

DECISION TAKER: Leader and Cabinet Member for Asset Management – Councillor Martin Tod

REPORT TITLE: WINCHESTER CITY FOOTBALL CLUB ARTIFICIAL PITCH

6 MARCH 2023

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WARD(S): ST BARTHOLOMEW

### PURPOSE

The Council, as landlord, has been working in partnership with Winchester City Football Club (WCFC) in order to secure funding to install an artificial grass pitch on the site that the club currently occupies at North Walls.

To date £200,000 of CIL funding has been allocated to the project and the Football Foundation (FF) has agreed in principle to provide a grant towards the expected cost of circa £1m, with the decision likely in April.

This report sets out the health and wellbeing, sport and community benefits and outcomes associated with the new development, as well as costs for the new facility. This forms the final business case for the new pitch and seeks approval, subject to a successful outcome of the funding bid, for budget expenditure to enable officers to accept the preferred tender and commence works.

### RECOMMENDATIONS:

That the Leader and Cabinet Member for Asset Management:

1. Subject to a successful funding application to the Football Foundation, authorises the Corporate Head of Asset Management to award and enter into a contract with the preferred supplier for the installation of a new artificial pitch at Winchester City Football Club.
2. Subject to a successful funding application to the Football Foundation, approves capital expenditure of up to £1,005,119 for the installation of a new

artificial pitch at Winchester City Football Club.

3. Notes that responsibility for operating, maintaining, repairing and replacing the pitch (including index-linked annual contributions to a pitch replacement fund) would lie with the council, but that the facility and these responsibilities would be passed to Winchester City Football Club along with all income, via a new lease; and
4. Notes that the project will not proceed unless the grant application to the Football Foundation secures all funding required to deliver the project in full.

IMPLICATIONS:1 COUNCIL PLAN OUTCOME

## 1.1 Living Well

1.2 Sports facilities such as this enable our residents to live healthy and fulfilled lives offering them the right mix of facilities for all ages and abilities that are accessible and offer a wide range of activities.

1.3 This project would deliver on aims and commitments such as reduced health inequalities, a wide range of physical and cultural activities for all ages and abilities and supporting communities to extend the range of sports and cultural facilities across the district.

1.4 There would be opportunities to host inter-school tournaments and skills workshops for under 16s (youth leagues, coaching programmes, affordable open sessions), older adults (walking and veterans football), as well as disability football.

1.5 Through the involvement of Winchester City Flyers FC, the project would offer new opportunities for female coaches and players, enabling the growth and development of the game. The facility will be made available for local community use, schools, external partner clubs and holiday clubs for organised sessions and private hire.

2 FINANCIAL IMPLICATIONSCapital implications

2.1 The Football Foundation (FF) undertook a tender process for the supply and installation of the artificial pitch (subject to funding approval) through its framework. The preferred supplier has submitted a Guaranteed Maximum Price (GMP) of £1,005,119. A breakdown is given here:

Table 1. Project costs

<b>Build Costs</b>	<b>£</b>
Below Ground Works	461,741
Above Ground Works	418,730
Design Fees	10,000
Central Office Overheads	66,785
Profit	47,863
<b>Total</b>	<b>1,005,119</b>

- 2.2 A capital budget of £1,005,000 was approved by Council at its meeting on 23 February 2023. Approval for expenditure against this budget is requested, to enable the tender sum to be accepted and to enter into contract to commence installation.
- 2.3 It is proposed that the capital costs are funded from the following sources, subject to the successful application for FF grant:

Table 2. Project funding sources

	£000	% contribution	status
District CIL	200	19.9%	Approved
Football Foundation grant	805	81.1%	Applied for
Total build cost	1,005		

- 2.4 Budget has been included within the capital programme for 2023/24 in anticipation of a successful outcome from the grant application, but the council's stated position is that no funding would be made available beyond the £200k of CIL funding already approved so, if the FF is unable to provide sufficient grant funding to meet the £805,119 shortfall, the project would most likely not be able to proceed.

