

REPORT TO:	Cabinet 8 July 2019
SUBJECT:	Professional Services for Parklife Croydon Project
LEAD OFFICER:	Kirsteen Roe, Director of District Centres and Regeneration Shifa Mustafa, Executive Director Place
CABINET MEMBER:	Cllr Oliver Lewis- Cabinet Member for Culture, Leisure and Sport
WARDS:	Waddon and Shirley North

CORPORATE PRIORITY/POLICY CONTEXT/ AMBITIOUS FOR CROYDON

Parklife Croydon is a manifesto commitment and Corporate Plan objective for delivery under this administration.

Croydon's Corporate Plan 2018-20 sets out a vision that Croydon's parks and green spaces should be "safe, pleasant, thriving places where everyone can exercise and have fun." However with significant financial pressures and need for continuous reductions in local authority expenditure, the current model of parks service delivery cannot be sustained in the long-term without significant changes to the way it operates. The current portfolio of park football facilities are poor quality and costing circa £250K per year to maintain, with falling usage year-on-year.

Parklife Croydon is an innovative partnership approach to investing in facilities that can be sustainable, and provide a high quality parks leisure offer that appeals to multiple audiences.

FINANCIAL IMPACT

The recommendation is to enter into a contract for Professional Services for the Parklife Project in the London Borough of Croydon. The Council wishes to call off the service requirements from the Football Foundation Framework Managing Consultant for Changing Room Facilities - OJEU Contract Notice 2016/S 170-305926 (published on 30/08/2016) lot 2 and enter into a direct award with QMP LTD.

The period of the contract is from 1 January 2017 to 31 December 2019. The anticipated contract value for QMP is £600K, as part of an overall projected project outturn of £738K. These costs cover up to Planning submission (RIBA Stage 3+) and will be met from the following sources:-

Income source	Income amount
s106 - IFG (189)	£52,252
s106 - IFG (212)	£23,387
Sport England	£67,500
Football Foundation – Ashburton Playing Fields	£78,767
Football Foundation - Purley Way Playing Fields	£84,779
Total External Funding	£306,685
Regen Feasibility budget 2018-19	£281,666

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Regen Feasibility budget 2019-20	£150,000
Total project income	£738,351

An allocation of £12.1M for delivery of the scheme from RIBA Stage 4 has been made on the Capital Programme, which is based on the current estimated cost of construction of the two schemes. This is subject to final approval by Growth Board and Cabinet, once final construction and maintenance costs have been estimated for final designs. This allocation will cover professional and legal fees, Council officer costs, construction costs, and a commuted sum to cover maintenance costs for three years. At least 60%, but potentially up to 70%, of these costs will be requested from the Football Foundation in a grant application to their Board following submission of the planning applications for both sites (estimated autumn 2019).

If the Council is successful in their full grant application for the construction of the sites as described above it will be also be able to reclaim additional fees up to stage 3+, up to 60% of total spend. Currently this equates to an additional claim of £82K though at this stage cannot be accounted for as subject to full approval.

FORWARD PLAN KEY DECISION REFERENCE NO: N/A

1. RECOMMENDATIONS

The Leader of the Council has delegated to the Cabinet Member for Culture, Leisure and Sport the power to make the decisions set out in the recommendations below:

- 1.1 The Cabinet Member for Culture, Leisure and Sport in consultation with the Cabinet Member for Finance and Resources is recommended by the Contracts and Commissioning Board to approve the award of a contract to QMP for the delivery of Professional Services for the Parklife Project for a maximum contract value of £600,000
- 1.2 To note that the Contract term is from 1 January 2017 to 31 December 2019.
- 1.3 To note the Director of Commissioning and Procurement has approved waivers under regulation 18 in respect of a single supplier direct award, the requirement under Regulation 21 for not including the Premier Supply Programme, and the requirement under Regulation 17 for a procurement strategy.

2. EXECUTIVE SUMMARY

- 2.1 The Parklife Croydon project is a Football Association (FA)-led initiative and a commitment in the Croydon Corporate Plan, to tackle long-term under-investment in Croydon's park-based Football facilities.
- 2.2 The overall aim of the project is to achieve two new state-of-the-art borough football hub sites at Purley Way and Ashburton Playing Fields, that would each provide two x floodlit 3G (Football-biased) artificial grass pitches and a pavilion facility comprising of changing facilities, a café, a training room, community

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room and car parking. A community gym is also currently proposed for the Ashburton Playing Fields hub with earlier demand work showing a need for a fitness offer in that part of the borough.

