

Council



St Edmundsbury
BOROUGH COUNCIL

Title:	Agenda
Date:	Tuesday 30 October 2018
Time:	7.00 pm
Venue:	Conference Chamber West Suffolk House Western Way Bury St Edmunds IP33 3YU
Membership:	<p>All Councillors</p> <p>You are hereby summoned to attend a meeting of the Council to transact the business on the agenda set out below.</p>  <p>Ian Gallin Chief Executive 22 October 2018</p>
<p>The Meeting will be opened with Prayers by the Mayor's Chaplain, The Reverend Canon, Ian Finn, Rector of St Mary's Church, Haverhill. (Note: Those Members not wishing to be present for prayers should remain in the Members' Breakout Area and will be summoned at the conclusion of prayers.)</p>	
Interests – Declaration and Restriction on Participation:	Members are reminded of their responsibility to declare any disclosable pecuniary interest not entered in the Authority's register or local non pecuniary interest which they have in any item of business on the agenda (subject to the exception for sensitive information) and to leave the meeting prior to discussion and voting on an item in which they have a disclosable pecuniary interest.
Quorum	Fifteen Members
Committee administrator:	<p>Claire Skoyles Democratic Services Officer Tel: 01284 757176 Email: claire.skoyles@westsuffolk.gov.uk</p>

Public Information



St Edmundsbury
BOROUGH COUNCIL

Venue:	Conference Chamber West Suffolk House Western Way Bury St Edmunds Suffolk IP33 3YU	Tel: 01284 757176 Email: democratic.services@westsuffolk.gov.uk Web: www.westsuffolk.gov.uk
Access to agenda and reports before the meeting:	Copies of the agenda and reports are open for public inspection at the above address at least five clear days before the meeting. They are also available to view on our website.	
Attendance at meetings:	The Borough Council actively welcomes members of the public and the press to attend its meetings and holds as many of its meetings as possible in public.	
Public questions:	<p>Members of the public may ask questions of Members of the Cabinet or any Committee Chairman at ordinary meetings of the Council. 30 minutes will be set aside for persons in the public gallery who live or work in the Borough to ask questions about the work of the Council. 30 minutes will also be set aside for questions at special or extraordinary meetings of the Council, but must be limited to the business to be transacted at that meeting.</p> <p>A person who wishes to speak must register at least fifteen minutes before the time the meeting is scheduled to start. This can be done online by sending the request to democratic.services@westsuffolk.gov.uk or telephoning 01284 757176 or in person by telling the committee administrator present at the meeting.</p> <p>Written questions, detailing the full question to be asked, may be submitted by members of the public to the Service Manager (Democratic Services) no later than 10.00 am on the previous working day to the meeting of the Council. Email: democratic.services@westsuffolk.gov.uk Phone: 01284 757162</p>	
Disabled access:	<p>West Suffolk House has facilities for people with mobility impairments including a lift and wheelchair accessible WCs. However in the event of an emergency use of the lift is restricted for health and safety reasons.</p> <p>Visitor parking is at the car park at the front of the building and there are a number of accessible spaces.</p>	
Induction loop:	An Induction loop is available for meetings held in the Conference Chamber.	
Recording of meetings:	<p>The Council may record this meeting and permits members of the public and media to record or broadcast it as well (when the media and public are not lawfully excluded).</p> <p>Any member of the public who attends a meeting and objects to being filmed should advise the Committee Administrator who will instruct that they are not included in the filming.</p>	
Personal Information	<p>Any personal information processed by Forest Heath District Council or St Edmundsbury Borough Council arising from a request to speak at a public meeting under the Localism Act 2011, will be protected in accordance with the Data Protection Act 2018. For more information on how we do this and your rights in regards to your personal information and how to access it, visit our website: https://www.westsuffolk.gov.uk/Council/Data_and_information/howweuseinformation.cfm or call Customer Services: 01284 763233 and ask to speak to the Data Protection Officer.</p>	

Agenda

Procedural Matters

Page No

1. Minutes

1 - 10

To confirm the minutes of the meeting held on 25 September 2018 (copy attached).

2. Mayor's announcements

3. Apologies for Absence

To receive announcements (if any) from the officer advising the Mayor (including apologies for absence)

4. Declarations of Interests

Members are reminded of their responsibility to declare any pecuniary or local non pecuniary interest which they have in any item of business on the agenda **no later than when that item is reached** and, when appropriate, to leave the meeting prior to discussion and voting on the item.

Part 1 – Public

5. Leader's Statement

11 - 14

Paper No: **COU/SE/18/020**

(Council Procedure Rules 8.1 – 8.3) Members may ask the Leader questions on the content of both his introductory remarks and the written statement itself.

A total of 30 minutes will be allowed for questions and responses. There will be a limit of five minutes for each question to be asked and answered. A supplementary question arising from the reply may be asked so long as the five minute limit is not exceeded.

6. Public Participation

(Council Procedure Rules Section 6) Members of the public who live or work in the Borough are invited to put one question of not more than five minutes duration. A person who wishes to speak must register at least fifteen minutes before the time the meeting is scheduled to start.*

(Note: The maximum time to be set aside for this item is 30 minutes, but if all questions are dealt with sooner, or if there are no questions, the Council will proceed to the next business.

Each person may ask **one** question only. A total of **five minutes will be allowed for the question to be put and answered.** One further question will be allowed arising directly from the reply, **provided that the original time limit of five minutes is not exceeded.**

Written questions may be submitted by members of the public to the Service Manager (Democratic Services) **no later than 10.00 am on Monday 29 October 2018.** The written notification should **detail the full question** to be asked at the meeting of the Council.)*

*For further information, see Public Information Sheet attached to this agenda.

7. Referrals Report of Recommendations from Joint Executive (Cabinet) Committee 15 - 80

Report No: **COU/SE/18/021**

Referrals from Joint Executive (Cabinet) Committee: 2 October 2018

1. West Suffolk Gambling Act 2005: Statement of Policy 2019 to 2022
Portfolio Holder: Cllr Susan Glossop

8. Western Way Development, Bury St Edmunds: Outline Business Case 81 - 200

Report No: **COU/SE/18/022**

9. Questions to Committee Chairmen

Members are invited to ask questions of committee Chairmen on business transacted by their committees since the last ordinary meeting of Council on 25 September 2018.

Committee	Chairman	Dates of meetings
Performance and Audit Scrutiny Committee	Cllr Sarah Broughton	27 September 2018
Development Control Committee	Cllr Jim Thorndyke	4 October 2018

10. Urgent Questions on Notice

The Council will consider any urgent questions on notice that were notified to the Service Manager (Democratic Services) by 11am on the day of the meeting.

