

## **ESSENTIAL REFERENCE PAPER C**

*The Hertfordshire & Essex High School and Science College*

### **BUSINESS CASE**

#### **Introduction**

This Business Case for Beldams Lane Sports Hub is written on behalf of the following lead partner organisations: The Hertfordshire & Essex High School, Bishop's Stortford Hockey Club, Bishop's Stortford Judo Club, Crosskeys Netball Club and Hawks Netball Club. Other partners are included later in this Business Case.

This document is written in response to a request from East Herts District Council (EHDC). The intention behind it is to present a clear and compelling Business Case to EHDC with a view to a partnership capital investment in the new sports hub to be created at Beldams Lane, Bishop's Stortford. There are 11 appendices, all of which are important contributions to the overall content and message.

#### **Contents of this Business Case**

- A. Project summary
- B. A summary of the current financial position (capital costs)
- C. Projected usage
- D. Revenue business plan
- E. Social return
- F. Strategic review
- G. Consultation
- H. Planning considerations
- I. Risks
- J. Leadership, management and governance

## **A. Project summary**

The project comprises two main development areas:

### **1. Beldams Lane Playing Field**

This is a 10-acre site, currently grass sports fields. It is the property of Herts & Essex. It is in Hertfordshire and is not in the green belt.

The proposal is to place the following sports facilities onto the site:

- A Sports Hall Complex, containing:
  - i. A large (4 badminton court) Sports Hall.
  - ii. A permanent matted Dojo which is sufficient to host regional competitions.
  - iii. Three sets (three pairs) of changing rooms and associated toilet and shower facilities.
  - iv. A club/social room adjacent to a balcony, with a catering kitchen and a bar area (upstairs).
  - v. A reception area and refreshment area with viewing panels into the Sports Hall (downstairs).
  - vi. A club briefing room.
  - vii. Staff rooms, staff/officials changing facilities, office space and storage areas.
- A 2G sand filled full size hockey pitch with floodlights and viewing area. This can also be used for football.
- 6 x netball courts with floodlights. These can also be used as tennis courts.
- Sufficient parking for the whole hub.

### **2. Bowling Lane Field**

This is an 11-acre site on the other side of Beldams Lane, opposite the Playing Field described above. It is in Essex (Uttlesford) and the green belt. It is currently the property of a local farming family. HCC holds an option for its purchase, which will go ahead in tandem with the development of Beldams Lane. Herts & Essex (and therefore the partnership) will have a 125 year lease for its use.

The following sports facilities, depending on the time of year, are planned for the site:

- Rugby pitch
- Two football pitches
- 400 metre running track
- Rounders pitch

Plans of Beldams Lane and Bowling Lane are attached as APPENDIX 1: Beldams Lane Plan. APPENDIX 2: Bowling Lane Plan

### **B. A summary of the current financial position (capital costs)**

<b>Capital costs:</b>	
Construction costs (APPENDIX 3)	£5,200,000
Beldams Lane Land (as sports field)	£1,000,000 *
Bowling Lane (as sports field)	£1,100,000
<b>Total:</b>	<b>£7,300,000</b>

<b>Funding secured</b>	
EFA – sports hall and 6 fe expansion	£1,400,000
Herts CC – sports hall and 6fe expansion	£300,000
Herts & Essex – Beldams Lane Land	£1,000,000 *
Herts CC – Bowling Lane land purchase	£1,100,000
Sports Clubs and England Hockey	£160,000
<b>Total secured to date:</b>	<b>£3,960,000</b>

\* This value for Beldams Lane is estimated from the current market value for sports fields; if sold for housing/development, the value would be in excess of £17,000,000. It is currently the property of Herts & Essex. This asset will effectively be shared with EHDC in future.