#### Revenue implications

- 2.5 WCC has committed to £11k cost of pre-planning works, which are a requirement of the FF if they are to consider an application for funding in April 2023. Approval for the £11k spend was given via a Significant Officer Decision on 25 October 2021 and will be met from within existing revenue budgets.
- 2.6 A proposed long-term lease for the facility to WCFC would see the club take responsibility for all revenue, with the income generated by the facility to remain with the club and be used to meet the annual maintenance costs and allow for the creation of a sinking fund to replace the pitch surface in the longer term. It would also include conditions related to the delivery of sporting outcomes committed by the club as part of the grant application to the FF.
- 2.7 WCFC has produced financial projections that show an annual surplus of £25,000 pa after allowing for maintenance and an annual contribution to the sinking fund. If the surface is well maintained it will have a life of 10-12 years and would cost (in today's prices) circa £230,000 +VAT to replace, so the sinking fund contribution will be index linked.
- 2.8 There would be no revenue implication for the council, unless WCFC had to step away at some point. The business plan has been reviewed by FF and Hants FA, who judge it to be sound. It indicates that, in the event of the

facility being handed back to the council, there would be sufficient income generated to cover all costs, including contributions to the replacement fund. In the unlikely event that WCFC were to go into administration, the responsibility for maintaining and replacing the pitch would fall to the council and it is not guaranteed that monies in the replacement fund would automatically transfer to the council.

- 2.9 WCFC would be responsible for meeting all financial and social performance indicators that are conditions of the FF grant award and this will be included as a condition within the terms of the new lease (see section 3).

### 3 LEGAL AND PROCUREMENT IMPLICATIONS

- 3.1 The build project has been procured by the FF on behalf of the council using its framework which includes multiple suppliers for artificial grass football pitches. This framework is compliant with the Public Contract Regulations 2015 (PCR2015). It covers design, manufacture, supply, and installation and includes contract administration, cost management, health and safety compliance and independent testing to FIFA standards. The council's procurement team has been consulted on the proposed arrangements and use of the framework is permissible in accordance with the council's Contract Procedure Rules and PCR2015.
- 3.2 There would be a Framework Alliance Contract whereby the FF is the client and the council is the additional client. The council would be required to sign a joining agreement to enable the council to award the contract to an artificial grass pitch supplier. This will need to be tested against the FF grant funding agreement and the Joint Contracts Tribunal (JCT) contract.
- 3.3 The council would enter into a new lease with WCFC but would keep control of all collateral warranties / insurance policies rather than pass them onto WCFC. This would allow the council to get remedial work completed under the warranties/ insurance. If these are passed onto WCFC, the council would find it difficult forcing WCFC to act if remedial work is needed during the relevant time period.

### 4 CONSULTATION AND COMMUNICATION

- 4.1 A report by the Football Association has indicated that there is a significant shortfall of community accessible artificial grass football pitches in Winchester. This is supported by the council's current Playing Pitch Strategy.
- 4.2 WCFC has researched potential demand via engagement with various stakeholders, potential partners, community groups and schools. WCFC has also gained letters of support from Winchester Youth FC, Winchester Flyers FC, St Swithun's School, Chelsea FC Foundation and Winchester Castle FC to name a few. The club are currently waiting for the plans from the contractor and will then show/ discuss with the club supporters and then the general public with particular focus on their neighbours.

- 4.3 The Leader of the Council and relevant Cabinet members have been consulted on the proposals and further engagement will be undertaken by officers and WCFC with ward councillors should the funding bid be successful.

## 5 ENVIRONMENTAL CONSIDERATIONS

- 5.1 3G pitches are more eco-friendly than a natural grass alternative. This is because 3G pitches do not require high amounts of water, they become a much more sustainable option for sports facilities. There is also no need for fertiliser, pesticides, or any toxic chemicals to keep up with regular maintenance.

## 6 PUBLIC SECTOR EQUALITY DUTY

- 6.1 The proposal would increase opportunity for under-represented groups. There would be increased opportunities for women and girls through involvement of Winchester City Flyers. Winchester Youth FC has been in dialogue with Hampshire FA with a view to offer a pan-disability football course as part of its community provision to support the bid. Although women and girls are not the WCFC's specific target group, the club will partner with Winchester City Flyers to double their ladies team participation (100% growth) and a 10% growth in their youth set up, particularly amongst the younger age groups. The club currently have 27 teams and there will be space for approx. 3 more. Winchester City FC do not have a disability team at the moment but intend to have at least 1 pan-disability team that can use the facility as a home ground for matches and training.
- 6.2 An equality impact assessment has been completed and is included at appendix 2.

