



Leeds
CITY COUNCIL

Originator: Jean Dent

Tel: 77828

APPENDICES 1 AND 2 NOT FOR PUBLICATION
Exempt / Confidential under Rule 10.4 (3)

Report of the Deputy Chief Executive

Executive Board

Date: 16th July 2008

Subject: Leeds New Leaf Leisure Centres Project – Submission of the Final Business Case and Execution of the Contract for the New Leaf Leisure Centres at Armley and Morley. Design and Cost report for Off Site Highway Works for Morley and Armley leisure centres

Electoral Wards Affected:

Armley, Morley North and Morley South

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

Eligible for Call In

Not Eligible for Call In

(see paragraphs 2.6 and 2.7)

EXECUTIVE SUMMARY

1. On 9th February 2007 Members of Executive Board approved the submission of the Outline Business Case for replacement New Leaf Leisure Centres at Armley and Morley to the Department for Culture Media and Sport.
2. Members will also recall that the completion of the procurement of Phase 1 of the BSF Programme on 3rd April 2007 involved the formal establishment of the LEP and the City Council entering into a Strategic Partnering Agreement with the LEP. The Strategic Partnering Agreement sets out the contractual framework, referred to as the New Project Approval Procedure for the delivery of the New Leaf Leisure Centres. The Armley and Morley New Leaf Leisure Centres Project is being procured through the Private Finance Initiative through this procedure.

3. With regard to the New Leaf Leisure Centres at Armley and Morley, negotiations relating to design, scope and price through the LEP with Interserve (part of the Environments for Learning Consortium, the Council's private sector partner in the LEP) are at an advanced stage and the programme for the leisure centres to be delivered has been agreed at April and June 2010.
4. Members are requested to agree to the recommendations set out in Section 7 to this report relating to the submission of the Final Business Case, and to the execution of the contract documentation for the New Leaf Leisure Centres at Armley and Morley, which is programmed to be completed on 6th August 2008.

1.0 Purpose Of This Report

- 1.1 The purpose of this report is to update Members of the Executive Board of the progress of the procurement through the Local Education Partnership (LEP) of the New Leaf Leisure Centres Armley and Morley following Members approval of the Outline Business Case for the project on 9th February 2007. The Outline Business Case was approved by the Department for Culture Media and Sport on 19th June 2008
- 1.2 Members are requested to note and agree the final scoping of the New Leaf Leisure Centres Armley and Morley summarised in Section 3.2 to this report.
- 1.3 Members are also requested to note and agree the financial submission from the LEP amounting to £3.688m at April 2011/12 prices and agree that this will remain the City Council's Affordability ceiling through to Financial Close at the beginning of August 2008 but to note that the City Council takes the risk / benefit of interest rate changes up to Financial Close.
- 1.4 Members are further requested to approve the process to enable the Commercial and Financial Close of the Project as set out in this report, and addressed in the recommendations set out in Section 7 of this report.

Background Information

- 1.5 The building of the two New Leaf Leisure Centres in Leeds signifies a capital investment of approximately £26.3 million over the two sites and a significant commitment to improving community sport and active recreation facilities in Leeds
- 2.2 Members of Executive Board approved the arrangements for the establishment of and Council participation in the Leeds Local Education Partnership (the LEP). Members will recall that the main purpose of the LEP is to develop and deliver capital investment projects in the Leeds Secondary Schools estate. The City Council entered into a Strategic Partnering Agreement with the LEP, and this Agreement provides the framework for the delivery of the New Leaf Leisure Centre project and works. Members will recall that the overall rationale for the strategic procurement so far as the City Council is concerned is that through the Agreement, the City Council will:
 - Save costs through not having to undertake separate procurements for individual new projects;
 - Extract specific savings that arise as a result of repeat purchases through the LEP;

- Share collective Partnership Targets with the LEP, which both parties will aim to achieve through their respective contributions.

2.3 Phase 1 was completed on 3rd April 2007 together with the formal establishment of the LEP and the City Council entering into a Strategic Partnering Agreement with the LEP. The Strategic Partnering Agreement sets out the contractual framework, referred to as the New Project Approval Procedure for the delivery of the New Leaf Leisure Centres. The New Leaf Leisure Centres Project Armley and Morley is being procured through the Private Finance Initiative through this New Project Procedure.