<b>Funding applied for</b>	
EHDC (for Beldams Lane)	£2,750,000
Sport England	£150,000
Uttlesford DC (for Bowling Lane)	£440,000
<b>Total applied for:</b>	<b>£3,340,000</b>

<b>Funding:</b>	
<b>Total of secured and applied for:</b>	<b>£7,300,000</b>

Some points of clarification:

- The outcome of the application to Sport England for funding will be known later in the summer.
- Any funding from Uttlesford DC will not affect the development at Beldams Lane. The request for funding to UDC will be for the development at Bowling Lane. In the meantime, one can proceed without the other.
- The funding from sports clubs and England Hockey is made up from three sources: Bishop's Stortford Hockey Club, Bishop's Stortford Judo Club and England Hockey.
- All the capital costs have been provided by two independent Quantity Surveyors. The estimates for the Dojo in particular attracted a great deal of scrutiny, because they initially appeared high. It is true to say that building costs are currently high and the dojo has been designed to level 3 competition specification. The designers have worked closely with England Judo to minimise the cost, while maximising the facility's potential.
- The two story part of the build was also subject to a great deal of debate. A hypothesis was made that building one story would be cheaper. The QS confirmed that there is a small saving to be made by building one story. This is because the extra foundations and extra roofs for one story are not quite as expensive as the staircases and lifts needed for two. However, there are several drawbacks to one story, including the fact that the foundations could not bear the weight of a further floor at a later date. Also, it would mean that a second sports hall could never be added in the future. On balance, the advantages of two stories outweigh the advantages of single story.
- All costs are indicative and subject to design and construction once work is tendered out. The school and its partners are working hard to minimise the square meterage (and therefore the overall cost), as well as ensuring that the materials chosen are durable and robust, but of minimum cost.

### **C. Projected usage**

Usage is anticipated to be very high indeed. There is a huge amount of interest and excitement about the project in the town.

In APPENDIX 4: Sports Facilities Bookable Usage, usage has been projected. This spreadsheet includes sheets for sports hall bookings, netball/tennis courts, dojo and the astro-pitch. The calculations are prudent ones; the usage is based on usage of similar facilities elsewhere and assurances made by clubs which have already been consulted. In the view of the partner organisations in this project, this will be the absolute minimum usage of the new facilities. The spreadsheets in APPENDIX 5 show that while the lead partner organisations will use 30% of the community hours available, a further 47% will be available for smaller organisations to make bookings and for informal ‘pay and play’, drop-in and casual use.

During the period of public examinations in the summer, for approximately 3 school weeks, the sports hall would not be available to the community for 4 evenings per week. Friday evenings and weekends would proceed as usual during that period, as would the dojo and all external facilities. This would be planned and booked ahead. The school would also be required to pay for the sports hall on those evenings. Overall, given that the calculations have been as if there are 50 weeks per year, whereas the facility will be available for 51.5 weeks per year, the percentages of community use are unaffected by this. The difference the exam period makes is negligible.

Projected increases in membership numbers is attached as APPENDIX 6. All three lead partner organisations are projecting immediate increases in members from current waiting lists: Hockey from 589 to 981, Judo from 125 to 205, netball from 100 to 135. They anticipate that new local facilities will lead to significantly greater interest and participation.

#### **D. Revenue business plan**

APPENDIX 7 shows a spreadsheet which is a detailed model of income and expenditure. These are cautious figures: minimum for income and maximum for expenditure. Its summary is below:

##### **Summary Income and Expenditure:**

<b>Income:</b>	
Sports Hall	£59,040
Netball/tennis courts	£30,000

All weather pitch	£34,930
Dojo	£30,995
Herts & Essex contribution	£53,200
Total	£208,165

<b>Expenditure:</b>	
Staff costs	£92,000
Sports Hall – general running cost	£30,000
Grounds maintenance	£20,000
All weather pitch maintenance	£10,000
Netball pitch maintenance	£4,000
Sports Hall reserve	£12,000
All weather pitch reserve	£12,000
Dojo reserve	£5,000
Total	£185,000

Some points of clarification:

- The difference of approximately £23,000 is an annual projected profit figure. The expectation is that any profit will have 20% saved towards strategic developments (such as a future hard surface running track). The remainder will be split 50: 50 between reinvestment into the facility (such as upgrading current facilities) and EHDC.
- Lead partner organisations which have invested capital into the project (Judo and Hockey) benefit in this model from reduced hire charges.
- The catering aspect has neither income nor expenditure against it, because they are anticipated to contra. At the time of presenting this Business Case neither a profit nor a loss is projected for that aspect of the facility. However, if a profit is made, then it would be subject to the same division between EHDC and the facility as are the sporting aspects.