11. Exclusion of Press and Public

To consider whether the press and public should be excluded during the consideration of the following item because it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during this item, there would be disclosure to them of exempt categories of information as prescribed in Part 1 of Schedule 12A of the Local Government Act 1972, and indicated against the item and, in all circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

Part 2 – Exempt

12. Exempt: Investing in our Commercial Asset Portfolio (para 3)

Exempt Report No: **COU/SE/18/023 TO FOLLOW.**

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Council



St Edmundsbury
BOROUGH COUNCIL

Minutes of a meeting of the **Council** held on
Tuesday 25 September 2018 at 7.00 pm at the **Conference Chamber,**
West Suffolk House, Western Way, Bury St Edmunds IP33 3YU

Present: **Councillors**

Mayor Margaret Marks
Deputy Mayor Patrick Chung

Terry Clements	John Griffiths	Richard Rout
Trevor Beckwith	Wayne Hailstone	Andrew Smith
Sarah Broughton	Diane Hind	Andrew Speed
Simon Brown	Beccy Hopfensperger	Clive Springett
Tony Brown	Paul Hopfensperger	Sarah Stamp
Carol Bull	Ian Houlder	Peter Stevens
John Burns	Elaine McManus	Peter Thompson
Mike Chester	Sara Mildmay-White	Jim Thorndyke
Max Clarke	David Nettleton	Julia Wakelam
Robert Everitt	Robin Pilley	Patricia Warby
Paula Fox	Joanna Rayner	
Susan Glossop	David Roach	

379. **Prayers**

The Mayor's Chaplain, The Reverend Canon, Ian Finn, Rector of St Mary's Church, Haverhill opened the meeting with prayers.

380. **Minutes**

The minutes of the meeting held on 17 July 2018 were confirmed as a correct record and signed by the Mayor.

381. **Mayor's announcements**

The Mayor reported on the civic engagements and charity activities which she, and the Deputy Mayor and Mayoress had attended since the last ordinary meeting of Council on 17 July 2018.

382. **Apologies for Absence**

Apologies for absence were received from Councillors Jason Crooks, Mary Evans, Jane Midwood, Alaric Pugh, Karen Richardson, Clive Pollington, Barry Robbins and Frank Warby.

Councillor Anthony Williams was also unable to attend the meeting.

383. **Declarations of Interests**

Members' declarations of interests are recorded under the item to which the declaration relates.

384. **Leader's Statement**

Councillor John Griffiths, Leader of the Council, presented his Leader's Statement as contained in Paper No: COU/SE/18/017.

In addition to his written statement, Councillor Griffiths drew attention to the following:

- (a) That he had written to the Parks Service and Waste Management Service thanking them for their sterling work in keeping the Borough's parks attractive and tidy, particularly during difficult seasonal periods, such as during the so-called 'Beast from the East' and the summer 2018 drought.
- (b) Councillor Griffiths then paid tribute to Councillor Alaric Pugh, former Portfolio Holder for Planning and Growth, who had recently and reluctantly taken the decision to resign from SEBC's Cabinet for personal reasons. Reiterating that Councillor Pugh was not resigning as a councillor, Councillor Griffiths took the opportunity to acknowledge Councillor Pugh's many achievements and dedicated service to St Edmundsbury Borough Council and West Suffolk, and particularly for his sterling contribution towards driving the Councils' considerable growth agenda.

Councillor Griffiths then formally welcomed Councillor Susan Glossop to her first meeting of Council as a Cabinet Member, following her recent appointment to SEBC's Cabinet, thus replacing Councillor Alaric Pugh.

In response to questions from Councillor Terry Clements regarding car parking issues in Bury St Edmunds, Councillor Griffiths, supported by Councillor Peter Stevens, Portfolio Holder for Operations, stated his commitment to continuing to review the parking situation, but that a written reply would be provided on the specific matters raised. This response would also be circulated to other Members for their perusal.

In response to a question from Councillor Paul Hopfensperger regarding a planning application for a hot food takeaway on the St Olaves' Precinct in Bury St Edmunds, that was due to be considered by the Council's Development Control Committee on 4 October 2018, Councillor Griffiths stated that whilst he encouraged healthy living in general, he did not have

sufficient information on the application at the time to support opposition to the addition of another food outlet in this location.

(Councillor Simon Brown joined the meeting during the consideration of this item.)

385. Public Participation

No members of the public in attendance had registered to speak.

386. Referrals report of recommendations from Joint Executive (Cabinet) Committee (Report No: COU/SE/18/018)

Council considered the Referrals Report of Recommendations from the Joint Executive (Cabinet) Committee contained within Report No: COU/SE/18/018.

(A) Referrals from Joint Executive (Cabinet) Committee: 24 July 2018

There were no referrals emanating from the Joint Executive (Cabinet) Committee meeting held on 24 July 2018.

(B) Referrals from Joint Executive (Cabinet) Committee: 4 September 2018

1. Annual Treasury Management Report 2017/2018 and Investment Activity 1 April to 30 June 2018

Approval was sought for the Annual Treasury Management Report for 2017/2018.

Councillor Ian Houlder, Portfolio Holder for Resources and Performance, drew relevant issues to the attention of Council.

On the motion of Councillor Houlder, seconded by Councillor John Griffiths, and duly carried, it was

RESOLVED:

That the Annual Treasury Management Report for 2017-2018, attached as Appendix 1 to Report No: TMS/SE/18/003, be approved.

(C) Referrals from Extraordinary Joint Executive (Cabinet) Committee: 18 September 2018

1. Barley Homes; Interim Business Plan and Changes in Governance

(Councillors Beccy Hopfensperger and Richard Rout declared local non-pecuniary interests as Cabinet Members for Suffolk County Council. Councillors Trevor Beckwith, Robert Everitt, Paula Fox and David Roach declared local non-pecuniary interests as Members of Suffolk County Council. Councillors Robert Everitt and Clive Springett declared local non-pecuniary interests as Board Members for Havebury Housing Partnership. All of the

aforementioned councillors remained in the meeting for the consideration of this item.)

Approval was sought for a proposed way forward to support Barley Homes in delivering its objectives following Suffolk County Council's decision to withdraw from this joint venture and transfer its interest to the West Suffolk councils.

