

**Select Committee on Regeneration, Culture and Adult Education**

**Monday 29 October 2007**

**Report of the Director of Urban Environment**

**Sports Village Position Statement**

**Purpose of Report**

1. To inform Members of the outcome of the feasibility study into the potential development of a Sports Village in the north of the Borough.

**Background**

1. In 2006 a Project Team was established by the Cabinet Member for Leisure and the Cabinet Member for Regeneration under the sponsorship of the Director of Urban Environment to investigate the possible provision of a new stadia facility that could accommodate Dudley Town Football Club together with a mixture of public sector sport and recreation facilities. The concept included the possibility of incorporating education and health facilities within the physical boundaries of a Sports Village.
2. One of the principal drivers for such a facility followed representations made by Dudley Town Football Club to the Council with an aspiration to return to a site adjacent to Dudley town centre, as over recent years the Club had been forced to share facilities with other clubs, following the loss of their facilities at the junction of Tipton Road and Birmingham Road in Dudley as a result of the collapse of underground mine workings in 1985. Furthermore whilst considering the provision of new sports and leisure facilities in the northern part of the Borough such an investigation gave the Council the opportunity to consider public sector provision and whether or not there was a potential for modernisation of Council facilities as part and parcel of the overall scheme.
3. A study was commissioned for specialist sports facility consultants to determine the feasibility of developing a Sports Village in the centre or north of the Borough and in particular to consider the following issues:
  - o A suitable location to support the development of a football stadium and public sport and recreation facilities
  - o An assessment of demand and a needs analysis of sport and recreation facilities to meet the community aspirations

- A report to indicate possible funding mechanisms including the need for a sustainable revenue method of supporting the ongoing use of such a facility
4. The study recognised that public sport and recreation facilities in the north and centre of the Borough were ageing, and in certain instances in need of modernisation, and this was allied to an exploration of the development of a new home for Dudley Town Football Club. The development and operation of the latter was predicated on the progress of the former as the Football Club are unable to make any contribution to the capital costs other than through specific grants that they may be able to access, and would find the revenue cost of operating a stand alone stadium prohibitive.
  5. The process provided an opportunity to explore the possible modernisation of provision in the centre and north of the Borough and to focus resources on a single location with a greater mix of facilities. Altogether the development of football ground provision and public sport and recreation facilities would require a site of significant size.
  6. A preliminary long list of forty-six sites was produced following an initial assessment reduced to a short list of five which were found to be large enough to accommodate such a development. Each site had strengths and weaknesses which had to be evaluated in the context of appropriateness, planning policy, location etc., thus requiring further consideration of each of these factors.
  7. Two of these sites were strategic housing locations, one was identified for further development for educational purposes and two are in private ownership. These two latter sites were also likely to need significant remediation due to their former uses and both were toward the edge of the Borough boundaries, one near to Wolverhampton and the other close to the Sandwell border.
  8. Based on the indicative facility mix of indoor and outdoor sport and recreation provision the total capital cost of the scheme was estimated to be in the region of £20 million, that is without land acquisition costs and potential site remediation which could be anticipated to add significantly to the cost of the project.
  9. As has previously been indicated, the Football Club are unlikely to be able to make any significant financial contribution to the project and the rationalisation and sale of sites in the north of Dudley is unlikely to result in a capital receipt any greater than £4.5 million. Based on the estimated development cost there would be a funding gap in excess of £15 million and the likelihood of securing this level of funding or anything approaching it from external sources is considered very remote leaving the Council to fund the majority of the gap funding.
  10. It is possible that as part of the modernisation of Leisure facilities the Council could utilise revenue funds of approximately £800,000 for prudential borrowing purposes which could provide some of the capital funding needed. However it is likely that most of this would be required for the operational budget costs of such a major facility. It is almost certain that the Council would have to increase its annual expenditure on sport and recreation very considerably to cover both the capital borrowing required and the ongoing revenue subsidy of the facility and the likelihood of this in the current financial climate is considered to be very remote.

11. In addition the Black Country Sports Facility Strategy has emerged and within the current draft the development of a sports village in the north-east of the Borough does not accord with proposals that are being promoted in that document and as such it is considered that any further work should be shelved, given that Dudley Town Football Club have established a home base at the Dell Stadium which is being upgraded to meet their needs for the foreseeable future.
12. To summarise the position:
- From a long list of sites this was reduced to a short list of five sites that potentially could house a Sports Village Complex.
  - Of these five sites, two are identified as key housing developments and a further one forms part of an educational establishment and links to a protected nature conservation area.
  - The remaining two sites are both in private ownership, they would be expensive to acquire and both require significant remediation to enable use as a sports venue.
  - A key driver for the project, the desire to find a suitable venue for Dudley Town Football Club, has been overcome with the Club's occupancy of the Dell Stadium. It is considered that this venue could provide the home pitch for the football club for many seasons to come.
  - Recent investment at Dudley Leisure Centre has obviated any immediate need to consider relocating the Centre to another part of the town. It has recently acquired Quest Accreditation and the assessor commented that the swimming pool was 'like new'. Allied to opportunities emerging from the Black Country Sports Strategy the current location of the centre is considered to be much better in the context of local demographics and catchment data than either of the options available.
  - If all other factors militated for a new facility to be provided the question of funding would remain a significant obstacle. The football club has very limited funds available itself and would be reliant upon the Council and external grant aid sources to provide the facility. External funding is not likely to be available in the amount needed to make a Sports Village a realistic proposition at this stage, given commitments to major national projects. Furthermore the Council would need to find both capital and revenue funding for the project which is likely to be significantly above the Council's current levels of funding for its Sport and Recreation Service.

In light of the above Members are asked to consider what further work should be undertaken on this project.

### **Finance**

12. Financial information is contained within the body of the report. The report highlights the significant capital and revenue implications of the development of a Sports Village and emphasises that there is limited external funding available to contribute to such a project

**Law**

13. Section 111 of the Local Government Act, 1972, enables the Council to do anything which is calculated to facilitate or is conducive or incidental to the discharge of its statutory functions.
14. Section 19 of the Local Government (Miscellaneous Provisions) Act, 1976, empowers the Council to provide recreational facilities in its area.
15. There is a duty under Section 17 of the Crime and Disorder Act 1998 to account for the implications of the impact on community safety of actions and decisions relating to service areas.

**Equality Impact**

16. The development of this project is likely to have a beneficial impact on all Members of the Local Community including the ability of children and young people to use the new facilities.

**Recommendation**

17. It is recommended that:-
  - Members consider the content of the report and comment accordingly



.....  
**For John Millar**  
**Director of Urban Environment**

Contact Officer: Andy Webb  
Telephone: 01384 815579  
Email: [andy.webb@dudley.gov.uk](mailto:andy.webb@dudley.gov.uk)

**List of Background Papers**

PMP Sports Village Feasibility Study – October 2006  
Black Country Sports Facilities Strategy – Draft 2 September 2007