2.4 The New Leaf Leisure Centres Armley and Morley Project will be the first leisure centres project procured under these New Project Procedures. The work will comprise the replacement of the existing Armley and Morley Leisure Centres. Negotiations relating to design, scope and price through the LEP with Interserve (part of the Environments for Learning Consortium) are at an advanced stage and the programme for these leisure centres that they will be delivered by April and June 2010. The Project is now at the Final Business Case (FBC) stage. The DCMS must approve the FBC for the DCMS to issue a Promissory Note prior to Financial Close and Contract signature. This Promissory Note secures the release of the Notional Credit Approvals and commitment of PFI Credits leading to the payment to the Council of the PFI Revenue Support Grant once services commence. A copy of the FBC (which is Exempt / Confidential under Access to Information Procedure Rule 10.4 (3)) has been lodged with the Clerk to this Executive Board and is available for inspection by Members of Executive Board.

3.0 Main Issues

3.1 This section outlines the main issues relating to the New Leaf Leisure Centres Armley and Morley, and in particular within the PFI Project Agreement.

3.2 **The Scope of the Project.** Members of Executive Board, at their meeting on 9th February, agreed the scoping of the two leisure centres required by the City Council. These requirements, which have not changed during the procurement process, formed the basis of the Output Specification. The table below summarises the scope of the New Leaf Leisure Centres for Armley and Morley.

| Leisure Centre | Summary of Proposed Project Scope |
|---|---|
| New Leaf Leisure Centres Armley and Morley | Two new replacement leisure centres / community sports hubs |
| Procurement through PFI | Proposed 100% New Build |
| Service commencement April and June 2010 | <p>The new buildings will incorporate flexible sport and active recreation community facilities for all in a modern environment which is fit for purpose. The Morley building focuses upon creating an active link with the adjoining Scatcherd Park and incorporates 25m and 10m swimming pools, 2 sports halls, café/bar, bodyline gym, multi activity room, dance studio, and Armley provides a prominent public building just off Town Street incorporating 25m, 10m and hydrotherapy pools, 2 sports halls, café/bar, bodyline gym, multiactivity / dance studio room.</p> <p>Detailed designs will be available to view at the meeting.</p> |

3.3 **The Works Period** (construction period) runs from contract signature, programmed for 6th August 2008, to completion of the leisure centres by the end of April and the beginning of June 2010.

3.4 **The Service Period** for the leisure centre is programmed to commence on 27th April 2010 and 1st June 2010. Service completion will be 30th June 2035.

3.5 **The Services** included within the PFI contract are:

- Facilities Management
- Buildings maintenance
- Asset Management
- Installations maintenance (e.g. cabling, alarms, ICT infrastructure)
- Utilities and Environmental Conditions
- Lifecycle Maintenance
- Reinstatement and Change
- Cleaning and Waste
- Grounds maintenance
- Health and Safety and Security
- Reactive On-Site Services
- Help Desk and Administration
- Continuous Improvement

The services remaining with the Council include the delivery of the sport and active recreation programmes, including coaching, sports programmes and cash collection.

3.6 **Employment and TUPE** – It is envisaged that there will be no transfer of employees under this project and the Council will indemnify the Contractor for additional costs (subject to the Contractor being required to mitigate such costs)

arising in relation to TUPE and pensions in the unlikely event that employees transfer to the Contractor. .

3.7 **Communication and Consultation Strategy** – Throughout the procurement stage of the project Public Stakeholder Groups have been consulted on a 6 weekly basis. These groups were established from volunteers from existing leisure centre users, staff, local residents and businesses, sports and user groups, Ward Members and specialist interest groups such as Parent Carers, PCT, Education Leeds, Adult Social Care. In addition newsletters have been posted on the New Leaf website and shared with the Stakeholder Groups as well as being posted on notice Boards both in the Leisure Centres and other local public buildings. A lot of valuable feedback has been received from the Stakeholder Groups and where possible suggestions have been incorporated. This process will continue through out the construction phase of the project and beyond.

3.9 **Stakeholders** in this project are identified as:

- The existing Armley and Morley leisure centres, their managers, staff, users and their communities
- Sport England
- Primary Care Trust
- Education Leeds
- The City Council's Executive Board
- The Education PFI / BSF Project Board
- The New Leaf Project Team
- Ward members (where leisure centres are located)
- Department for Culture Media and Sport
- Other agencies and specialist bodies, including Commission for Architecture and the Built Environment (CABE) etc.
- Employee representatives
- Media

3.10 Communication and consultation throughout the project to date has included:

- Members briefings
- Regular reports to the Education PFI / BSF Project Board,
- Regular meetings with Development Department on planning, highways and site issues
- Discussions with Sport England, CABE etc.