## **E. Social return**

All lead partners (EHDC, Herts & Essex, Bishop's Stortford Hockey Club, Bishop's Stortford Judo Club and both Netball Clubs) share a keen interest in:

- Increasing participation of girls and women.
- Increasing participation of those with disabilities.

- Increasing participation of children and young people.
- Increasing the activity of those who are currently inactive.

In relation to the opening and closing times of the sports facilities, the current plan is as follows:

All facilities will be open to all partners, other clubs and casual users from 9am every day.

The outdoor facilities will close at 10pm Monday to Thursday, 9pm Friday, 7pm Saturday and 5pm Sunday.

The indoor facilities will close at 10pm on Monday to Thursday, 11pm on Friday and Saturday, and 8pm on Sunday.

The objectives of all lead partners in relation to social return, health and well-being resonate well with the Town, District, County and National aims and priorities; they also provide synergy. Sport England's priorities also match these well, so there are good prospects for partnership funding from that source.

## **F. Strategic review**

This project meets many of the strategic requirements of local and national bodies.

### ***EHDC***

East Herts District Council's Corporate Strategic Plan for 2016-2017 to 2019-2020, has as its Priority 1: Improve the Health and Well-being of our communities. Under "Residents living active and healthy lives", the following actions are identified:

- Provide sports facilities for the over 50s in our towns and villages
- Invest in our parks and open spaces to encourage health and fitness
- Provide a leisure strategy

### ***Bishop's Stortford Town Council***

In addition, Bishop's Stortford's Neighbourhood Plan states that it aims to "increase opportunities for sport" in the town. In its vision and summary document, the need and the desire for extra sports facilities feature heavily: "there is a high demand for additional or enhanced space, both indoor and outdoor, and a relatively low public satisfaction rating for current sports facilities within the town. The competing demands for land use create real challenges in meeting the need." It

states a need to “provide and enhance accessible indoor and outdoor community facilities, compliant with Sport England standards, to meet the needs of the residents, as well as to encourage appropriate use of the town’s surrounding Green Belt by the strategic location ... of new outdoor sport, leisure and community facilities”.

### ***Sport England (SE)***

SE wants to “ensure children and young people from the age of five are able to enjoy the benefits of sport and physical activity. We want them to feel more motivated, confident and able to get active – which will also increase the likelihood of being active later in life.” On the topic of disability sport, SE states that this is a key focus of their work. A national priority is to promote health and tackle inactivity. SE says that “many of the leading causes of ill health could be prevented if people were to play more sport and increase their overall levels of physical activity. Tackling inactivity is one of the key pillars of our strategy Towards an Active Nation.” In addition, SE is keen to promote women in sport. Their “Active People Survey” results show that women are less likely to take part in sport than men. They state that they “are working hard to persuade more women to get active. Not only does regular activity improve women’s own physical and mental health, but women have a strong influencing role within their own families.”

### ***HCC***

The Hertfordshire Lifestyle and Legacy Partnership aims to attract investment and funding for sport, recreation and culture into the county. It is committed to the same philosophies about increasing the participation of the inactive, of women, young people, disabled people and of maximising participation rates. Its plan resonates well with that of the school, and with those of East Herts DC, Sport England and Bishop’s Stortford TC (Neighbourhood Plan).

## **G. Consultation**

A number of consultation events have occurred, which have culminated in overwhelming support for this project. Lead partners and some details around their current circumstances are described later in this section. Other supportive clubs and organisations include:

- Badminton England
- Bishop’s Stortford Running Club
- Bishop’s Stortford Swimming Club



- British Judo
- Crosskeys Netball Club
- England Netball
- Hadleigh Park
- Hertfordshire Archery Association
- Hertfordshire Cricket
- Saffron Hawks Netball Club
- Stortford Gymnastics
- Stortford Snipers (basketball)
- UK Ultimate

Letters of support from these partners are included as APPENDIX 8.