Barley Homes was established by Suffolk County Council (SCC), Forest Heath District Council (FHDC) and St Edmundsbury Borough Council (SEBC) and incorporated in March 2016. Report No: CAB/JT/18/032, which was attached to the Council referral report as Appendix 1, provided background since the establishment of the company, including that each of the two West Suffolk councils owned 25% of the company, whilst Suffolk County Council was a 50% shareholder. A five year business plan had been agreed in December 2016, identifying four potential sites for the company to develop; however since that time, SCC had decided to undertake an open market sale of one of the sites (Wamil Way, Mildenhall), with the consequence being that only three sites remained in the Barley Homes plan, namely:

- Haverhill Town Hall Car Park (owned by SEBC)
- Westfield School Site, Haverhill (owned by SCC)
- Castle Hill School Site, Haverhill (owned by SCC)

Councillor Sara Mildmay-White, Portfolio Holder for Housing, drew relevant issues to the attention of Council, including that the complexity of operating between the Councils had been recognised and, in particular, meeting the policy and financial objectives of all parties had proved difficult. Therefore all parties had agreed that it would be more effective and efficient for the County Council to focus on its wider strategic role in the delivery of housing in West Suffolk, whilst the West Suffolk councils would lead on local scheme delivery. SCC had therefore taken the decision to withdraw from Barley Homes with its ownership being transferred to the West Suffolk councils, in accordance with the proposed deal set out in paragraph 2.2 of Report No: CAB/JT/18/032.

An interim business plan, as attached as Exempt Appendix 2 to Report No: COU/SE/18/018, had been produced and, together with the recommendations set out in the report, the Cabinets had proposed that this be recommended for SEBC and FHDC Council approval. This would allow work to progress on the identified sites with the intention of a full comprehensive review of Barley Homes being undertaken, the outcomes of which would be presented to the new West Suffolk Council in 2019.

Members also considered the various implications associated with proceeding with the proposal, including financial and risk implications and the changes required to the governance arrangements, as summarised in the recommendations and detailed further in the report.

Councillor Sara Mildmay-White then drew attention to an addendum to the report, which had been circulated to Members prior to the meeting. This contained an amendment to proposed Recommendation 10 and had been revised as it was considered that priority should be given to developing the sites at the former Westfield and Castle Hill schools. This was mainly due to

changes in market conditions, and it was considered that it was not in the best interests of Barley Homes to prioritise development of the Town Hall car park site in Haverhill and should be considered as part of the detailed business plan to be presented to West Suffolk Council in 2019. This also provided the opportunity for further discussion to take place with Haverhill Town Council and local ward members on their aspirations for the site.

Councillor Sara Mildmay-White moved approval of all 12 recommendations, as set out in the Addendum to Report No: COU/SE/18/018. This motion was seconded by Councillor John Griffiths.

A detailed discussion was held and some concern was expressed regarding the following, that:

- (a) Barley Homes (Group) Limited had been established for 2½ years, yet no homes had yet begun construction;
- (b) the knowledge of the Directors and Shareholder Advisory Group was limited, with potential conflicts of interest, and potentially not appropriate for this commercial venture;
- (c) the housing market had changed since Barley Homes was established, which may cause further difficulties moving forward;
- (d) together with affordable housing, social housing was as much needed and another vehicle aside from Barley Homes should be investigated to deliver that;
- (e) too much capital had already been invested in Barley Homes to progress the company further;
- (f) the financial settlement proposed to be paid to SCC to enable FHDC and SEBC to continue as sole shareholders of Barley Homes was not considered appropriate;
- (g) the proposed development of the Town Hall Car Park site in Haverhill should potentially be removed from the business plan altogether and not be 'paused', as recommended.

Councillor David Nettleton proposed an amendment to the substantive motion, which was duly seconded by Councillor Tony Brown. A discussion was held on the amendment; however, with the agreement of Councillor Brown as seconder, Councillor Nettleton subsequently withdrew his proposed amendment to the substantive motion.

The debate resumed on the substantive motion.

Councillor David Nettleton asked a question in connection with a figure quoted in the press of £1.4 million income expected to be achieved for Barley Homes over a period of four years and where this figure was stated in Report No: CAB/JT/18/032. In reply, Councillor Sara Mildmay-White stated that Councillor Nettleton would receive a written response, which would also be circulated to all Members for their perusal.

The majority of Members agreed this was a sensible proposal and given that a planning application for the Westfield site was anticipated to be submitted imminently, and that plans for the Castle Hill site were progressing well, it was considered the proposal provided a positive opportunity for the West

Suffolk councils. Subject to approval, progress was likely to be made more quickly now that the FHDC and SEBC had greater control.

Councillor Sara Mildmay-White provided her right of reply, including responding to the concerns raised in (a) to (g) above.

Councillor David Nettleton, leader of the Charter Group, requested a recorded vote, which was duly supported by more than five other Members.

The substantive motion was then put to the vote. Of 36 Members present, the votes recorded were 27 votes for the motion, 9 against and no abstentions. The names of those Members voting for and against being recorded as follows:

For the motion:

Councillors Broughton, Simon Brown, Bull, Chester, Chung, Everitt, Glossop, Griffiths, Hailstone, Beccy Hopfensperger, Houlder, Marks, McManus, Mildmay-White, Pilley, Rayner, Roach, Rout, Smith, Speed, Springett, Stamp, Stevens, Thompson, Thorndyke, Wakelam and Patsy Warby.

Against the motion:

Councillors Beckwith, Tony Brown, Burns, Clarke, Clements, Fox, Hind, Paul Hopfensperger and Nettleton.

Abstentions:

None

The motion was therefore, carried.

RESOLVED:

That:

- (1) The proposal for Suffolk County Council to transfer its ownership of Barley Homes to the West Suffolk Councils be noted, and the terms of the deal as set out in paragraph 2.2 of Report No: CAB/JT/18/032, be agreed.
- (2) An additional working capital loan facility of £350,000 funded from the Strategic Priorities and Medium Term Financial Strategy (MTFS) reserves and as set out in section 3.4, be approved.
- (3) A revised total of £7.5 million (currently £6 million) revolving investment facility, be added to the Councils' capital programme, financed from capital receipts in line with paragraph 3.3.2.
- (4) Delegation be given to the S151 Officer and Monitoring Officer, in consultation with the Portfolio Holders for Resources and Performance and Housing to issue equity and loan funding from the revolving investment facility (set out in (3) above) subject to state aid requirements.
- (5) The S151 Officer and Monitoring Officer, in consultation with the Portfolio Holders for Resources and Performance, be authorised to

negotiate and agree the terms of such loans with Barley Homes and the funding and necessary legal agreements, taking into consideration the Council's loans policy and state aid requirements.

