



Belfast City Council

Report to:	Strategic Policy and Resources Committee
Subject:	Investment Programme: Sport NI Capital Schemes on Council Land: Hammer & Marrowbone 3G Pitches & Mountain Bike Trail
Date:	22 June 2012
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1	Relevant Background Information
1.1	<p>At its meeting on 14 June 2012 the Parks and Leisure Committee received a report on three schemes on Council owned sites which are being funded via Sport NI's Community Capital Programme (a copy of the report to Parks and Leisure Committee is attached at Appendix 1). The three schemes relate to the provision of new 3G pitch facilities at Hammer Open Space and Marrowbone Millennium Park, plus a Mountain Bike Trail at Mary Peter's Track and Barnett Demesne. The maximum grant payable by Sport NI for each scheme is £245,000 and the Strategic Policy and Resources Committee at its meeting on 9 December 2011 approved the schemes for inclusion in the Capital Programme and agreed to contribute a total of £375,000 of Council funding across the three schemes.</p>
1.2	<p>Each of the grant applicants and Sport NI will enter into a Delivery Agreement with the Council to allow the grant monies to be channelled directly to the Council. In return the Council will undertake to procure and deliver the projects which will be managed through the Council's Project Management Unit.</p>
1.3	<p>It is a requirement of Sport NI's grant conditions that the landowner (in this case the Council) enters into a Deed of Dedication at each site. The aim of the Deed is to provide assurance to Sport NI that the scheme they are grant aiding will continue to operate during the whole of the 10 year 'Grant Period'. In addition Sport NI require legal arrangements to be put in place between the landowner and the Grant Applicant which will provide the Grant Applicant with sufficient security of tenure to allow them to deliver on Sport NI's key performance indicators at each site. These legal arrangements may vary from site to site depending on the capacity of the grant applicant and the intended operational arrangements. The arrangements envisaged at each of the three sites are as follows.</p>

1.4	<p>Hammer Open Space – Shankill United Football Club</p> <p>The existing floodlit grass pitch at Hammer Open Space is currently operated under a Facilities Management Agreement, by Lower Shankill Football Club who are a sister club of Shankill United Football Club (the grant applicant). Shankill United FC also currently use the grass pitch. As part of the arrangements for the development and future use of the new 3G facility the existing Facilities Management Agreement with Lower Shankill FC will be terminated.</p>
1.5	<p>Based on projected income from use of the proposed 3G pitch, representatives of Shankill United Football Club believe they will be able to operate and sustain the new 3G facility over the 10 year 'Grant Period'. The Club has therefore sought a 10 year lease from the Council and will take full responsibility for the site, including maintenance, potential pitch replacement (if required during the 10 years) and all outgoings. A rent of £1,125 per annum (subject to review after five years) has been agreed with the Club for the site area of approximately 2.80 acres outlined red on the attached map (Appendix 2). Use of the site will be restricted to playing pitches and associated sport and recreational purposes. There is nothing in the Council's title to the site which would preclude the Council from granting the proposed lease or require the Council to seek consents from any third party in relation to the scheme.</p>
1.6	<p>Marrowbone Millennium Park – Ardoyne Youth Providers Forum</p> <p>The existing grass pitch at Marrowbone Millennium Park is currently operated and maintained by the Council.</p>
1.7	<p>Based on projected income from use of the proposed 3G pitch, representatives of Shankill United Football Club believe they will be able to operate and sustain the new 3G facility over the 10 year 'Grant Period'. The Club has therefore sought a 10 year lease from the Council and will take full responsibility for the site, including maintenance, potential pitch replacement (if required during the 10 years) and all outgoings. A rent of £700 per annum (subject to review after five years) has been agreed with the Club for the site area of approximately 1.71 acres outlined red on the attached map (Appendix 3). Use of the site will be restricted to playing pitches and associated sport and recreational purposes.</p>
1.8	<p>There is nothing in the Council's title to the site which would preclude the Council from granting the proposed lease however by a Deed of Dedication for 99 years from 24 August 1999, between the Council and the Millennium Commission (now administered by the Big Lottery) the Council is required to seek the consent of the Millennium Commission to any lease or similar arrangement. Indications from the Big Lottery are that they would be agreeable to granting consent provided the membership of the relevant community group was open to all. The Constitution of the Ardoyne Youth Providers Forum appears to satisfy this criterion, and the formal consent of the Big Lottery in relation to any lease and Deed of Dedication (see 1.3 above) will now be sought.</p>
1.9	<p>Mary Peters Track/Barnett Demesne – Outdoor Recreation NI</p> <p>The site of the proposed Mountain Bike Trail is mostly through wooded portions of land held and maintained by the Council at Mary Peter's Track and Barnett Demesne. The trail will comprise (very approximately) 10 kilometres of rough track with associated mountain bike features (see aerial photograph at Appendix 4).</p>
1.10	<p>Outdoor Recreation NI (the grant applicant) does not have the capacity to maintain and sustain the physical elements of the proposed facility and is agreeable to being granted use of the land by way of a Licence Agreement from the Council for a period of 10 years. The Licence would require Outdoor</p>

	<p>Recreation NI to take responsibility for public liability insurance in respect of any events held by them on the site, although the Council would retain insurance responsibilities outside such events. Sport NI is agreeable to this arrangement provided Outdoor Recreation NI remain responsible for delivery of the Key Performance Indicators for the scheme. The Council will thus remain responsible for annual maintenance costs. It is expected the facility will be open to the public at large, with no booking required and no charges will be levied by the Council for public use.</p>
1.11	<p>The Council's title to the Mary Peters Track site requires certain consents to be obtained from Queen's University Belfast. The proposals have been communicated to the University and consents have been sought. In relation to the Barnett Demesne site (which was gifted to the Council) the approval of DSD Charities Branch is being sought in respect of the proposed Deed of Dedication.</p>