### **Lead Partners:**

#### ***East Herts District Council***

EHDC wants to create and/or upgrade sports facilities in the Bishop's Stortford area. The following points may help to reassure EHDC that the Beldams Lane project is an excellent opportunity:

- Jan Stock from Wodson Park is an experienced and successful Sports and Leisure Centre Manager who has agreed to provide consultancy services to the project for the next three years.
- Beldams Lane field is a valuable resource to be given to the community of Bishop's Stortford as a contribution to this partnership.
- Other lead partners will be investing capital funds.
- The combination of several different sources of capital funding is powerful in that it creates economies of scale in the initial build itself.
- All partner organisations will continue to benefit from those economies of scale well into the future, as a result of having multiple sporting opportunities on the same site.
- The aims of all the lead partners are very much in tune with EHDC's own aims.
- The participation of those who do not engage with sport already will be increased.
- There is a determination to increase participation of people with disabilities, of older people, of young people and of girls and women.

- Additional partnerships with organisations such as Grove Cottage in Bishop's Stortford, with Wheelchair Basketball, with Amwell View and with 'Fitness for Mums' already places the partnership in a strong position in relation to achieving these aims.
- The Service Level Agreements between the various partners will be transparent and agreed by the legal advisors of the partner organisations, so that all can be sure that the contributions they are making will meet the long-term objectives of their organisation.
- A Management Board/Local Governing Body will be established, to include representation from all lead partner organisations. Its role will be to track and monitor the activities of the Sports Hub, as well as to provide strategic leadership.

### ***Herts & Essex***

- Herts & Essex is a high-performing secondary comprehensive school of 1220 students, 90% of whom are girls. The school is currently one of the most successful in the UK in terms of the progress its student make, the standards they achieve and the quality of their post-school destinations. It is oversubscribed and partly as a consequence of this and partly as a consequence of the shortage of school places in Bishop's Stortford, it has been granted £3,000,000 (£2,400,000 from the DfE and £600,000 from HCC) towards the provision of new school places. Some is needed to be spent at the school's main site. £1,700,000 has been allocated for the purpose of developing sports facilities at its Beldams Lane field.
- Benchmarking shows that the school's annual budget of over £7,000,000 is well-managed and provides excellent value-for-money.
- The school is an Academy, and is therefore independently professionally audited (by MacIntyre Hudson). The audited accounts are available for public scrutiny.
- The school's track record is not limited solely to the high quality education it provides to its students and to the careful management of its finances; it also has a long history of successfully letting out its existing sports facilities. For example, its swimming pool is let out every evening and during every weekend.
- Ofsted's judgement is that leadership and management at Herts & Essex is outstanding. EHDC can feel confident that the leaders and managers of Herts & Essex have both the experience and the

capacity to deliver the Beldam's Lane sports hub project and to ensure that it meets its aims and objectives.

### ***Bishop's Stortford Hockey Club (APPENDIX 9 and 10)***

Bishop's Stortford Hockey Club (BSHC) currently operates across two sites:

1. Hockerill Anglo-European College hosts their pitch, which is jointly owned.
2. Bishop's Stortford Sports Trust at Cricketfield Lane (1.5 miles from the pitch) provides joint use of its clubhouse.

BSHC has ambitions to extend its reach. Members would like to provide opportunities for informal 'pay and play', for older participation through 'walking hockey', and for special provision for the disabled. A partnership with Grove Cottage, Bishop's Stortford's Mencap, has been forged to this end. There is also a desire to increase the participation of girls, women and children/young people. With a dedicated club room, a full engagement plan, increased parking and changing facilities and a further hockey astro pitch (2G, sand filled), these ambitions could be realised.