- (6) Approval of the Interim Business Plan will constitute consent for Barley Homes to issue shares and enter into debt financing, in line with the Business Plan, be noted.
- (7) The Councils' medium term financial revenue plans in line with section 3.5, be updated.
- (8) The proposed shareholder representative arrangements be agreed, and authority be given for the representatives to make all necessary decisions on behalf of the shareholders as required by the Articles of Association and Shareholder Agreement as set out in paragraphs 5.4 to 5.6.
- (9) The Shareholder Representatives be authorised to make all necessary arrangements for the purchase of the County Council's shareholding in Barley Homes, and the consequential governance amendments required to the Company's Articles of Association and Shareholder Agreement, as set out in paragraph 5.2.
- (10) The Shareholder Representatives be authorised to agree the Interim Business Plan contained in Exempt Attachment A of Report No: CAB/JT/18/032, subject to the development of the Town Hall Car Park, Haverhill, being paused to allow for further discussions on the aspirations of the site, and priority to be given to development of the sites at Westfields and Castle Hill.
- (11) It be noted that a comprehensive business case for Barley Homes will be presented to West Suffolk Council in 2019.
- (12) Agreement be given for the Council's Section 151 Officer to make the necessary changes to the Council's 2018/19 prudential indicators as a result of Decision (3).

387. Delegation to Babergh District Council for the Determination of a Planning Application (Report No: COU/SE/18/019)

Council considered Report No: COU/SE/18/019, which sought approval for delegating authority to Babergh District Council to determine a planning application which spanned the border between Babergh and St Edmundsbury.

The Council had received a planning application, DC/18/0818/FUL, for Glasshouse Barn (adjacent to Willow Tree Farmhouse), Mill Road, Brockley. Whilst the postal address was located in St Edmundsbury, the majority of the application site was located over the boundary in Babergh district. Officers had considered that the most appropriate way to determine this planning application that crossed the district boundaries was to propose to Council that it delegated its decision making powers on this application to Babergh District

Council, so that only one local planning authority was making the decision on whether to grant or refuse planning permission.

Councillor Susan Glossop, Portfolio Holder for Planning and Growth, drew relevant issues to the attention of Council.

Councillor Peter Stevens, Ward Member for the ward in which the application was located (Cavendish) supported the proposed approach, acknowledging that Babergh District Council's development management policies were similar to St Edmundsbury Borough Council's and therefore was satisfied that the application would be considered within that context.

On the motion of Councillor Susan Glossop, seconded by Councillor David Nettleton, and duly carried, it was:

RESOLVED:

That, Babergh District Council be given delegated authority to determine Planning Application DC/18/0818/FUL, as set out in Section 1.1 of Report No: COU/SE/18/019.

(Councillor Beccy Hopfensperger left the meeting during the consideration of this item.)

388. Appointment of Vice-Chairman of Overview and Scrutiny Committee

(With the agreement of the Mayor, this item was considered as a matter of urgency, in accordance with S100B(4) of the Local Government Act 1972, in order that this matter could be resolved within the necessary timescale.)

Council considered a late additional narrative item, which sought the appointment of a Vice-Chairman to the Overview and Scrutiny Committee.

As stated in his Leader's Statement, the Leader of the Council had recently appointed Councillor Susan Glossop to the Cabinet following the resignation of Councillor Alaric Pugh.

Article 6 of the Constitution stated that '*...The Leader and Portfolio Holders may not be members of any scrutiny committee...'*. Therefore, as a consequence of Councillor Glossop being appointed to the Cabinet, she could no longer be a full member of the Overview and Scrutiny Committee nor be a substitute member on the Performance and Audit Scrutiny Committee.

In accordance with the Constitution, appointments to committees could be made under delegated authority by the Service Manager (Democratic Services) on the nominations of Group Leaders; however, whilst being a full member, Councillor Glossop was also the Vice-Chairman of the Overview and Scrutiny Committee. Appointments of the Chairmen and Vice-Chairmen to the scrutiny committees could only be made by Council.

Councillor John Griffiths, Leader of the Council nominated Councillor Mike Chester to be appointed as Vice-Chairman of the Overview and Scrutiny

Committee, which was duly seconded by Councillor Diane Hind, Chairman of the Overview and Scrutiny Committee.

No other nominations were proposed.

On the motion of Councillor Griffiths, seconded by Councillor Hind, and duly carried, it was:

RESOLVED:

That, Councillor Mike Chester be appointed Vice-Chairman of the Overview and Scrutiny Committee for the remainder of the 2018/2019 municipal year.

389. Questions to Committee Chairmen

Council considered a narrative item, which sought questions of Committee Chairmen on business transacted by their committees since the last ordinary meeting of Council on 17 July 2018, as outlined below:

Committee	Chairman	Dates of meetings
Overview and Scrutiny Committee	Cllr Diane Hind	12 September 2018
Performance and Audit Scrutiny Committee	Cllr Sarah Broughton	25 July 2018
Development Control Committee	Cllr Jim Thorndyke	6 September 2018

No questions were asked of the above Chairmen.

390. Urgent Questions on Notice

No urgent questions had been received.

391. Exclusion of Public and Press

See minute 292. below.

392. Exempt Appendix: Referrals report of recommendations from Joint Executive (Cabinet) Committee (para 3)

Council considered Exempt Appendix 2 to Report No: COU/SE/18/018 under Agenda Item 9, however no reference was made to specific detail and therefore this item was not held in private session.

The Meeting concluded at 8.39 pm

Signed by:

Mayor

Council



St Edmundsbury
BOROUGH COUNCIL

Title:	Leader's Statement	
Paper No:	COU/SE/18/020	
Paper to and date:	Council	30 October 2018
Documents attached:	None	

Leader's Statement

1. Since my last Leader's Statement, the Council, together with Forest Heath District Council, has been very busy (as usual!). And I am delighted that we are actually delivering the things we said we would do as the new West Suffolk Council. Although I will touch on these in more detail, you can see from events such as our West Suffolk Business Festival and the Housing Conference, the number of people and companies with high national profiles coming to West Suffolk, supporting and taking note of what we are doing. We are driving business investment and supporting local companies, contributing to the recent good news of increased tourism spend in our area – and tonight, in discussing Western Way, we will look at some of the transformational work we are doing to get public services to work in a better way for our communities. Something, incidentally that will, again, make us a UK leader. We have been used as an example of good practice and the future way of doing things in the recent LG Communications Academy for how we interact in social media with community pages, talking directly to people and not just waiting for them to talk to us. Similarly, the work our Customer Services do has been highlighted during National Customer Service Week, and is something that applies not just to one team but to councillors and everyone that works here too. Perhaps one of the most recent visual representations of this – and how we remain an organisation based in our communities, with staff who are proud of that – is the cascade of poppies outside these doors tonight. These were made by our employees, and their friends and family in their own time. Although supported by the Council, this was the initiative of those who made it and a great demonstration of the teamwork and dedication that exists to support, celebrate and commemorate our residents and area. Thank you to all involved.