2	Key Issues
2.1	<p>These three projects are being supported as part of the Council's Investment Programme.</p>
2.2	<p>All three developments are being carried forward on the basis of a Deed of Dedication at each site which will be between the Council, the Grant Applicant and Sport NI. The Deeds are aimed at preserving the Grant Purposes for 10 years, with repayment of a proportion of grant aid (on a reducing scale) if the purposes are not continued. If the Grant Applicants are unable to fulfil their obligations the Council could become liable for either continuing the Grant Purposes or such repayments to Sport NI as may be required.</p>
2.3	<p>The proposed 10 year leases to Shankill United Football Club and Ardoyne Youth Providers Forum will place responsibility for managing the site upon the Club/Forum, including all outgoing costs. The Club and Forum respectively will have the benefit of income from pitch use.</p>
2.4	<p>The proposed Licence Agreement for operation of a Mountain Bike Trail at Mary Peters Track and Barnett Demesne will provide Countryside Recreation NI with access to hold events at the site and the Council will retain operational responsibility for the site including maintenance costs which are estimated by Parks and Leisure Department at £10,000 per annum.</p>
2.5	<p>Council officers are continuing to work towards legal documentation which would place responsibilities upon Shankill United FC and Ardoyne Youth Providers Forum to draw up sports development plans, to set up capital replacement funds for the pitches and to maintain appropriate accounts and bookings records.</p>
2.6	<p>Members may wish to note that tight deadlines apply in order satisfy Sport NI's funding timetable.</p>
2.7	<p>The report presented to the P&L Committee on 14 June recommended, from a service perspective, that the three projects be advanced to tender and delivery subject to the approval of the SP&R Committee, from a corporate financial perspective.</p>
2.8	<p>Following the decision and commendation from the P&L Committee (a verbal update will be provided) the SP&R Committee is asked to consider the proposals from a corporate financial perspective and decide whether to approve the</p>

	advancement of the proposals to full commitment to invest with tender invitation and award of contracts.
2.9	Award of contracts for capital projects is made to the firms submitting the most economically advantageous tenders on the basis of a cost/quality evaluation in accordance with BCC procurement guidelines.

3	Resource Implications
	<u>Financial</u>
3.1	The 10 year lease at Hammer Open Space will yield an income of £1,125 per annum for the Council. No other income or expenditure envisaged for the Council over the 10 year lease period unless the Council are required to step in to operate the facility if Shankill United FC are unable to do so. If this occurs there could be a potential liability placed on the Council for replacement of the pitch or for repayment of a proportion of grant aid. The cost of pitch replacement is currently estimated at £175,000. An appraisal of this cost set against potential repayment of a proportion of the Sport NI grant monies and taking into account any income which might be generated from pitch hire, would be provided to Committee should this circumstance arise.
3.2	The same issues apply at Marrowbone Millennium Park as apply to Hammer Open Space and the financial impact would be broadly similar at both sites (although the estimated rental income at Marrowbone is marginally lower, at £700 per annum).
3.3	The Director of Finance and Resources has previously indicated that there was sufficient finance available to allocate the required funding for these asset-enhancing schemes using revenue contributions.
	<u>Human Resources</u>
3.4	Resources in Parks and Leisure, Legal Services and Estates Management Unit will be involved in developing and agreeing legal arrangements at each site. No additional human resources required in relation to the lease at Hammer Open Space, indeed some existing maintenance resource will be freed up. Similar would apply at Marrowbone Millennium Park if a lease is to be provided there.
3.5	The cost of project management resource required in the procurement and management of the construction projects, together with external construction related consultancy services and statutory charges will be capitalised as part of the overall project cost.
	<u>Asset and Other Implications</u>
3.6	The provision of external grant aid at all three sites will add value to the physical assets. The Council will lose an element of control at each site on account of the grant conditions. In the case of the Hammer Open Space responsibility and control will pass to Shankill United FC although the Council are seeking to build-in sports development objectives and elements of public use into the legal documentation. Similar would apply at the Marrowbone site. The asset at Mary Peters Track/Barnett Demesne will remain largely available for free public use subject to the regulated 'events' uses by Countryside Recreation NI.

4	Equality and Good Relations Considerations
4.1	Please see information provided in Parks and Leisure report (Appendix 1 attached).

5	Recommendations
5.1	<p>Committee is recommended:</p> <ol style="list-style-type: none"> 1. To authorise the Council to enter into a Deed of Dedication, for 10 years, with each of the grant applicants (Shankill United Football Club; Ardoyne Youth Providers Forum; and Countryside Recreation NI) at the three locations referred to in this report. 2. To authorise the grant of a 10 year lease (commencing on completion of the 3G pitch development) to the Trustees of Shankill United Football Club at a rent of £1,125 per annum. 3. To authorise the grant of a 10 year lease (commencing on completion of the 3G pitch development) to the Trustees of Ardoyne Youth Providers Forum at a rent of £700 per annum. 4. To approve acceptance of maintenance responsibility plus the grant of a Licence Agreement to Countryside Recreation NI for a period of 10 years (commencing on completion of the Mountain Bike Trail) for the holding of periodic events. 5. To approve the advancement of the three projects to tender and delivery including award of contracts, subject to maximum total capital financial support of £375,000.

6	Decision Tracking
Director of Property and Projects to ensure completion of relevant legal documentation within Sport NI time limits and to proceed with issue of tender documents in due course.	

7	Key to Abbreviations
n/a	

8	Documents Attached
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