### ***Bishop's Stortford Judo Club (APPENDIX 11)***

The Judo Club is a large and successful organisation in the town. Membership is significant and standards are high, including a number of national and international champions. The club's requirement is a permanent matted fighting area, with a viewing area and social facilities. The matted area is very suitable for dance and gymnastics. It would be well-used by the school during school hours and by Judo during out-of-school hours. During spare time, dance, gymnastics, fitness clubs and other martial arts could make excellent use of it. The Senior Judo Coach will reinstate women's fitness classes for older women and for mothers of school-age children.

### ***The Netball Clubs (APPENDIX 12)***

Netball currently enjoys the highest participation rate of girls and women in the UK of all sports. Both the Hawks and Crosskeys Netball Clubs are Bishop's Stortford clubs. Those who run them, coach in them, and play in them are residents of the town. However, neither club is able to train or play in Bishop's Stortford. This is due to the total lack of sufficiently high quality facilities. Nonetheless, both clubs are bursting at the seams with waiting lists made up of Hertfordshire residents who want to play. In the case of the Hawks, they want to extend beyond adults to include

girls' participation. Crosskeys want to introduce informal 'pay and play' and 'walking netball' for older women. Hertfordshire Netball would like to introduce netball for disabled people; plans are also in place for the introduction of wheelchair netball.

### ***Wodson Park***

Professional sports and leisure manager, Jan Stock, has agreed to provide consultancy for three years in relation to the setting up of the facility, branding, marketing and its management. Our vision is to create a similar (albeit smaller) facility and community provision to the development led by Jan at Wodson Park.

## **H. Planning considerations**

### ***The Beldams Lane site***

The Beldams Lane site is located in East Herts District and is within the urban area, but is designated as a school playing field in the adopted local plan (and the emerging local plan). It is currently only capable of being used in the summer months due to poor ground conditions.

Policy LRC1 (adopted plan) and Policy CFLR8 (emerging plan) protects against the loss of playing fields/community facilities unless suitable alternative facilities in terms of quantity, quality and accessibility are provided in the locality to the ones that would be lost. The proposals for Beldams Lane will intensify and improve the use of the site for sports use and so the proposals will be compliant in principle with this planning policy. Sport England has been consulted and is in support of the proposals (APPENDIX 13 – Meeting note with Sport England). Other planning and site constraints are being addressed through technical studies which will propose mitigation as necessary and which will be submitted with the planning application.

As the proposals for Beldams Lane are linked to the expansion of the school to provide additional school places, a detailed Regulation 3 planning application will be made to Hertfordshire County Council. A pre-application meeting was held with HCC planning and highway officers. East Herts planning officers have been informally consulted. There was a final pre-application meeting held on 22 May, at which the proposals were signed off prior to public exhibitions on 14/15 June.

A planning application will be submitted at the end of June.

### ***The Bowling Lane site***

The Bowling Lane site is located in Uttlesford District and is in the Green Belt being designated as such in the adopted local plan (Policy S6). As playing pitches are not “appropriate development” in the Green Belt it is necessary to demonstrate that there is a need for the development and that there are no other more suitable sites for the development.

A BB103 assessment has been undertaken which proves that the school is currently under-provided for in terms of formal grassed playing pitches. This loss will be exacerbated once the school expands to 6FE and the new sports hub is built. In qualitative terms the school will also lose the playing pitches at Beldams Lane so the additional playing pitches and athletics track are needed to make up both the quantitative and qualitative existing and proposed deficiencies, particularly for summer month sports.

An alternative sites assessment has been undertaken to assess the potential of more suitable sites within and outside the urban area. This study has concluded there are no more suitable sites and as HCC has an option to purchase this site to enable the school to meet its BB103 requirements, this is the best and most appropriate location. Other planning and site constraints are being addressed through technical studies which will propose mitigation as necessary and which will be submitted with the planning application. Sport England has been consulted and is in support of the proposals (APPENDIX 13 – Meeting note with Sport England).

As the proposals for Bowling Lane are also linked to the expansion of the school to provide additional playing pitch and athletics track requirements in accordance with BB103, a detailed Regulation 4 planning application will be made to Uttlesford District Council. A pre-application meeting with UDC went ahead on 2 May and the application proposals will be exhibited alongside the Beldams Lane proposals at the 14/15 June exhibitions.