Business Festival

2. Once again our ten day Business Festival has been hugely successful. I was pleased, with many of you, to attend and not only talk to some of the inspirational business people that are in our area but also see the wide range of companies that call West Suffolk home. What was so clear is that we are seen as a business friendly area and authority, investing in services and infrastructure that supports local jobs and brings in business. The Business Awards were a great way to celebrate the achievements of many of our companies who are often trading, not just locally, but on the national and international stage. I hope you will all join me in thanking all who attended or entered the awards, as well as our staff and, of course, our many partners for who put on such a great event and sponsored it.

Tourism on the rise

3. After such a successful Business Festival I was pleased to see the latest tourism figures for West Suffolk, showing that the industry is booming in our area. We all know what a great place West Suffolk is to live in, work and visit, and it seems that is also recognised nationally. We continue with our partners such as Bury and Beyond to see increased tourism spend here in West Suffolk. The latest figures show for 2017 what we are achieving:-
 - Nearly £539 million was spent through tourism in West Suffolk, an increase of 5.4 per cent on the previous year.
 - There was an increase of 5.4 percent in tourism jobs between 2016 and 2017. Around 10,650 people being employed in 2017 in tourism in West Suffolk.
 - Last year there were 11.4 million tourist trips made to West Suffolk, up 7.3 per cent on 2016
4. While we all know that many things outside our control can impact on us, we have been doing our bit through providing a world class destination, with great parks and leisure facilities for all to enjoy. Equally through our Screen Suffolk work Bury St Edmunds and West Suffolk is increasingly being seen on the big and little screens. Who knows, in years to come like Cornwall, who enjoys the Poldark effect, there will be a St Edmunds drama?!

Customer Services Week

5. We celebrated Customer Service Week this month. I know many of you in the room tonight have worked closely with our customer services team. More and more people are turning to contact us online but many also visit our offices or ring in for advice and help. Good customer service is not just about what our Customer Service Team does, it is about how our councils act. As Councillors we know the importance of this in putting residents at the heart of what we do. It is good to see this being demonstrated across the board, but also in individual incidents such as when one of our bin crews helped a resident who had gone unnoticed all night following a fall in very cold weather. There is, of course, always room for improvement, but I would like to thank everyone for continuing to provide exemplary customer services for our residents.

Western Way

6. Putting our residents and businesses first is, and should be, the main priority for any local authority or public service and we continue to look for new and even better ways of working for our communities. Tonight we will be looking at some initial thoughts on how we best deliver services and support here in Bury St Edmunds in the future. Creating a public service village has, for some time, been an ambition for this authority. It's not just about bricks and mortar, and whilst not wishing to pre-empt any debate about whether we should continue work on bringing forward more detailed plans, the outline proposal is about bringing public services and partners together to be more than the sum of our parts or the buildings we work in. Not only could this be a new way of using the buildings and area better, but a transformational way of working, bringing new jobs, leisure, health, education and other public services together in one place, with multiple funding partners. The aim is to make it easier for people to access services which in turn will be more effective and good value. This remains an aspiration of our council and of other local public services, and I look forward to hearing peoples thoughts tonight.
7. There is, of course, a very long way to go on this project but, if councillors support the outline business case going forward for more detailed work, this could be a national leading project and a real investment in the communities of West Suffolk by the whole of the public sector, and others in the private and voluntary sectors.

Housing Conference

8. Since we last met we have held a highly successful and very well attended Housing Conference, where nationally renowned speakers with experience in Government and industry met to hear what we are doing but also to consider what can and should be done ahead. The conference covered a range of issues that we face across the nation, such as building the right kind of homes, in the right place. It is not just about building houses, but building foundations (and place) and working together to support people of all ages to become (or remain) independent. It was the first time we have run this, and I am pleased to report how well received it was by everyone who attended.

Suffolk Design Guide

9. A ground-breaking 'Design Guide' for building and development in Suffolk is being created by the county's local authorities, and is inspired by award-winning designer Wayne Hemingway. Critical to its success will be local input and with this in mind, a survey has now been launched to ensure that the views of Suffolk people play a key role in future decisions. Although other counties have produced similar Guides, this will be the first that incorporates the wishes and opinions of the people that matter most: those that live (or have lived) in, work in or visit the county and especially West Suffolk.
10. The Suffolk Design Guide will provide ground rules for planning applications for future Suffolk projects and the survey (at www.suffolkdesign.uk) and asks people to say what they do and don't like

about the way Suffolk is currently built; from its public buildings to street lighting. Suffolk Design is much more than bricks and mortar and what houses look like; it's about road layouts, parking, paths, landscaping, vistas, planting and services. Good design helps a place work, and who better to tell us what is needed than the people who live, work and visit here.

11. The survey is just the start of the process and our councils will work with other public bodies, land owners, developers, parish councils, architects, engineers, artists, and amenity groups to finalise the finished Guide. A wide range of events will also take place including conferences, study tours, community events, developer meetings and interactive exercises. I would encourage you to take part; the survey remains open until Wednesday 31 October 2018.

Regional meeting comes to West Suffolk

12. I am pleased to say that on 2 November 2018, we are hosting the Eastern Region meeting of the Local Authority Research and Intelligence Association. It will be a great opportunity to share with other local authorities the innovative work we are doing and to make sure all our decisions are based on evidence and data.

Local Government Boundary Review

13. You may remember I mentioned this at our last Council meeting and Councillor Nettleton quite rightly asked me if we were sure of the date. As ever I am writing this before the papers are published and indeed before we have heard the findings of the Local Government Boundary Commission for the new West Suffolk wards; but by the time you read this I believe they should have been published. That said, few things are certain and whether they have been published or not, I would like to thank everyone for taking part, making their views known and engaging with the process.

Poppies

14. It was an emotional moment this month when we unveiled the cascade of hand crafted poppies that are hanging in West Suffolk House as well as other offices in West Suffolk. What is awe inspiring about these 4,000 poppies is that they have all been knitted or crocheted by people with a link to West Suffolk Councils, West Suffolk House, their family, friends and volunteers. Hours of work have gone into making these to produce a personal and heartfelt commemoration of the centenary of the end of the First World War. Poppies are also on sale with all proceeds going to the Royal British Legion Appeal. I think we all had a lump in our throats when we saw the military personnel and representatives from the Royal British Legion catch their first glimpse of it and tell those who created it how much we all appreciated what they have achieved.

Councillor John Griffiths
Leader of the Council

Council



St Edmundsbury
BOROUGH COUNCIL

Title of Report:	Referrals Report of Recommendations from the Joint Executive (Cabinet) Committee	
Report No:	COU/SE/18/021	
Report to and date:	Council	30 October 2018
Documents attached:	Appendix 1: West Suffolk Gambling Act 2005 Statement of Policy Appendix 2: Local Area Profile 2019	

(A) Referrals from Joint Executive (Cabinet) Committee: 2 October 2018

1. West Suffolk Gambling Act 2005: Statement of Policy 2019 to 2022

Portfolio Holder: Cllr Susan Glossop

[Report No: CAB/JT/18/035](#) and [Appendix 1;](#) [Appendix 2;](#) [Appendix 3](#)

RECOMMENDED

That the revised West Suffolk Gambling Act 2005: Statement of Policy for the period 2019 to 2022, as contained in Appendices 1 and 2 to Report No: COU/SE/18/021, be adopted.