3.11 As the project moves from contract close towards service commencement the Council will be undertaking further stakeholder consultation input from E4L as appropriate.

4.0 Implications For Council Policy And Governance

4.1 At their meetings on 9th February and 22nd August 2007, Members of Executive Board agreed the Corporate Governance arrangements for the procurement of the New Leaf Leisure Centres PFI project, giving appropriate delegations to the PPP / PFI Co-ordination Board and to specific PFI Project Boards. The procurement of this Project has been undertaken in compliance with these arrangements. Authority to enter into a contract is reserved to Members of Executive Board.

- 4.2 The procurement process followed the process set out in the Strategic Partnering Agreement, signed by the relevant parties on 3rd April 2007.

All stages of the procurement are duly recorded in the reports and minutes of the Education PFI / BSF Project Board and the PPP / PFI Coordination Board.

5.0 Legal and Resource Implications

- 5.1 The negotiations on Financial and Legal matters are reaching their conclusion. Appendix 1 attached to this report outlines the current key issues.

- 5.2 **Financial Issues:** Attached as Appendix 1 is a detailed report covering the financial issues relating to the project. In summary the main issues are:

- Value for Money.
- Affordability.
- Compliance with Capital Finance Regulations.
- Termination of the contract.

These Appendices, and the Final Business Case, are confidential under Access to Information Rule 10.4.3 because publication could prejudice the City Council's commercial interests as, both Appendix 1 and Appendix 2, and the Final Business Case include matters where final negotiations on the Contract are not yet complete, and these negotiations are confidential between the City Council, the LEP and the E4L Consortium. In addition both the Appendix and the Final Business Case contain sensitive commercial information supplied to the City Council by E4L. In these circumstances it is considered that the public interest in not disclosing this commercial information outweighs the interests of disclosure.

- 5.3 **Legal Implications and Powers:** Appendix 1 gives information on the Project Agreement which will be required and the key legal issues. The following paragraphs identify the principal powers enabling the contract to be signed. The final report to the Deputy Chief Executive will contain full detail of the Council's powers to enter into the contract.

- 5.3.1 Project Agreement and ancillary documentation – Leeds City Council has statutory powers under Section 19 of the Local Government (Miscellaneous Provisions) Act 1976 to provide recreational facilities, and a duty to provide adequate recreation facilities and support education functions under education legislation. The local Government (Contracts) Act 1997 supports these specific powers.

- 5.4 **Final Report and Authorisation:** Because some elements of the detailed contract documents remain to be finalised, the City Council has not to date received a detailed report from the Council's external legal advisers (DLA Piper) in relation to this project.

Once all negotiations and contract preparation is finalised, the City Council will receive a detailed report from DLA Piper, in relation to this project. This report is anticipated to

- i. Confirm the Council's statutory powers to enter into the documentation

- ii. Provide advice on the terms of that contract documentation
- iii. Advise on the steps taken to check the terms of the supporting financing documents and sub-contracts, that they are satisfactory from the Council's point of view, and due diligence undertaken.
- iv. Comment on the enforceability of the payment mechanism.

It is also anticipated that it will support the proposed certification of the PFI contract and of the direct agreement between the City Council and the contractor and senior lender under the Local Government (Contracts) Act 1997, together with any other certificates deemed necessary. These certificates provide protection to the PFI contractor and senior lender against the consequences of the transactions being outside the Council's statutory powers. Because of the significance of the above it is proposed that the delegations to the Deputy Chief Executive in relation to the approval of the terms of the transaction and the conclusion of the contracts be conditional on the outcome of the report from DLA Piper, as outlined above.

5.5 The Performance & Payment Mechanism is set out in a schedule to the Project Agreement and is based upon the Partnerships for Schools Standard Form Document for Calibrated Payment and Performance Mechanisms and the Performance and Payment Mechanism agreed for the four PFI Schools procured in Phase 1 of the BSF Programme. The Performance and Payment Mechanism for the New Leaf Leisure Centres Armley and Morley Project does not contain any specific derogations from the Standard Form that had not been agreed during Phase 1. The Payment Mechanism is designed to ensure effective Contractor performance whilst also ensuring that the Project remains bankable. The Payment and Performance mechanism provides for specific deductions to be made from the Unitary Charge (the annual payment) when specified standards for the premises and services are not met. 100% of the unitary charge is at risk for 'unavailability' of the premises and up to 30% of the unitary charge is at risk for 'poor performance' of the services. The payment mechanism regulates the calculation and payment of the invoices, including utilities and addresses issues such as the impact of inflation.

