



**REPORT FROM: CHIEF FINANCIAL OFFICER**

**TO: POLICY AND RESOURCES COMMITTEE**

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## **MATTERS REQUIRING FINANCIAL APPROVAL**

### **PURPOSE OF REPORT**

To seek approval to provide a financial contribution towards the planned 3G sports pitch at the Brierfield Mill – Northlight complex.

### **RECOMMENDATION**

That the Policy and Resources Committee members approve a contribution towards the 3G sports pitch at Brierfield Mill - Northlight up to a maximum value of £55,000.

### **REASONS FOR RECOMMENDATION**

To agree a potential contribution to provide an external 3G sports pitch to cover a funding shortfall should additional funding be required.

### **BACKGROUND**

The development of Brierfield Mill commenced in March 2012 with the acquisition of the freehold. This was achieved with a grant of £1.580m from Homes England (Homes and Communities Agency at that time). The mill was then leased on a 250 year lease to a newly formed company PEARL (Brierfield Mill) Ltd, (a wholly owned subsidiary of PEARL 2, a Joint Venture partnership between Barnfield Investment Properties and us) and subsequently PEARL.

The Brierfield Mill Masterplan is delivering a wide range of development including, employment, housing, cultural, leisure and retail uses under the name of 'Northlight' with a total investment in excess of £30.0m. The Brierfield and Reedley Regeneration Strategy has also been put together to compliment this major transformation project to maximise the benefits and support the town as 'a destination.'

Some adjoining sites have also been acquired to be landscaped and to provide car parking. This further supports the successful redevelopment of the complex and also enhances its appearance on the main approach roads.

Pendle Borough Council have allocated £1.5m in the Capital Programme to invest in the Brierfield Mill Northlight complex. Many of the phases are either underway, near completion or completed. These are summarised below:

- Lancashire Adult Learning Centre - moved into Northlight in August 2017.
- Community Leisure Facility 'Leisure Box' for Burnley Football Club in the Community (BFCC) – final fit out stage.
- Business units and 36 residential apartments – construction within the Mill has started.
- Garage premises conversion into a space for the local arts organisation, In Situ – completed.
- Infrastructure works to provide car parking and landscaping have started.
- Compulsory Purchase action on Clitheroe Road to provide additional landscaped car parking.
- Compulsory Purchase action on Glenway to provide an outdoor 3G Sports Pitch that will be part of the Leisure Box development listed above.

## **ISSUE**

The provision of the 3G Sports Pitch referred to above has been procured by BFCC from a specialist contractor. All the preparatory work for this project has been finalised, however, the tendering exercise to deliver the pitch has come in higher than the original estimate of £0.350m.

There are a number of actions that are being taken to resolve this issue including, entering into negotiations with the contractor, re-visiting the specification to reduce costs and securing additional funding. Some additional funding has been achieved, however, at the time of writing this report the funding shortfall remained at £55,000. If the funding shortfall cannot be resolved through other means it is proposed that Pendle Borough Council contributes the amount required so the scheme can go ahead.

The 3G Sports Pitch will form part of the Leisure Box which is a major capital scheme totalling circa £4.2m. This includes all structural work and the fit out of the site with fixtures and fittings e.g. football pitches, soft play area and dance studio with additional funding being secured for a gym.

In context, a contribution of up to £55,000 equates to a small proportion of the total financial investment into the complex so far. Bearing in mind that the site is not simply a financial investment but also provides many benefits with the Leisure Box having the following output targets:

- Creation of 15 Full Time Equivalent (FTE) jobs, and
- Create capacity for 1,600 new users initially with 5% growth per annum thereafter.

## **Creation of New Job Roles**

The latest forecast shows that the target number of new jobs will be exceeded as recruitment is underway for 19 FTEs plus 3 Apprenticeship roles which are due to start in January 2019.

Burnley FC in the Community and the Leisure box are committed to employing individuals who are Pendle Residents (where possible) providing assistance to applicants who need additional support possibly as a result of a long periods of unemployment.

On the assumption that a minimum of 75% of the workforce will be from Pendle, this represents an investment of at least £230k per annum into the Pendle economy via Leisure Box employees. It is expected that the addition of the 3G pitch will lead to the creation of a further 5 FTE roles from September 2019 beyond the initial 19 FTE roles.

## User Capacity

The existing funding of the Leisure Box allows a business model which provides 50% of activities to be delivered free of charge.

This will enable the Leisure Box to engage with significant numbers of the community who do not currently access a similar provision with the aims of having a positive impact on health and wellbeing, education, employment/employment skills. It is anticipated that members of the community accessing free provision at the Leisure Box will be as follows:-

<b>Users</b>	<b>Estimated Usage Per Week</b>
Local Schools (4 to 11 years)	930
Premier League Kicks	100
Premier League Enterprise	15
Education Intervention Project	10
Premier League Works/Employability Programmes	20
Youth Crime Reduction Project	10
BFCitC Disability Sport Project	130
Older Peoples Activities	40
Walking Football	25
Military Veterans Project	40
Health and Weight Management Programme	40
<b>Total</b>	<b>1,360</b>

The Business Model aims to make the centre as financially accessible as possible and has what is believed to be an achievable target for pitch bookings of 116 per week. Twenty-two football teams from Pendle grassroots football clubs have made a commitment to use the Leisure Box. This means that around 330 young people a week will be able to train in high quality facilities all year round. The use of the site by Burnley FC Women will provide a significant boost to female football in the Pendle area.

Alongside this usage by schools and community groups, members of the public will be able to access the Leisure Box on a pay and play basis.

## **IMPLICATIONS**

<b>Policy:</b>	None arising directly from the report.
<b>Financial:</b>	A number of options are being sought in an attempt to reduce the current budget shortfall of £55k. If this amount is required then it can be accommodated within the existing Capital Programme for Brierfield Mill – Northlight.
<b>Legal:</b>	None arising directly from the report.
<b>Risk Management:</b>	None arising directly from the report.
<b>Health and Safety:</b>	None arising directly from the report.
<b>Sustainability:</b>	None arising directly from the report.
<b>Community Safety:</b>	None arising directly from the report.
<b>Equality and Diversity:</b>	None arising directly from the report.

**APPENDICES:** None