to realise phase 2 of the project.

8.0 RECOMMENDATIONS that:

- a) **Members note the decision made by the Leader and Leader of the Opposition to contribute £15,000 to the YMCA Tall Ships Adventure, as captured at paragraphs 3.4-3.6 above;**
- b) **Members authorise the forward funding of £150,000 of the overall 50% of capital receipt (minus reasonable fees) from the sale of the Elm Avenue site to the YMCA;**
- c) **Members authorise the allocation of £71,422.32 from the Hoval Section 106 monies, as captured at paragraph 3.3 to the YMCA Community and Activity Village;**
- d) **the Director Resources/Deputy Chief Executive be given delegated authority to enter into a lease agreement with Tarmac to secure additional land as identified on the plan at Annex 1 of this report for a terms of up to 2063 (with the ability to renew up to 2113), subject to terms also being agreed with the YMCA for the overall costs of this lease to be met solely by the YMCA for the lifetime of the lease between NSDC and Tarmac.**

Reason for Recommendations

To provide an update on the progress of this development and seek approval for the required funding and land assembly to complete phase 2 of the YMCA Sports and Activity Village.

Background Papers

Nil

For further information please contact Leanne Monger on Ext 5545, Andy Hardy on Ext 5708 or Nick Wilson on Ext 5317.

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