

WEST DUNBARTONSHIRE COUNCIL

Report by the Chief Executive

Schools Procurement Committee: 27 August 2007

Subject: Dumbarton CLC and Relocation of the Brock Bowling Club

1. Purpose

- 1.1** To obtain approval for the relocation of the Brock Bowling Club, from its current and proposed position within the Dumbarton Community Learning Centre (CLC) Campus, and to note that the building will be constructed under a separate contract but financed from funds set aside as part of the Schools' PPP sinking fund.

2. Background

- 2.1** Previous reports have highlighted the issues posed by the location of the Bowling Club within the Dumbarton site boundaries, and at Best and Final Offer (BaFO) stage the relocation of the bowling club from the centre to the North-east corner of the site was approved.
- 2.2** It has long been recognised that the Dumbarton site was the one most likely to pose a problem in planning terms because of the size and location of the site.
- 2.3** Whilst planning permission was sought for this site along with the others, an objection was raised by SportsScotland, a statutory consultee, to the proposed sports field provision on the Dumbarton site. Accordingly, no report was placed before the last Planning Committee, in order to allow consideration of ways to address the concerns of SportsScotland and a number of other objectors to the development details.

3. Main Issues

- 3.1** As a consequence of discussions with SportsScotland, a possible alternative approach, involving the relocation of the Bowling Club from the current site to a new-build facility on the pitches to the west of Townend Road, Dumbarton has arisen.
- 3.2** Whilst this option may involve some additional up front cost, it is anticipated that the relocation will in fact permit a quicker build and significantly reduce the possibility of uncapped costs on the bowling club construction which would pass through to the PPP contract.

- 3.3** Most importantly, it is believed that the relocation offers the best possibility of meeting the pitch requirements set by SportsScotland and thereby allowing the project to proceed intact through the planning process. SportsScotland have informally indicated that the proposed new pitch provision would appear to represent an improvement over the previous proposals. However, they will not commit to removing their current objection until the new Application has been submitted and they can view the proposal as a whole.
- 3.4** The Brock Bowling Club has formed a committee to consider the options for the club's relocation. This committee has indicated a general acceptance of the principle of relocation. However, this will inevitably require to be agreed by the club in an appropriate forum, and the members will also require to see details of the construction programme and the contingencies associated with, for example, delays in the programme. Finally, they will require to be satisfied that the terms proposed for their new lease are reasonable.
- 3.5** Alternative options which would have allowed the project to proceed were considered prior to arriving at the current proposal. One of these was to permit the planning application to run as submitted, and allow the matter to be referred to the Scottish Executive - Inquiry Reporters Unit. This would have delayed Financial Close, and in addition to the consequent delay in the programme, would have resulted in a considerable rise in project costs.
- 3.6** One variation on the delayed close, would have been to have a split financial close, where those project facilities ready to proceed would close first, with Dumbarton following after planning has been obtained. Any concerns about costs being increased without justification could be addressed by ensuring that this was a fully costed solution, with variations being subject to specific qualification criteria. It was, however, considered by the Project Board that it was still more desirable to take the project forward with a single financial close.
- 3.7** In examining the options available, it was suggested that a partial re-scoping of the Dumbarton Campus could permit the development to take place, thereby addressing the sports pitch provision and reducing the cost of the solution, a key aim given the rise in project costs caused by recent increases in interest rates. A number of options were provided to the project board. Of these options, the project board felt that two were worthy of further consideration:
- the proposal narrated above, with the Community Learning Centre (CLC) proceeding as originally scoped but with the bowling club off site;
 - the primary school being reduced in scale so as to exclude the Aitkenbar element, with the bowling club again moving off site.
- 3.8** Whilst there is considered to be some merit in the latter option, in that it allows reconsideration of the overall educational provision within Bellsmyre, it fails to optimise the funding available to the Council, and would in fact be likely to cost the Council more after deduction of the Capital Receipts from the sale of the Aitkenbar site and the revenue savings from the rationalisation process.

It would also require further statutory consultation as the proposal for the merger of the two schools would be materially different in nature from the merger of the three, which has already been approved.

3.9 However, in order to permit further consideration of this option, it is proposed that, whilst the project should proceed on the basis of the existing scope, the final Project Agreement would include a fully costed option which would allow the Council to reduce the scope following financial close, were the Council mindful to do so.

3.10 One further consideration is the impact of the relocation of the bowling club to existing facilities on the Townend Road site. The proposed site of the bowling club would require the removal of an existing, sub standard football pitch. However, proposals and funding already exist for the upgrading of a football pitch, as a result of an agreement at the time of the approval of the development on the former Keil School, and the further necessary works could be financed from the £1million for sports provision, previously identified by the Council, and as yet unallocated. This would allow the creation of two full size grass pitches for community use adjacent to the new bowling club.

3.11 If this route were agreed, it is anticipated that full planning application would be submitted forthwith, with a decision in place by November at the latest, permitting financial close soon thereafter.

4. Personnel Issues

4.1 There are no personnel issues directly associated with this proposal.

5. Financial Implications

5.1 The likely financial impact of the proposal is difficult to quantify. However, at the outside, any increase in capital works is likely to be a fraction of 1% of the net present value of the whole capital costs of the project, and any such costs will be subject to careful scrutiny by the Council's Technical Advisers to ensure that they represent a fair value for the works.

5.2 The cost of delay in the overall programme were all facilities held back is likely to equate to hundreds of thousands of pounds per annum on the unitary charge, and accordingly it is considered essential that authority is obtained to proceed with the relocation of the Bowling Club to the Townend Road site without delay.

6. Risk Analysis

6.1 It is the project team's assessment that the relocation of the facilities to the Townend Road site, while presenting challenges of its own, represents the path with least risk to the Council. It limits the potential for delay to the overall programme and provides the greatest opportunity for the SportsScotland pitch requirements to be reasonably addressed.

7. Conclusions

- 7.1** Planning issues have necessitated a consideration to relocate the Brock Bowling Club away from the Dumbarton Academy Campus.
- 7.2** A Committee of the Brock Bowling Club has indicated that, in principle, they would be amenable to a relocation of the club to a site to the west of Townend Road.
- 7.3** Such a relocation would permit the reconfiguration of the sports pitch provision on the Dumbarton Campus, and would help in addressing SportsScotland's concerns.
- 7.4** There is likely to be some increase in the cost of this facility. However, this is marginal to the overall scheme and may be partially offset by being able to bring forward the availability of Dumbarton Academy and thus the drawdown of funding and realisation of savings.
- 7.5** Enhanced sport pitch provision on the remainder of the Townend road site should be possible through use of sums already set aside at the time of the sale of the Keil School site and through utilisation of a small amount of the £1 million fund already identified for sports provision, as yet unallocated.

8. Recommendations

- 8.1** That Committee approve the relocation of the Bowling Club to a site at Townend Road, outwith the proposed CLC site, and agree that the necessary consents and agreements be pursued with a view to achieving a single financial close at the earliest possible opportunity.
- 8.2** That Committee approve that, whilst the project should proceed on the basis of the existing scope, the final Project Agreement should include a fully costed option which would allow the Council to reduce the scope of the Dumbarton primary school following financial close, were the Council mindful to do so.

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Chief Executive
Date: 22 August 2007

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Appendices: None

Background Papers: N/A

Wards Affected: Ward 3