

## **Executive**

Report of the Director of City Strategy

## **Community Stadium – Update Report**

### **Summary**

1. The purpose of this report is to provide the Executive with an update on the progress of the Community Stadium project. The outline business case is currently being prepared and will be reported to the Executive in June 2009.
2. In examining the potential community benefit for the city and engaging with key stakeholders significant ‘need’ has been identified. This report will update members on the progress of the initial feasibility stage and how this might shape the aims of the Community Stadium project and the partners that could be involved.

### **Background**

3. The Executive has considered a number of reports regarding the development of a Community Stadium for York. At its meeting on 9 September 2008 the Executive resolved to re-affirm its commitment to support the project and assist York City FC to secure the £2 million Football Foundation Grant. To that end it agreed to appoint a Project Manager to drive the project forward.
4. At the Executive meeting of 20 January 2009 the partnership and project management arrangements were formalised. It was agreed a Project Board would be established that would include representatives from the key partners: York City FC, York Knights RLC, City York Athletics Club, Active York and City of York Council. It was proposed that an outline business case was to be presented to the executive in June 2009.

## **Update on Current Position**

### **Project Management**

5. The Project Board’s inaugural meeting will take place in May 2009. The external advisory member is yet to be formalised and the Project Board will discuss further options if a nomination has not been made by the date of the first meeting. The purpose of the Project Board is to be responsible for the

strategic development of the project and refer key issues to the Executive for consideration and ratification. Under the Board are two working groups; the Partnership Group (which co-ordinates the key partners and deals with more detailed matters) and the Internal Officer Group which ensures corporate ownership and other key issues relating to the Council's interests. Both of these groups meet on a regular basis to oversee the development of the project.

## **Progress of Project**

### **Development of the Business Case**

6. The first main output of the project will be the preparation of the outline business case to be considered at the Executive in June 2009. Significant progress has been made in establishing the potential scope of the project and developing some high level options for further consideration. The starting point of this process is to look at the need and demand for a stadium and to address issues such as:
  - Is there a need for a new stadium in York?
  - If so, what core facilities should be included and what size?
  - What is a community stadium?
  - How could community benefit be best achieved – what are the options?
  - What other potential partners are there and could they compliment the project?
  - What are the key areas of need in the City? Can this project assist in addressing these?
  - What other commercial uses are compatible with a stadium?
  - Can the stadium be commercially sustainable?
  - What are the potential options or models to drive the project forward?
  - How much would they cost in revenue and capital terms?
  - What are the options for funding?
  - How will the site selection process be undertaken?
  - What are the key planning issues?
  - What will be the next steps?
7. Specialist consultants have been engaged to undertake a feasibility study and provide specific evidence. The work will focus on market analysis of demand / need issues, high level financial modelling and development appraisal work. The findings will support the outline business case and the report to be considered by the executive in June 2009.

### **Scope of the project**

8. The primary aim of the project is to deliver a community stadium for the City that will provide a home for York City FC, York Knights RLC and a replacement athletics facility. A number of underlining principles have been established to provide a framework as the project's scope is developed, these are as follows:

- A stadium for York City and York Knights to meet minimum league requirements
  - A replacement athletics facility to a minimum of county standards
  - A location that maximises opportunity for access for the people of York and its visitors
  - Maximises community use including sport, education and health / well-being
  - A commercially sustainable, the project must result in a viable business venture
  - Is an environmentally sustainable development
9. The extent to which the stadium can best benefit wider community is a fundamental element of the feasibility work. The starting point has been to examine need and gaps in provision across the City. The potential synergy of this need is to be aligned with the core purposes of the stadium. A wide range of sporting, recreational, health, educational and skills issues have been identified.
  10. Relevant stakeholders have been approached regarding need and gaps in provision. Consideration has also been given to how a community stadium could offer opportunities for the delivery of services. The stadium could act as a hub or focal point of well-being, learning and sport; building on innovative models across the UK.
  11. For example, Doncaster's Keepmoat Stadium has provided a impressive home for sport with associated community sports facilities. Preston North End and Warrington Wolves have developed partnerships with their respective PCTs to provide significant state-of-the-art clinical care facilities, changing the face of delivering health care. A similar arrangement has been developed at Headingley and the KC Stadium in Hull. Partnerships have been forged between further and higher education providers to deliver front line educational services within the stadiums.
  12. Using the undercroft of stands to maximise floorspace for ancillary business uses offers a wide range of interesting options. Innovative designs can enable major commercial developments to be built into a stadium. These can be built as an integral feature or as a stand alone business entity. The opportunity exists to bring together community and commercial uses around the focal point of a sports stadium. It also represents a cost effective means of developing new facilities and additional floorspace. Furthermore it could include a major anchor partner (or partners) which could bring commercial and community benefits as part of the stadium development.
  13. Officers are exploring the potential of bringing together key stakeholders in the city. Synergies exist between a wide range of services linking health, well-being, education, skills / learning and sport. A number of stakeholders have accommodation needs and the stadium project might offer an exciting solution as well as new means for delivering services.