Third Party Use – One of the roles of existing leisure centres is for emergency refuge and the Contract enables the use of the new facilities outside of the core hours of the contract for this purpose.

5.6 Capital Funding and Cash Flow

Project Brief – Off site Highway Works - To enable the new leisure centres to open there are a number of off site highway works to be undertaken by the Council's Highway Sections including the adopted access into Morley and Armley leisure centres, Traffic Regulation Orders and road marking, bus stops and lay-by and pedestrian crossing. These works are a condition of the planning permissions for both sites and the cost has been estimated by Highways Design.

Off site highways programme - The works must be completed by the services availability dates for each centre i.e. April 2010 and beginning of June 2010 and will take approximately 16 months from commissioning through design and construction.

Funding – The cost of the off site highway works will be £ 360,000, of which a Sport England contribution of £ 150,000 will be applied, £ 130,000 will be earmarked from Section 278 receipts, and £ 80,000 will be transferred from the existing capital scheme, 99035 Development Initiatives.

| | | | | | | | |
|--------|-----|-----|-----|-----|-----|-----|-----|
| TOTALS | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
|--------|-----|-----|-----|-----|-----|-----|-----|

| Authority to Spend required for this Approval | TOTAL £000's | TO MARCH 2007 £000's | FORECAST | | | | |
|--|-----------------|----------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | | | 2007/08 £000's | 2008/09 £000's | 2009/10 £000's | 2001/11 £000's | 2011 on £000's |
| LAND (1) | 0.0 | | | | | | |
| CONSTRUCTION (3) | 325.0 | | | | 325.0 | | |
| FURN & EQPT (5) | 0.0 | | | | | | |
| DESIGN FEES (6) | 35.0 | | | 10.0 | 25.0 | | |
| OTHER COSTS (7) | 0.0 | | | | | | |
| TOTALS | 360.0 | 0.0 | 0.0 | 10.0 | 350.0 | 0.0 | 0.0 |

| Total overall Funding (As per latest Capital Programme) | TOTAL £000's | TO MARCH 2007 £000's | FORECAST | | | | |
|---|-----------------|----------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | | | 2007/08 £000's | 2008/09 £000's | 2009/10 £000's | 2001/11 £000's | 2011 on £000's |
| LCC Funding | 80.0 | | | 10.0 | 70.0 | | |
| Supplementary Credit App | 0.0 | | | | | | |
| Revenue Contribution | 0.0 | | | | | | |
| Capital Receipt | 0.0 | | | | | | |
| Specific Disposal | 0.0 | | | | | | |
| Insurance Receipt | 0.0 | | | | | | |
| Lottery | 0.0 | | | | | | |
| Health Authority | 0.0 | | | | | | |
| QUANGO | 0.0 | | | | | | |
| Private Sector | 0.0 | | | | | | |
| Single Regeneration Budget | 0.0 | | | | | | |
| European Grant | 0.0 | | | | | | |
| Government Grant | 280.0 | | | | 150.0 | | |
| Section 106 / 278 | 130.0 | | | | 130.0 | | |
| Gifts / Bequests / Trusts | 0.0 | | | | | | |
| Other Income (Specify) | 0.0 | | | | | | |
| Total Funding | 490.0 | 0.0 | 0.0 | 10.0 | 350.0 | 0.0 | 0.0 |
| Balance / Shortfall = | 130.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Parent Scheme Number : New Leaf Leisure Centres PFI Project
Title : Off Site Highway Works Armley and Morley

6. Risk Assessments

- 6.1 The hydrotherapy pool at Armley is being funded through the PFI Credits. However the lifecycle and running costs for the hydrotherapy pool are currently being funded through revenue contributions from the PCT and Adult Social Care as well as Sport and Active Recreation dependent upon their use of the hydrotherapy pool. The revenue is therefore not guaranteed for the 25 year period of the project. This risk is being mitigated in two ways; firstly the hydrotherapy pool will also be used as a venue for children's parties and for swimming lessons, the pool is effectively a 5m x 10m shallow pool slightly warmer than the main and learner pools which will generate income and finally should the income not be available to fund the hydrotherapy pool the pool could be closed without affecting the remainder of the

building, however the public has been very supportive of this element of the building and it is likely that the running costs could be met through a sport and active recreation programme of activities for the public..