- 1.1 The Joint Executive (Cabinet) Committee at their meeting on 2 October 2018, considered Report No: CAB/JT/18/035 which sets out the results of the public consultation and sought approval for adoption of a revised joint West Suffolk Councils' Statement of Policy in accordance with the Gambling Act 2005, 2016-2019.
- 1.2 A statement of policy typically runs for a period of three years, although there is nothing to prevent the Councils from updating the policy more frequently, if so wished. The current West Suffolk policy will expire on 30 January 2019 and a revised version has been consulted on with statutory

consultees. This will then require review in 2021 for re-adoption by January 2022.

1.3 The Joint Executive (Cabinet) Committee particularly discussed the regulatory and enforcement powers of local authorities in relation to fixed odds betting terminals in betting shops and the harm that gambling could cause to some individuals. In particular, reference was made to the Local Area Profile for Newmarket and the Joint Committee requested to ensure that this adequately reflected the Town's particular local circumstances and that the most up-to-date and relevant data was used when applying the licensing principles.

1.4 Therefore, the Joint Executive (Cabinet) Committee had *RECOMMENDED*:

That, subject to the approval of Forest Heath District and St Edmundsbury Borough Councils, the revised West Suffolk Gambling Act 2005: Statement of Policy for the period 2019 to 2022, as contained in Appendix 2 to Report No: CAB/JT/18/035, be adopted, subject to:

- 1) *Ensuring that the future Local Area Profile, as set out in Appendix 3 to Report No: CAB/JT/18/035, adequately reflects the particular local circumstances in Newmarket, and to ensure the most up-to-date and relevant data is used when applying the licensing principles.*
- 2) *Further clarification being provided on the regulatory and enforcement powers of the local authority regarding fixed odds betting terminals.*

1.5 Following on from the discussions and recommendations from the Joint Executive (Cabinet) Committee on 2 October 2018, the Statement of Policy and the Local Area Profile has since been amended as set out below (these amended documents are attached at Appendices 1 and 2 to this Council report, with the changes highlighted in red text):

- West Suffolk Gambling Act 2005 Statement of Policy (Appendix 1)
 - Additional text to clarify the role of the Gambling Commission in comparison to that of licensing authorities (Part A; Sections 8.4 to 8.6).
 - Additional paragraph outlining the Gambling Act definition of 'gaming machines' in order to distinguish them from 'betting machines' (Part B; Section 8.1).
 - Added the Gambling Commission guidance and requirements to Schedule C:
 - Betting machines categories according to their use in different premises
 - Betting machines categories according to their maximum stake and prizes
 - Summarising the requirements specifically for fixed odds betting machines.

- Local Area Profile (Appendix 2)
 - Updated the bullet points on page 4 of the Local Area Profile where there were anomalies within the statistical information presented.
 - Removed the references to the Dog Track (Mildenhall area). As of October 2018 this Track was no longer in operation. (The licence had not been revoked at the time of the preparation and consideration of the Joint Committee report).
- 1.6 In relation to the specific circumstances which has been referred to with regards to gambling in Newmarket, Officers will be reviewing the Local Area Profile in line with the West Suffolk Council to add specific information about different wards and this will then include information about Newmarket.
- 1.7 This referrals report is also due for consideration by Forest Heath District Council at their meeting on 21 November 2018.
- 1.8 Members may also view the full Joint Executive (Cabinet) Committee report and its Appendices on the Council's website via the above links or may request a paper copy from Democratic Services.

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West Suffolk Gambling Act 2005 Statement of Policy

**Effective 30 January 2019 to 31 January 2022
(Unless revised sooner)**

(Amendments shown in red text)

Preface

Section 349 of the Gambling Act 2005 requires all licensing authorities to prepare and publish a statement of policy that they propose to apply in exercising their functions under the act during the three-year period to which the policy applies.

Working together, Forest Heath District Council and St Edmundsbury Borough Council have developed this document with due regard to all available regulations, conditions, codes of practice, statutory guidance, practical experience of legislation and any consultee responses. Should anything in future publications, legislative/regulatory changes or case law impact upon the content of this 'statement of policy' document, then it will be taken into account and the document may be updated at a later stage and with due consideration to the resource implications for the licensing authority.

All references made within this document to the Gambling Commission Guidance for Licensing Authorities, and any extracts quoted thereof.

Throughout this statement of policy the term 'the councils' and 'the licensing authority' should be read as jointly applying to both councils' licensing authority functions, that is, Forest Heath District Council and St Edmundsbury Borough Council. Where the statement applies to only one of the councils, it will be stated which one.

For more information refer to:

- www.gamblingcommission.gov.uk
- www.culture.gov.uk
- www.westsuffolk.gov.uk

If you require this information in another format or language, phone 01284 758050 or email licensing@westsuffolk.gov.uk to discuss your need.

Gambling Act 2005: Statement of policy

Effective 30 January 2019 until 31 January 2022

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Part A – General

1.0 The licensing objectives

1.1 In exercising most of its functions under the Gambling Act 2005, the licencing authority must have regard to the licensing objectives as set out in section 1 of the Gambling Act 2005 ('the Act'). The licensing objectives are:

1. **Preventing gambling from being a source of crime and disorder, being associated with crime or disorder, or being used to support crime.**
2. **Ensuring that gambling is conducted in a fair and open way.**
3. **Protecting children and other vulnerable persons from being harmed or exploited by gambling.**

The Gambling Commission has stated, with limited exceptions, the intention of the Gambling Act 2005 is that children and young persons should not be permitted to gamble and should be prevented from entering those gambling premises which are adult only environments. The objective refers to protecting children from being 'harmed or exploited' by gambling. This means preventing them from taking part in gambling activities except limited authorised activities (see schedule D), and for there to be restrictions on advertising so that gambling products are not aimed at children or advertised in such a way that makes them particularly attractive to children excepting category D machines.

1.2 In accordance with section 153 of the act, in making decisions about premises licenses and temporary use notices the licensing authority should **aim to permit** the use of the premises for gambling purposes in so far as it thinks it:

1. in accordance with any relevant code of practice issued by the Gambling Commission
2. in accordance with any relevant guidance issued by the Gambling Commission
3. reasonably consistent with the licensing objectives, and
4. in accordance with the authority's statement of policy.