A planning application will be submitted in parallel with the Beldams Lane application at the end of June.

## **I. RISKS**

### **1. Planning Risks**

There is a risk that the project will not be successful in obtaining planning permission. However, the risk is extremely small for the following reasons:

- a) The planning consultant on the project is highly experienced in this area.
- b) Every possible potential problem has been reviewed and solved. A great deal of time and money has been invested in surveys and reports. Any difficulty arising from these has been mitigated or dealt with through the detailed plans.
- c) Beldams Lane is not in the Green Belt. It could be developed for housing. Development for sports facilities is preferable for local residents to development for housing.
- d) The application is being made by Hertfordshire County Council (HCC) to HCC. Therefore, the worse-case scenario is that the application will be withdrawn. The reason the application is being made to HCC rather than EHDC is that the overarching driver for the project is the need for extra school places in Bishop's Stortford and school places are the responsibility of HCC. This development enables extra school places at Herts & Essex.

### **2. Revenue Funding Streams**

#### **a) Competing Projects**

There are potential developments at Grange Paddocks and at other local secondary schools. However, the Grange Paddocks plans are different from those at Beldams Lane and compliment them well. Other local secondary schools either already have sports facilities, or cannot provide the wide community use and the hub model which will be available at Beldams Lane. Therefore, this is an opportunity to combine HCC and EFA (DfE) funding for school expansion with EHDC funding for community sports facilities to create a good and cost-effective solution.

b) Insufficient usage

Clearly, the whole project is redundant if the new facilities are not well-used. The usage projections are based on the outcomes of a series of meetings with local and national sports clubs and organisations. Letters of support have been secured. Assurances and requests of bookings and usage have been numerous and are built into the usage calculations. The majority of sports clubs and organisations with which we have met have been extremely supportive and encouraging of the development. Some have decided that the facility does not quite meet their needs. Overall, however, analysis shows that the demand for the facilities is far more likely to exceed supply than to lead to under usage.

### 3. Capital Funding Streams

These are already certain from Herts & Essex, EFA, HCC, Hockey and Judo. They are less certain from Sport England, EHDC and Uttlesford DC.

a) Sport England (SE)

The maximum amount which can be applied for, from SE, is £150,000. The advisor from SE who supported the application described the chance of success as a 'no-brainer'.

b) EHDC

It is sincerely hoped that the combination of the following will convince EHDC members to support this application for a financial contribution:

- The need for sports facilities in Bishop's Stortford
- The financial incentive; economies of scale
- The meeting of EHDC priorities
- The involvement of EHDC members(s) on the Management Committee/Local Governing Body
- The profit-share with EHDC
- The claw-back agreement
- A robust Service Level Agreement will be in place, and will be monitored and reviewed annually by the MC/LGB

c) Uttlesford DC

Given that the funding from UDC is planned to enable the development of Bowling Lane, that part of the project can be delayed if necessary. HCC is purchasing Bowling Lane and planning permission for its conversion from Green Belt into a sports facility is highly likely. Therefore, the development of Beldams Lane can go ahead without immediate investment in Bowling Lane.

All risks have been considered carefully in the formulation of this project. There is a number of risks, but all have been mitigated.

## **J: LEADERSHIP, MANAGEMENT AND GOVERNANCE**

Service Level Agreements, which will last for 25 years are under construction between:

Bishop's Stortford Hockey Club
Bishop's Stortford Judo Club
Hawks Netball Club
Crosskeys Netball Club
East Herts District Council
Herts & Essex

A management committee (MC) of 7 or 8 people, anticipated to be a Local Governing Body (LGB), will include:

The Chair of the Trust

EHDC members (either 1 or 2)

Representatives of the lead sports partners (1 from each of Hockey, Netball and Judo)

Trust Business Manager

Sports Centre Manager

This group will conduct an annual review of relevant service level agreements. It may be that profit shares, clawback arrangements and objectives will need to be altered annually. The whole facility will be subject to close monitoring by this committee. All members will input to its decisions and actions.