- 6.2 Members will recall, at the meeting of Executive Board on 24th January 2007, gave approval to the City Council entering into a Strategic Partnering Agreement (SPA) with the Local Education Partnership (the LEP) for the purpose of delivering Wave 1 of the Council's the Building Schools for the Future Programme. Members in approving the Outline Business Case for the New Leaf Leisure Centres, agreed that this Project also be delivered through the LEP. Together the Council and the LEP are also delivering Phase 2 of the BSF Programme with Swallow Hill, the new school in West Leeds and Wortley reaching Financial Close on 3rd April 2008. There are many benefits to the Council from this Partnership, particularly in the financial terms within the Contracts through the Continuous Improvement Plan terms within the SPA. These financial benefits have been applied by the partners to the LEP for this New Leaf Leisure Centres Project. The Council has also benefited from a shorter procurement timescale than would have been the case had the Project been subject to the competitive PFI Procurement. route. The benefits for the LEP and the supply chain partners in the LEP are also a shorter and less costly procurement process. A further benefit is that once the Project progresses to Stage 2 of the New Projects Procedures set out in the SPA, if the Council decides not to proceed with the Project once this stage has been entered into the LEP can recover its Bid Development costs from the Council. For the New Leaf Leisure Centres Project, these amount to £1.428m. The Council is exposed to this risk only if it decides to not to proceed with the Project through to Financial Close.

Members will be aware of the current issues in the Financial Markets and this situation is leading to significant volatility in the money markets, and in particular on the interest SWAP rates. The interest SWAP, which determines the final agreed Unitary Charge is fixed at Financial Close (programmed for 6th August) and is outside the control of any of the parties to this proposed Contract. and is a risk that cannot be mitigated by any of the partners to the Contract. Members of Executive Board are requested to agree to a Unitary Charge cost ceiling of £3.688m being the first full year Unitary Charge in 2011/12 predicated on an interest SWAP rate of 5.80%. Whilst current rates are lower than 5.80%, and if they remain lower, the Council will benefit with a lower Unitary Charge. However there is a risk that interest rates could fluctuate above 5.80% and above the City Council's affordability ceiling. Although this risk is considered to be low, if it does arise, officers would be unable to sign the Contract on behalf of the Council with the consequence that the Council could be liable to the LEP's bid development costs. Officers have evaluated this risk to a break-even position where it would still be in the Council' s financial interests to sign the Contract above the Council's affordability ceiling predicated on a 5.80%.interest SWAP rate. Members of Executive Board are requested to agree to delegate authority to members of the Education / BSF PFI Project Board to authorise the signing of the Contract up to a limit of 6.25%(an increase of approximately £100,000 above the Council's affordability ceiling) if the interest SWAP rate exceeds 5.80% on the day of Financial Close.

7. Conclusions

- 7.1 The New Leaf Leisure Centres Project seeks to secure significant capital investment into the leisure sector in Leeds, and is seen as one of the major steps in improving community health and fitness.

- 7.2 Leeds has been successful in being selected as a Wave 1 Authority in the Government's national BSF Programme, and attracting over £280m in investment into Leeds through the rebuilding or refurbishment of 14 high schools. These schools will be completed over three phases and will become operational between September 2008 and September 2010. This Project represents the largest procurement undertaken by the City Council and the New Leaf Leisure Centres forms part of this project.
- 7.3 The affordability implications of this Project to the City Council are reported in Appendix 1, which is confidential to this report.
- 7.4 The terms of the various contractual documents are currently being finalised with the LEP and Environments for Learning. Under the terms of the City Council's Corporate Governance arrangements for PPP / PFI projects, the PPP / PFI Coordination Board have approved the submission of the Final Business Case to DCMS in advance of (and subject to) the decision of Executive Board. This should ensure that the relevant Government agencies have sufficient time to consider and grant final approval for the Project prior to Financial Close, programmed for 6th August 2008. Once the review of the FBC has been completed, and subject to their approval, DCMS will issue a Promissory Note to the City Council which will provide the necessary written confirmation regarding credit cover and revenue support the City Council requires before it can sign the Contract with E4L. Subject to the approval of Members of Executive Board, a copy of this report and the resolutions will be submitted to DCMS following the meeting of this Executive Board
- 7.5 Financial Close and Contract signature will in turn see the commencement of the start of construction for the New Leaf Leisure Centres Armley and Morley and following successful construction will lead to the leisure centres being in beneficial use by April and June 2010.

