



Meeting: Full Council

Date: 28th February 2013

Wards Affected: All Wards

Report Title: Cycling Development, Clennon Valley

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Supporting Officer Contact Details: Ian Williams

1. Purpose

- 1.1 To increase the number of active sports participants and to promote and encourage cycling as a recreational sport by the provision of two sports facilities at Clennon Valley.
- 1.2 Negotiations are ongoing with British Cycling for the provision of £780,000 of funding by them towards:-
 - (i) 1.5km Closed Road Cycling Circuit; and
 - (ii) An outdoor velodrome.

However this funding would have to be matched by the Council.

- 1.2 The development of the above facilities would benefit the local economy as this will be the only such facility in the South West and therefore of regional significance attracting users from outside of Torbay and visitors for competitions and events.

2. Proposed Decision

- 2.1 £780,000 of capital monies are made available for the development of a 1.5km Closed Road Circuit and an outdoor velodrome at Clennon Valley subject to match funding be provided by British Cycling and subject to planning permission being obtained.

3. Reasons for the Decision

- 3.1 The decision to agree to allocate Capital Money for the required match funding of 50% of the total development costs with British Cycling providing the remaining 50% costs would allow council officers to continue negotiations with British Cycling and to apply for the funding available.

3.2 An agreement would allow Torbay Council to progress the scheme development, carry out the required consultations and investigations and designs for planning requirements. The funding opportunity would only be available for a limited time period and it would be important that Torbay Council are fully prepared and ready to carry out the development within the set time scales

4. **Summary**

4.1 A business case for this development is included with this report (**Appendix 1**) and it puts forward the reasoning behind the proposal to build the cycling facilities. The proposal if agreed would have significant economic and health benefits for the residents of Torbay and surrounding areas. The business case highlights the importance of these benefits and the possible scales of increase to the prosperity of Torbay. Increasing the tourism offer, encouraging regional and national events to use the facilities, these events would increase media coverage and consequently raise the profile of Torbay. A report produced by Sport England showed that the consumer expenditure on sport in the South West is £1.8 billion per year with 44,000 people employed in sport in the South West alone.

4.2 The decision to allocate the match funding is critical to take the project forward and to show that Torbay is keen to take the opportunity provided by British Cycling to enhance the sports provision within Torbay. British Cycling have made the development of cycling facilities in the South West a priority. Torbay is their preferred location but if no decision is reached then the offer would be made to other authorities within the South West as they must have the facilities developed during 2013-2014.

Supporting Information

5. **Position**

5.1 The scheme involves the development of a 400m outdoor 'velodrome' and a 1.5km 'Closed Road Circuit' both facilities would be for community use and competitive cycling and would be located at Clennon Valley in Paignton. Torbay Council would own the facility on completion and be responsible for future maintenance and any liabilities. Clennon Valley has been chosen as it has the infrastructure already in place to support this type of facility and therefore, is a sustainable location.

5.2 The British Cycling (BC) has identified the regional need for a Velodrome and a Closed Cycle Circuit in the South West Region. The BC are on record as saying the provision of these facilities in the South West are one of their highest National Priorities. Torbay is stated to be the BC preferred location. As a result British Cycling has agreed to receive an application to jointly fund this project providing 50% match funding can be secured and the required criteria met.

5.3 The nearest cycling facilities to Torbay for an outdoor velodrome is Bournemouth for the Closed Road Cycle Circuit is either Birmingham or London. A closed road is

to be developed in Bath during 2013. Manchester and London are the only areas that have both a Closed Road Circuit and Velodrome.

- 5.4 The building of a Closed Road Cycling Circuit would offer a much wider range of activities other than cycling and would greatly enhance the Council's ability to deliver the health and well being programs. The Closed Circuits also allows for the safe training and confidence building for novice cyclists. Closed road circuits also provide a facility for a wide range of sports, such as jogging, roller blading and disabled sports, while ensuring that they can be undertaken in a safe controlled manner.
- 5.5 The concept of a Velodrome and the uses to which it can be put will be understood. The overwhelming advantage of an outdoor track over a timber indoor circuit is the very significant reduction in the capital and revenue costs. These savings greatly outweigh any diminution in the quality of the track or restrictions that will be placed on its use.
- 5.6 As the resource will be of regional significance it will be considered an iconic facility. The Council is hoping to provide another sports resource of regional significance which then allows Torbay to apply for the iconic facilities grant and other high value funding opportunities.

6. **Possibilities and Options**

- 6.1 Do Nothing – British Cycling will be advised that Torbay Council would not want to pursue the project. British Cycling would look at other options within the South West.
- 6.2 To provide a capital allocation of £780k towards the project funded through Prudential Borrowing. The Council would intend to fund the prudential borrowing through income gained from the facility if this was not possible it would require a revenue budget of £57,700 per annum. An income/expenditure prediction is contained within the business case.

7. **Preferred Solution/Option**

- 7.1 Option 6.2 would be the preferred option. Whilst it must be understood that the project contains a risk that the income may not cover the expenditure and the cost to repay the prudential borrowing revenue costs the benefits to the local economy and health provide significant opportunity for Torbay.

8. **Consultation**

- 8.1 Public consultation has not yet been carried on the development of these facilities as a specific opportunity but has been carried out on the general development of sports at Clennon Valley. When the funding is agreed in principle a full consultation process will be undertaken.

8.2 Initial consultation has taken place with stakeholders to establish how the facility may be managed in the future, the likely usage and how the facility would be constructed. This information has been included within the Business Case financial estimates. A stipulation from British Cycling that we should not negotiate with cycling clubs or possible users in the South West until the funding is allocated.

9. Risks

9.1 The key risks are outlined within the business case attached as **Appendix 1**. However, they are summarized as follows:-

9.2 Consultation exercise indicates the local population, do not want the development to go ahead or the facility does not receive planning approval.

9.3 Torbay Council fails in their application to British Cycling for the award to develop both facilities at the same time.

9.4 Geotechnical investigation reveals problems that can't be dealt with through construction. These issues will be revealed before contracts are signed for main construction project. No indications of issues through surveys and desktop assessments.

9.5 Tenders above original estimates for track. The project would be redesigned to reduce standards where possible to reduce costs or retender.

9.6 The income received from the facility does not cover the running costs and the prudential borrowing replacements. Discussion with stakeholders indicates that they are confident income would cover running costs but may not be sufficient to cover the prudential borrowing cost unless additional income from car parking, for example, is included. This is outlined within Income/Expenditure section of the business case (**Appendix 1**). Should the income not cover the prudential borrowing costs this would have to be funded from the Residents & Visitor Services revenue budget. However, should the facility be successful then additional income from the leasing of an area for a cycle shop, for example, could lead to the site making a significant profit.

Appendices

Appendix 1 - Business Case

Appendix 2 - Equality Impact Assessment