2.0 The West Suffolk councils

2.1 Background

2.1.1 Forest Heath District Council and St Edmundsbury Borough Council are both district councils in terms of their functions and in 2011 both councils agreed to build on several years of informally sharing services by creating a West Suffolk partnership. The partnership is designed to retain each council's individual identity while having a single staff team working across the councils' boundaries (and beyond, through working with other partners). This partnership will be maintained when the two councils become West Suffolk Council on the 1 April 2019.

2.1.2 Since 2011 the West Suffolk councils have adopted several joint policies and strategies and also a shared constitution for West Suffolk which allows the

councils to maintain their own local identity where appropriate whilst simplifying how meetings are conducted, decisions are made decision-makers are held to account. The constitution is considered the foundation of every council and the shared document ensures there is a consistent decision-making process throughout all areas of both councils.

2.1.3 The West Suffolk councils have also adopted a joint Strategic Framework which sets out the vision, priorities and key actions for West Suffolk. The specific actions for the shared vision and strategic priorities are contained in the West Suffolk Strategic Framework, available at:
<https://www.westsuffolk.gov.uk/strategicframework>

2.1.4 More information about the services provided by the West Suffolk partnership can be found at <https://www.westsuffolk.gov.uk/civicleadership>.

2.2 About the area



2.2.1 The area of West Suffolk comprises the council areas of Forest Heath and St Edmundsbury, two predominantly rural districts in the heart of East Anglia. Well-connected with London, the rest of East Anglia and the Midlands, West Suffolk is a safe and comparatively prosperous place in which to live. It also has some beautiful and accessible countryside areas, including grassland, heath and forest.

2.2.2 Forest Heath has three main market towns, Brandon, Newmarket and Mildenhall. St Edmundsbury has two: Bury St Edmunds and Haverhill.

2.2.3 Bury St Edmunds, the largest settlement in West Suffolk, has been a prosperous town for centuries, with people drawn to its market and Georgian architecture, shops, leisure and cultural facilities.

2.2.4 Newmarket is known as the 'home of horseracing'. It has more racehorses, trainers, stable staff, stud farms and racing organisations in and around the town than anywhere else in the world, with racing accounting for a significant

number of local jobs.

- 2.2.5 Haverhill, Mildenhall and Brandon expanded significantly in the 1970s due to the construction of new housing to accommodate families moving as part of the Greater London Council's expansion programme.
- 2.2.6 Today, West Suffolk has a thriving, diverse economy, embracing a number of business sectors. These include tourism, food and drink, life sciences and advanced manufacturing, including a number of businesses trading with the two major US Air Force bases in West Suffolk.
- 2.2.7 In all of West Suffolk's towns and rural areas, many of the residents benefit from a good quality of life. However, some areas have suffered more than others from the impact of the economic downturn, and others are facing issues such as: rural isolation, a lack of skills or qualifications amongst young people, an ageing population with some in need of more specialist housing or care, poverty, or health deprivation.

2.3 Policy development

- 2.3.1 Licensing authorities are required by the act to publish a statement on the principles which they propose to apply when exercising their functions. This statement must be published at least every three years. The statement must also be reviewed from 'time to time' and any amended parts must be re-consulted upon. Following any amendment and consultation, the revised statement will then be re-published.
- 2.3.2 West Suffolk councils consult widely upon this statement of policy before it is finalised and published. The Gambling Act 2005 requires that the following parties are consulted by licensing authorities:
- The Chief Officer of Police
 - One or more persons who appear to the authority to represent the interests of persons carrying on gambling businesses in the authority's area
 - One or more persons who appear to the authority to represent the interests of persons who are likely to be affected by the exercise of the authority's functions under the Gambling Act 2005.

A list of the persons to be consulted by the licensing authority is attached to this document as **Schedule A**.

- 2.3.3 This policy will be consulted upon with key stakeholders between 10 July and 28 August 2018 and will be presented to Cabinet on 2 October 2018 and full Council 18 and 19 December 2018 for consideration of re-adoption.
- 2.3.4 It should be noted that this statement of policy document shall **not** override the rights of any person to make an application, make representations about an application, or apply for a review of a licence, as each will be considered on its own merits and according to the statutory requirements of the Gambling Act 2005.

2.4 Licensing Service contact details

Forest Heath District Council

Environmental Health
District Offices
College Heath Road
Mildenhall
Suffolk
IP28 7EY

St Edmundsbury Borough Council

Environmental Health
West Suffolk House
Western Way
Bury St Edmunds
Suffolk
IP33 3YU

or

Telephone: 01284 758050

email: licensing@westsuffolk.gov.uk

website: www.westsuffolk.gov.uk

3.0 Declaration

- 3.1 In producing this statement of policy the licensing authority declares that it has had due regard to the licensing objectives of the Gambling Act 2005 (see 1.1 of this document), the guidance issued by the Gambling Commission, and any responses from those consulted on the statement of policy.

4.0 Responsible authorities

- 4.1 The licensing authority is required by regulations to state the principles it will apply in exercising its powers under Section 157(h) of the act to designate, in writing, a body which is competent to advise the licensing authority about the protection of children from harm. The principles are:
- the need for the body to be responsible for an area covering the whole of the licensing authority's area;
 - the need for the body to be answerable to democratically elected persons, rather than any particular vested interest group.
- 4.2 In accordance with Gambling Commission Guidance for Licensing Authorities. This authority intends to designate the **Suffolk Local Safeguarding Children Board** for this purpose. The Suffolk Local Safeguarding Children Board has an arrangement with the Suffolk Constabulary for the Constabulary to act as their nominated agent in relation to Gambling Act 2005, when considering applications with a view to protecting children from harm.
- 4.3 The contact details of all the responsible bodies under the Gambling Act 2005 are available via the West Suffolk councils' website at or available upon request to the Licensing Service.

5.0 Interested parties

- 5.1 Interested parties can make representations about licence applications, or apply for a review of an existing licence. The Gambling Act 2005 defines interested parties as persons who:
- a. live sufficiently close to the premises to be likely to be affected by the authorised activities
 - b. have business interests that might be affected by the authorised activities, or
 - c. represents persons who satisfy paragraph a. or b.
- 5.2 The licensing authority is required by regulations to state the principles it will apply in exercising its powers under the Gambling Act 2005 to determine whether a person is an interested party. The principles are:
- Each case will be decided upon its merits; and
 - The licencing authority will not apply a rigid rule to its decision making. It may have regard to a number of factors, for example:
 - The size of the premises
 - The nature of activities the applicant proposes to provide at the premises, and
 - Guidance from the Gambling Commission that 'business interests' should be given the widest possible interpretation (see paragraph 24 of the Gambling Commission guidance).
- 5.3 Interested parties can include persons who are democratically elected such as county, parish and town councillors and MPs. Other than these persons, the licensing authority will normally require written evidence that a person 'represents' someone who either lives sufficiently close to the premises to be likely to be affected by the authorised activities and/or business interests that might be affected by the authorised activities.
- 5.4 If individuals approach councillors to ask them to represent their views then care should be taken that the councillors are not subsequently appointed as part of a licensing sub-committee who may be involved with the determination of dealing with the licence application. If any further guidance is required, generally or in individual cases, then please contact the Licensing Section at Forest Heath District Council.