8 Recommendations

Members of Executive Board are recommended to note this report, and:

- 8.1 To approve the submission of the Final Business Case to the Department for Culture Media and Sport. The Final Business Case covers the New Leaf Leisure Centres Armley and Morley, as part of the City Council's BSF Wave I Programme and financed through the Government's Private Finance Initiative.
- 8.2 Approve the financial implications for the Council of entering into the Project, and to agree the maximum affordability ceiling for the City Council in relation to the PFI contract of £3.688m, as set out in Appendix 1 (but subject to paragraph 8.7 below should the SWAP rate exceed 5.8% at financial close).
- 8.3 Approve the arrangements to Financial Close and implementation of the Project to include (but not by way of limitation) the award/entry into a PFI Project Agreement to a special purpose company to be established under terms agreed between the City Council and the Leeds Local Education Partnership (LEP);

and, in connection therewith, grant delegated powers to the Deputy Chief Executive (or in his absence the Director of Resources) to make any necessary amendments to the Final Business Case, and give final approval to the completion of the Project, including (but not by way of limitation) the terms of the following:

- i. The Project Agreement
- ii. The Funders Direct Agreement
- iii. Arrangements to appoint an independent certifier to assess the quality of the contractors' work
- iv. Appropriate collateral warranties and

Together with any other documentation ancillary or additional to the above necessary for the completion of the Project ('Project Documents')

subject to

- (A) DCMS approval of the Final Business Case
- (B) the Deputy Chief Executive (or in his absence the Director of Resources) being satisfied that the Project remains within the affordability constraints set out in Appendix 1
- (C) Receipt of a report satisfactory to the Deputy Chief Executive (or in his absence the Director of Resources) from the Council's external legal advisers, as described in paragraph 5.4 of this report and
- (D) The Director of Resources (or in his absence the Chief Officer – Financial Management) assessment on the balance sheet treatment in relation to the PFI contract as set out in paragraph 4 of Appendix 1 of this report.

- 8.4 Approve that the Director of Resources, as the statutory officer under section 151 of the Local Government Act 1972, or in his absence the Chief Officer - Financial Management, be authorised to sign any necessary certificates under the Local Government (Contracts) Act 1997 in relation to the Project.
- 8.5 Approve that, in respect of certification under 8.4, and subject to the advice of the Assistant Chief Executive (Corporate Governance), a contractual indemnity be provided to the Director of Resources (or the Chief Officer – Financial Management, as appropriate) in respect of any personal liabilities arising from the certification.
- 8.6 Approve the execution of the Project Documents, by affixing the Council's common seal and / or signature (in accordance with Articles 14.4 and 14.5 of Part 2 of the City Council's Constitution) and to approve that the Assistant Chief Executive (Corporate Governance) (or any other officer of the Council authorised by her) take any necessary further action to complete the Project including any final amendments to the Project Documents and to give effect to Members' resolutions and the delegated decisions referred to in these recommendations.
- 8.7 Approval is sought for Executive Board to delegate authority to the chair of the BSF / PFI Project Board or his nominee to approve the completion of the project should the SWAP rate exceed 5.8% at Financial Close as set out in Appendix 1.
- 8.8 a. Approve the Project Brief for the off site highway works as presented.

- b. Approve the Highway Scheme Design as presented.
- c. Authorise injection of £280,000, into the Capital Programme, funded by £ 150,000 from Sport England and £ 130,000 from section 278 receipts, and agree to transfer £ 80,000 from an existing capital programme scheme, all to fund the off site highway works.

- d. Authorise scheme expenditure of

| | | |
|---------------------------|--------------------------|----------|
| <i>(to the nearest £)</i> | On Land | CPRH (1) |
| £325,000 | On Construction | CPRH (3) |
| | On Furniture & equipment | CPRH (5) |
| £35,000 | On Internal Fees | CPRH (6) |
| | On Other Costs | CPRH (7) |

£360,000 TOTAL

- e. Approve the funding plan as presented.
- f. Approve the procurement plan as presented.