14. Officers are in the process of speaking with the PCT, the Health Trust, Universities / Colleges and other service providers. The outline business case will consider the potential of pursuing such options as part of the project and consider the potential impact and benefits in bringing these services together as part of a hub of learning / well being / sport / commerce.
15. Another option that is being considered is a purely commercial anchor use, which could help subsidise the stadium and the provision of high quality community facilities, maximising the income potential of the stadium.
16. The extent to which the stadium can be environmentally sustainable is being explored, this will be largely dependent on the overall nature of the project. Issues regarding energy efficiency, carbon reduction and green power solutions are being developed as part of the outline business case.
17. The scope and impact of this project could be significant. It has the potential to become an innovative and exciting development for the city and wider region.

### **Planning issues**

18. The outline business case will present a number of models or options which will be supported by a high level appraisal identifying the potential benefits, costs and funding streams. Before beginning the site selection process, it is important that the case for development is first established i.e. why the city needs a stadium? What it might include? What will be the wider benefits? To this end, the site selection process and development of the planning case have been deferred until the outline business case has been established and agreement has been reached on how the project will be taken forward.
19. It is important that if the project is to be effectively progressed it is aligned with the development of the City's Local Development Framework.

### **Communications Plan**

20. The Communication Strategy was agreed at the partnership meeting held on the 5<sup>th</sup> February 2009. The strategy identifies objectives, key messages and methods of communication between external and internal parties and is supported by the Communication Plan (Annex 1) and the Media Protocol (Annex 2). The strategy will be used to establish and manage on-going communications for the first stage of the project and will be refreshed to include public consultation and public engagement if the business case is approved.

## **Options and Analysis**

21. This is primarily an update report informing Members on the progress of the Community Stadium project. However, Members are asked to endorse the approach adopted regarding the overall scope and wider impact for the City.

## **Corporate Priorities**

22. The provision of a new community stadium for the city is a priority action in the Corporate Strategy 2009-2012 which states: "We will develop proposals to complete the building of a Community Stadium for the City that will provide high quality sport recreation and other community focused opportunities." It is also identified in Active York's 'Sport and Active Leisure Strategy' which was signed up to at the Leisure and Heritage EMAP in June 2005. The facilities section of this strategy was updated in May 2007.

## **Implications**

### **Financial**

23. This project currently has both a revenue and capital budget allocated. With regard to the revenue budget the project has £200k of Local Authority Business Growth Incentive (LABGI) funds that were approved at Staffing and Urgency Committee in May 2008.
24. As part of the 2009/10 budget process a capital budget of £4,000k was approved at Budget Council in February 2009. A significant element of the outline business case will be looking at the high level costs to assess the likely level of funding required to develop a stadium to a given specification.
25. It should be noted at this early stage that if the project is progressed beyond the outline business case stage additional resources will need to be committed to undertake detailed feasibility work, site selection, master-planning, partnership development and other relevant specialist work.

### **Equalities**

26. As part of the Outline Business Case consideration is being given to the impact the project will have on Equalities. An Equalities Impact Assessment will be required once a site and proposal has emerged.

### **Risk Management**

27. An essential part of the development of the business case is establishing a robust strategy for managing risk. A high level risk register has been established and discussed with the Partnership Group. The key risks identified at this stage of the project relate to the outcome of the feasibility study:

- If there is a demonstrable need for a new stadium
- If there is a significant funding gap to achieve the desired outcome
- If there is limited or no scope to bridge that gap

28. These and other more detailed risks will be further developed as the evidence associated with the outline business case emerges.

**Legal** – There are no legal implications at this stage.

**Human Resources** – There are no implications.

**Crime and Disorder** – There are no implications

**Information Technology** – There are no implications

**Property** – There are no implications at this stage

## **Recommendations**

1. That the Executive note the progress made on the Community Stadium Project to date.
2. That the Executive agree with the approach set out and continue with the feasibility work and testing the potential partnerships to achieving wider community benefits.
3. That a report summarising the outline business case be brought to the Executive in June 2009.

## Contact Details

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Report Approved

Date 16/4/09

### Specialist Implications Officer(s) :

None

Wards Affected: *List wards or tick box to indicate all*

All

For further information please contact the author of the report

### Annexes

Annex 1 – Communication Plan  
Annex 2 – Media Protocol

### Background Papers:

- Community Stadium Report to Staffing and Urgency Committee 21<sup>st</sup> May 2008
- Staffing and Urgency Committee Minutes 21<sup>st</sup> May 2008
- Deloitte report on community stadium for CYC 20<sup>th</sup> June 2008
- Active York's Sport and Leisure Strategy
- Executive Report 15<sup>th</sup> July 2008
- Executive Report 9<sup>th</sup> September 2008
- Executive Report 20<sup>th</sup> January 2009