## 7 RISK MANAGEMENT

- 7.1 The primary risk is if the FF is unable to provide sufficient funding to meet the shortfall in project cost. If this is the case, then the project will not go ahead.
- 7.2 All other risks will be mitigated as detailed below and reported in more detail should the funding bid be successful and the project proceeds.

<b>Risk</b>	<b>Mitigation</b>	<b>Opportunities</b>
<u>Financial Exposure</u> Cost increases beyond budget	The FF tender process required a Guaranteed Maximum Price so there should be no unexpected increases.	
Club ceases to trade	In the unlikely event WCFC ceased to trade,	Options would exist for in-house management or

<p>Insufficient funds are set aside in the sinking fund</p>	<p>the council would become responsible for the maintenance, repair, and replacement in accordance with the grant conditions.</p> <p>Responsibility for replacing the pitch would also fall to the council and it is not guaranteed that monies in the replacement fund would automatically transfer to the council. Regular inspection of the club's accounts would enable early intervention.</p> <p>Annual sinking fund contributions will be required to be index-linked to account for inflation increases.</p>	<p>contracting out.</p>
<p><u>Exposure to challenge</u> Challenge from other potential sites for a 3G pitch</p>	<p>Other sites identified in the FF strategy for Winchester could also seek funding to develop a 3G pitch and would have the same option to submit a CIL bid.</p>	
<p><u>Innovation</u> Latest 3G pitch technology proves unsuitable or troublesome</p>	<p>The FF has extensive experience of 3G pitch provision and is fully confident of its suitability for this site.</p>	<p>3G pitches allow greater usage than grass so increase opportunity to participate.</p>
<p><u>Reputation</u> Failure to support club</p>	<p>WCFC has been made very aware that the council can provide no further funding beyond the £200k via CIL.</p>	<p>Should funding be secured, and the project proceed, the relationship between club and council should be noticeably</p>

		strengthened.
<u>Achievement of outcome</u> Grant is not secured  WCFC does not deliver the sporting outcomes required by FF	Project does not proceed  Legal agreement to include enforceable conditions that oblige the club to deliver promised outcomes.	
<u>Property</u> Facility is not adequately maintained  Insufficient provision for facility replacement	New lease to WCFC will include clear responsibilities for maintenance and repair.  Agreement with WCFC will require them to invest in an index-linked sinking fund for replacement at end-of life.	WCFC will be invested in the facility which increases sense of pride and ownership.
<u>Community Support</u> Lack of support from other football clubs and partner organisations	WCFC has done significant work to engage other clubs and secure their support.	Increased opportunity for a wide range of clubs and large numbers of local people.  Improved accessibility for under-represented groups creates opportunity for wider participation.
<u>Timescales</u> Failure to meet deadline for FF funding bid	WCFC is preparing much of the information that supports and evidences the bid. Capacity exists within the community team to work with the club to ensure a high-quality bid.	
<u>Project capacity</u> See timescales above		

<u>Other</u>		
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## 8 OTHER KEY ISSUES

- 8.1 The funding bid to the Football Foundation was developed jointly by council officers and WCFC. The procurement and installation of the pitch would be managed by the FF through its framework. A project team would oversee this work with representatives from the council, WCFC and Hampshire FA. This will be absorbed within existing staff resources.
- 8.2 The Council would enter into a new lease with WCFC but would keep control of all collateral warranties / insurance policies rather than pass them onto WCFC. This would allow the council to get remedial work completed under the warranties/ insurance. If these are passed onto WCFC, the council would find it difficult forcing WCFC to act if remedial work is needed during the relevant time period.