- 2.3 In support of the borough's Sport and Physical Activity Facilities Strategy, the hubs would transform a borough offer that has been rated by external consultants as poor quality and is costing more than £250K per year to maintain to a very basic standard. The new facilities are expected to achieve in excess of 150,000 visits per year each, and will make a major contribution to physical activity and health outcomes, as well as wider social agendas.
- 2.4 The focus will be on young people, encouraging sporting participation and healthy lifestyles from a young age in facilities in which all borough residents will feel comfortable (in partnership with the Palace for Life Foundation and affiliated voluntary clubs). A major aim is to address the very poor level of female affiliated football, which currently stands at just 3%. The hub sites have an objective to achieve 25% female participation and 10% use by disabled people.
- 2.5 The FA, Sport England and the Premier League will provide a minimum of 60% funding for the professional fees up to RIBA stage 3 to allow a full grant to be submitted for the construction. The scheme is being delivered by the Football Foundation.
- 2.6 Currently, it is proposed that the facilities will be managed by a national football trust, a new charity to be established by the Football Foundation, under a 30 year lease. Under this arrangement, the trust would procure an operator to manage the facilities. Operating surplus will be reinvested in Croydon Football facilities, starting with grass pitches at the hub sites. Officers are undertaking an independent legal and financial review of the proposed management arrangements to ensure best value and community benefits for Croydon residents.
- 2.7 The aim is to deliver the new facilities as soon as possible from September 2020, to follow the European Football Championships (as the final stages is being held in London).
- 2.8 To enable development of this key manifesto and Corporate Plan objective updates have been provided to Cabinet which detailed that to enable to explore viability of the projects then the services detailed in this report would be required to be procured.
- 2.9 The content of this report has been endorsed by the Contracts and Commissioning Board.

CCB Approval Date	CCB ref. number
25/06/2019	CCB1496/19-20

3. DETAIL

- 3.1 The Croydon Parklife project has been in development since the Council's application to Sport England was accepted in early 2017.
- 3.2 The Council is the lead applicant for the project and a Planning Performance Agreement (PPA) was entered into with Local Planning Authority on 16 April 2018. The project has undertaken three sessions with Croydon's Place Review Panel and the latest proposals have been commended by the panel. The Council aims to submit planning applications during summer 2019.
- 3.3 The project has to date received three external grant awards from the national funding partners, to support their 60% contribution. These are an initial award of £67,500 from Sport England, and then an award of £78,767 from the Football Foundation for Ashburton Playing Fields and an award of £84,779 for Purley Way Playing Fields.

Each award has required the Council to use the Football Foundation's framework consultants for Changing Rooms and Artificial Grass Pitches.

The funding has been time limited with the initial Sport England award requiring spend within the 17-18 financial year (effectively within 6 months of award) and the FF awards requiring spend within the 18-19 financial year. The delay in entering into a Contract has been due to the change of scope of the works as detailed in 3.8 whilst full details of the services required was finalised.

- 3.4 The significant work conducted to date includes:
- Strategic modelling of football supply and demand data, following Croydon's Playing Pitch Strategy analysis. This concluded that two hub sites of two artificial grass pitches are needed to meet current demand and a 'sequential test' exercise identified Purley Way Playing Fields and Ashburton Playing Fields;
 - All required stage 1 and 2 feasibility work appropriate to each site, including topographical and ecological surveys, ground investigation work, and noise and transport assessments.
 - Formal engagement with football partners on the proposals, including 21 clubs and three leagues, who reported a negative experience of current pitches and facilities;
 - Development of a timetable of use and full business plan for both sites;
- 3.5 Feasibility and design development work was undertaken by QMP sub-contractor Erect Architecture to deliver unique high quality building and landscape designs responding to the local contexts and seek to preserve the "openness" of both sites. The pavilion buildings are aiming to achieve BREEAM Excellent status.

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- 3.6 Considerable engagement with residents and stakeholders has been undertaken (see Section 4).
- 3.7 To allow development of the scheme, funding was secured to establish the feasibility of the scheme and deliver RIBA Stage 3+ designs are as follows:

Income source	Income amount
IFG (189)	£52,252
IFG (212)	£23,387
Sport England	£67,500
FF - Ashburton	£78,767
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- 3.8 With the move from a 'modular' building to a 'traditional' building design, as guided by planning feedback (Metropolitan Open Land) including the Place Review Panel, additional design fees have been incurred that means that the council has made a significant financial commitment, over and above the approved funding from the Football Foundation to planning stage (RIBA Stage 3+). Total projected expenditure against this contract to the end of this stage is £738K. Of this, £600K is the projected expenditure with QMP under this contract. As the contract is for framework management, this includes fees for a number of subcontractors covering architectural services, feasibility, design and engineering provided by QMP.
- 3.9 With external investment from the national funding partners of £231K secured, along with £75K Section 106 investment, the council's core contribution up to stage 3+ is therefore expected to be circa £432K, taken from LBC's Regeneration Feasibility Budget. A preliminary agreement has been reached that the Football Foundation will 100% fund all further external stage 2/3 work required in order to achieve a planning submission, which is currently estimated at £110K. Stage 4 work will be subject to a 40:60 (LBC:FF) split and then a retrospective request for the balance of fees owing will be submitted with our grant application to the Football Foundation for construction costs, with submission possible when planning permission is achieved and construction costs are established. This will ensure that Croydon will fund no more than 40% of the overall cost of feasibility and design development.
- 3.10 It is proposed that stage 4 onwards will be managed through the Council's Capital Delivery Team, with a budget allocated of £12.1 million to cover stages 4-7, including further professional fees. This budget will need to be refined following a tendering exercise to be undertaken as part of stage 4 development, and is subject to Growth Board and Cabinet approval, as well as achieving

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planning permission. In support of a Cabinet Report a full commissioning and procurement strategy will be formulated.

- 3.11 The detail of this report shows that the Council has been provided services by QMP without complying with the Council's Tenders and Contract Regulations. This has been reviewed with the relevant departments to ensure that appropriate governance is in place to stop this happening again. This report is to formalise the professional services that are required for the Parklife project

Procurement Approach

- 3.12 The procurement route required for these services is to enter into direct award by calling off the Framework let by the Football Foundation as per the OJEU Contract Award REF 2016/S 170-305926. The framework award split the country into two. Authorities who wanted to use the framework in the South of England were to use QMP LTD and for the north of England another supplier
- 3.13 The funding received from the Football Foundation and Sport England has a clause within the funding terms and conditions that the awarded body is required to use the Football Foundation framework.
- 3.14 As part of the set up of the Framework, QMP LTD were required to submit their prices for a number of model projects, representing the scope of works to be delivered under the Framework as part of the tender selection process to gain entry onto the Framework. These prices have been included within each Framework Agreement with each Framework Operator.

Price and contract terms return

- 3.15 QMP submitted a price return for each of the two schemes at Ashburton and Purley Way Playing Fields. The price return was for RIBA stages 0 to 7. However this award report is for stages 0 to 3.
- 3.16 The submission was in line with the requirements of the framework and was based as a % per stage against a total contract value per scheme. This was for a scheme for a modular build and a traditional build.
- 3.17 As detailed in section 3.8 of this report, as the location of each site is on Metropolitan Open Land and necessitates a higher design quality, the return is based on the traditional build element of the submission.

Evaluation of return

- 3.18 To receive the funding detailed in section 3.12 of the report the condition is to use the Football Foundation Framework for professional services. As this was a direct award to QMP the evaluation consisted of ensuring that the % rates quoted for each stage met the framework agreed rates.
- 3.19 This was reviewed against the framework and is in line with the agreed rates to ensure that the price was the most economically advantageous route for the

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Council, the rates provided from QMP were benchmarked against industry averages for the type of service provided. This showed that the rates were below the industry average and were deemed very competitive.

- 3.20 Any further instructions for additional surveys or work outside the relevant RIBA stages will be negotiated with QMP.
- 3.21 The recommendation is to award to QMP as being the most economically advantageous route as 60% of the costs are covered by external funding. If the Council decided on a different procurement route then it would not be able to recover the 60% of the costs which was deemed as not value for money. This is a condition of the funding.

4. CONSULTATION

- 4.1 The Council has undertaken significant engagement with residents and stakeholders, including:
 - a. Two drop-in sessions attracting approximately 120 residents:
 - Ashburton, Thursday 4 October 2018, St George's Church Hall;
 - Purley Way, Friday 12th October 2018 at Waddon Youth and Community Centre.
 - b. Door knocking and leaflet drops to residential properties close to both sites, conducted in August and September 2018;
 - c. Presentations to Monks Orchard Residents' Association (Ashburton Playing Fields) and Waddon Community Forum (Purley Way Playing Fields);
 - d. A full engagement exercise with football clubs and leagues, including drop-in sessions and an online survey;
 - e. Development sessions with young people;
 - f. Group and direct responses to residents who have requested further feedback, with a mailing list now in excess of 150;
 - g. Briefings for ward councilors throughout the development process.

5. FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

1 Revenue and Capital consequences of report recommendations

	Current year	Medium Term Financial Strategy – 3 year forecast		
	2019/20	2020/21	2021/22	2022/23
	£'000	£'000	£'000	£'000
Revenue Budget available				
Expenditure				
Income				
Effect of decision from report				
Expenditure				
Income				
Remaining budget	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Capital Budget available				
Expenditure		431		
Effect of decision from report		293		
Remaining budget	<u></u>	<u>138</u>	<u></u>	<u></u>

2 The effect of the decision

The effect of the decision is that the cost to the Council for procuring QMP will be £293K as the rest of the contract spend will be from external funding that has been received. The £293K will be funded by approved Regeneration budgets for the years 18/19 and 19/20

Risks

The risk identified is that the Council do not meet the funding criteria to receive the funds. This has been mitigated by the project manager ensuring that any requirements are met by the Council

Options

The other options were for the Council to separately procure professional services outside the Football Foundation framework. These were not pursued as would have meant that the Council would have not secured the external funding which was a condition of the grant.

The recommendation is to award the contract to QMP LTD.

3 Future savings/efficiencies

There are no further savings/efficiencies identified from this report.

- 4 Approved by Flora Osiyemi, Head of Finance-Place

6. LEGAL CONSIDERATIONS

- 6.1 The Director of Law and Governance comments that there are no additional legal issues directly arising in respect of this report
- 6.2 Approved by: Sean Murphy Director of Law and Governance.

7. HUMAN RESOURCES IMPACT

- 7.1 There are no human resources impact from this report. This report is for the provision of professional services for the Parklife and resources to manage this contract will be within the existing Regeneration staffing structure.
- 7.2 Approved by Sue Moorman, Director of Human Resources.

8. EQUALITIES IMPACT

- 8.1 The focus for the facilities will be on young people, encouraging sporting participation and healthy lifestyles from a young age in facilities in which all borough residents will feel comfortable (in partnership with the Palace for Life Foundation and affiliated voluntary clubs). A major aim is to address the very poor level of female affiliated football, which currently stands at just 3%. The hub sites have an objective to achieve 25% female participation and 10% use by disabled people.
- 8.2 A Community Use Agreement has been drawn up requiring that the Council and Leisure Operator appointed will pursue the following aims:
- Providing opportunities for the local community and sports organisations to participate in sport and physical activity for health improvement and development of their skills, particularly amongst low participant groups and participants from deprived areas;
 - Operating in line with the national agenda for sport taking into account nationally adopted strategies;
 - Generating positive attitudes in sport and physical activity by young people and reducing the drop out rate in sports participation with age;
 - Increasing the number of people of all ages and abilities participating in sport and physical activity including people with disabilities;

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- Increasing the number of girls and women participating in sport and physical activity;
- Using the facilities to encourage the range, quality and number of school sports club links and to stimulate competition that is inclusive of young people and adults;
- To provide affordable access for protected community users to the facilities and to be self-financing in terms of use;
- To provide enhanced recreational facilities for the local community in the form of play provision, cycle and pedestrian infrastructure, and environmental enhancements;
- To update the Site Delivery Plan annually to ensure the aims outlined above are met.

8.3 An Equalities Impact Assessment has been undertaken and this has been approved by Yvonne Okiyo, Equalities Manager

9. ENVIRONMENTAL IMPACT

9.1 The Local Planning Authority have advised that an environmental impact assessment is not required for the scheme. The pavilion buildings are being designed to achieve BREEAM Excellent Accreditation.

9.2 In preparation for the planning application the following survey and assessment work has been undertaken:

- Topographical surveys
- Geo-environmental constraints surveys
- Built heritage and archaeological phase 1 assessments
- UXO threat phase 1 assessments
- Flood risk and drainage assessments
- Noise and vibration assessments
- Noise and light assessments – for artificial grass pitches
- Air quality surveys
- Transport surveys
- Parking 'BEAT' survey
- Ecology assessments inc. one bat survey
- Arboricultural surveys
- Ground investigation surveys
- BREEAM pre- assessments
- Condition and demolition surveys of existing pavilions
- Utilities surveys

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- Fitness 'Latent Demand' assessments

10. CRIME AND DISORDER REDUCTION IMPACT

10.1 The Council has received advice on applying Secured by Design principles from the Designing Out Crime police liaison officer. This includes recommendations for mounding heights and tree planting, entrances to the playing fields to prevent incursions, cycle parking, external lighting specification and CCTV advice, and specifications for the building materials to make it secure.

11. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

11.1 The recommendation is to enter into a contract with QMP LTD.

12. OPTIONS CONSIDERED AND REJECTED

12.1 The other option that was considered was to separately procure the professional services that are required. This was rejected as would have meant that the Council would not have secured the funding required

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APPENDICES TO THIS REPORT: None

BACKGROUND PAPERS: None