## 9 SUPPORTING INFORMATION:

- 9.1 WCFC is based at the football ground, in the northeast corner of North Walls Recreation Ground, a site that is owned by Winchester City Council. The ground is the home venue for WCFC who currently play in the Southern Football League Division One South. WCFC is a committee-run members club and has a history dating back to 1884.
- 9.2 WCFC currently has:
- a) U23, U18's and U16's teams.
  - b) Over 300 boys participating in youth football from U7 to U18 and a development section that covers Year R and Year 1 children who are just starting their journey in organised sport.
- 9.3 WCFC has asked the council to partner with them to install an artificial grass pitch on the site (106x70 community stadia 3G AGP). The club has secured £200k of CIL money (CAB3310) which has since been reallocated to WCC, as landowner to take forward as a council-led project (CAB3360). WCFC has also negotiated an agreement in principle with the FF for a grant towards the £1M cost.
- 9.4 Most of the usage will be taken up by WCFC and the two youth organisations that are partnering with WCFC in this project (Winchester Flyers FC & Winchester Youth FC). Winchester City Flyers is a partner club with a youth setup with over 300 girls participating in youth football and an adult ladies section with three teams.
- 9.5 Both clubs struggle to find suitable space to train and play at weekends with teams frequently having to postpone fixtures due to the weather. A suitable

and conveniently located 3G surface would enhance the match day experience. Furthermore, a reliable surface would greatly benefit the teenage groups of both organisations where there is a drop off in participation from the U15 to U18 age groups. A venue with suitable changing facilities would help to retain and attract participants in this age group and provide a transition to open-age football.

- 9.6 Once completed, the asset would remain in WCC's ownership. The FF funding agreement would require the artificial pitch to be maintained and renewed during the funding period. The pitch would be leased to WCFC on a new long-term lease and the club would, as part of the lease, be responsible for the ongoing maintenance of the pitch and for its eventual surface replacement.
- 9.7 The Football Foundation (FF) has indicated a willingness to approve a grant, subject to several conditions, all of which were addressed in the Cabinet Member Decision Day on 5 December 2022 (DD57). The FF grant application was submitted on 13 January to cover the shortfall. A decision on whether the application is successful will be made at its grant panel meeting in April.
- 9.8 The Football Foundation (FF) has undertaken a mini-competition for the pre-construction works which also includes the subsequent supply and installation of the artificial pitch (subject to funding approval) through its pre-tendered framework. The preferred supplier has submitted a Guaranteed Maximum Price (GMP) of £1,005,119.
- 9.9 In order to secure the tender price and to minimise disruption to its match schedule, WCFC would like to commence work as soon as the current league season finishes, allowing much of the work to take place during the summer break. For contracts to be signed and work to commence as soon as all funding is secured, authority to incur expenditure is sought now as otherwise the decision would be delayed until after the pre-election period and May elections, causing a delay in the works.
- 9.10 Approval to incur expenditure is subject to the FF awarding a grant of the full amount requested, ensuring the necessary budget is in place.
- 9.11 The proposed programme for the next stages is:
- |    |  |               |
|----|--|---------------|
| a) | Approval to enter contract (subject to grant approval) | March 2023    |
| b) | FF funding panel outcome                               | April 2023    |
| c) | Construction commences                                 | July 2023     |
| d) | Construction completes                                 | Oct/ Nov 2023 |

## 10 OTHER OPTIONS CONSIDERED AND REJECTED

- 10.1 The council could have chosen not to proceed with a funding bid, but this would result in a number of missed opportunities. The work of WCFC has created an opportunity to bid for a substantial amount of external funding for facilities in the district and this funding would otherwise be directed elsewhere.

This project also creates an opportunity to increase participation amongst women and people with disabilities – an opportunity that would be lost had a bid not been pursued.

BACKGROUND DOCUMENTS:-

Previous Cabinet/Committee Reports or Cabinet Member Decisions:-

1. CAB3310 - COMMUNITY INFRASTRUCTURE LEVY SPENDING PROGRAMME UPDATE - 15 September 2021
2. CAB3360 - COMMUNITY INFRASTRUCTURE LEVY – COMMUNITY AND WINCHESTER COUNCIL PROJECTS APPROVAL - 14 September 2022
3. DD57 - WINCHESTER CITY FOOTBALL CLUB ARTIFICIAL PITCH – 5 December 2022

Other Background Documents:-

None

APPENDICES:

Appendix 1: Site plan

Appendix 2: Equality impact assessment

# Appendix 1

Site Address:- Winchester City Football Club - Location plan



Winchester City Council  
Estates Division

Scale:- 1:1,500 @ A4 Portrait  
Date:- NOV 2022  
Ref:-

Map Ref:- 4830

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