6.0 Exchange of information

- 6.1 This licensing authority will, when exchanging information which it holds relating to gambling premises, permits and temporary permissions, apply the following principles:
1. Act in accordance with the provisions of the Gambling Act 2005.
 2. Comply with the Data Protection Act 1998 and any subsequent or supplementary guidance provided by the Information Commissioner.
 3. Comply with any relevant requirements of the Freedom of Information Act 2000.

4. Have regard to Part 13 of the Guidance issued by the Gambling Commission on this matter.
5. The Gambling Commission's publication 'Advice to Licensing Authorities on information exchange with the Gambling Commission' (as may be periodically updated).
6. Any relevant regulations issued by the Secretary of State under the powers provided in the Gambling Act 2005.

6.3 Should any protocols be established pursuant to section 350 of the Act concerning information exchange with the other bodies as listed in Schedule 6(1) of the act then these will be made available by the licencing authority.

7.0 Enforcement

7.1 Licensing authorities are required by regulation under the Gambling Act 2005 to state the principles to be applied by the authority in exercising the functions under Part 15 of the act with respect to the inspection of premises; and the powers under Section 346 of the act to institute criminal proceedings in respect of the offences specified. West Suffolk councils corporate enforcement policy will be applied when considering, managing and taking enforcement action. A copy is available on the councils' website.

7.2 This licensing authority's principles are that it will be guided by the Gambling Commission Guidance (in particular Part 36), the Regulators' Compliance Code, shall endeavour to regulate in the public interest and be:

- **proportionate:** regulators should only intervene when necessary and remedies should be appropriate to the risk posed, and costs identified and minimised
- **accountable:** regulators must be able to justify decisions, and be subject to public scrutiny
- **consistent:** rules and standards must be joined up and implemented fairly
- **transparent:** regulators should be open, and keep regulations simple and user friendly, and
- **targeted:** regulation should be focused on the problem, and minimise side effects.

7.3 In accordance with the Gambling Commission guidance, the licensing authority will endeavour to avoid duplication with other regulatory regimes so far as possible.

7.4 Any inspection programme, which may be adopted by the licensing authority, shall be risk-based. This would include targeting high-risk premises which require greater attention, whilst operating a lighter touch in respect of low-risk premises, so that resources are more effectively concentrated on problem premises. Further detail are available upon request.

7.5 The enforcement and compliance role for the licencing authority under the Gambling Act 2005 is to ensure compliance with the Premises licenses and other permissions, which it authorises. The Gambling Commission is the enforcement body for operator and personal licences. Manufacture, supply or

repair of gaming machines is dealt with by the Gambling Commission and not by the licensing authority.

- 7.6 This licensing authority will also endeavour to work in partnership with and support local businesses, having due regard to the stated principles and any best practice guidelinesⁱ published by the Better Regulation Executive, in respect of its responsibilities under the Gambling Act 2005 and other regulatory functions of the local authority.
- 7.7 With due regard to the principle of transparency, any enforcement/compliance protocols or written agreements developed by the licencing authority shall be made available upon request to the Licensing Team.
- 7.8 In considering applications, and taking enforcement action, under the Gambling Act 2005 the licencing authority shall duly consider any Human Rights Act 1998 implications (in particular Article 1, Protocol 1 and Articles 6, 8 and 10).

8.0 licencing authority functions

- 8.1 The Act gives Licensing Authorities a number of important regulatory functions in relation to gambling, the main functions of which are to:
- consider **notices** given for the temporary use of premises for gambling
 - grant **permits** for gaming and gaming machines in **clubs and miners' welfare institutes**
 - regulate gaming and gaming machines in **alcohol-licensed premises;**
 - grant **permits** to **family entertainment centres** (FEC's) for the use of certain lower stake gaming machines
 - grant permits for **prize gaming**
 - consider **occasional use notices** for betting at tracks
 - register small societies' lotteries
 - consider applications for **provisional statements**
 - provide information to the Gambling Commission regarding details of licences, permits, notices and registrations issued (see section 6 above on 'Exchange of information')
 - maintain registers of the permits, notices and licences that are issued under these functions, and
 - prepare and publish, every three years (or sooner if required), a **statement of the policy** it proposes to apply when exercising its functions under the Gambling Act 2005.

Additions or amendments to the list above notified by the Gambling Commission will be published on the council's website or upon request direct to the Licensing Service.

- 8.2 The councils' summary of delegations adopted under the Gambling Act 2005 is available separately via the council's website at www.westsuffolk.gov.uk or upon request to the Licensing Service.
- 8.3 It should be noted that local licensing authorities are not responsible for licensing remote gambling. This is the responsibility of the Gambling Commission.

8.4 The Gambling Commission works in partnership with licensing authorities to regulate gambling. In doing so, the Commission will tend to focus on operators and issues of national or regional significance, and licensing authorities will take the lead on regulating gambling locally. The Commission and licensing authorities may work directly together on particular issues, for example where it may establish a precedent or help build capacity and learning to be rolled out more widely. Licensing authorities work with local businesses to reduce the risk to the licensing objectives to acceptable levels.

8.5 The Act creates three types of licence:

- operating licences, which are required by businesses in order to provide gambling facilities lawfully
- personal licences, which are required by some people working in the gambling industry
- premises licences, which are required to authorise premises to provide gambling facilities.

8.6 In terms of the split of licensing functions, the Commission has responsibility for granting operating and personal licences for commercial gambling operators and personnel working in the industry. Licensing authorities have responsibility for licensing gambling premises within their area, as well as undertaking functions in relation to lower stake gaming machines in clubs and minors' welfare institutes. The Act also provides a system of temporary and occasional use notices and these are also regulated by local authorities.

9.0 Appeals

9.1 Appeals relating to premises licensing and other decisions by licensing authorities are covered within the relevant legislation and regulations and are referred to in Part 12 of the Gambling Commission guidance.

10.0 Risk assessment and local area profile

10.1 The Gambling Commission issue codes of practice under section 24 of the Gambling Act 2005, about the manner in which facilities for gambling are provided to ensure that:

- gambling is conducted in a fair and open way
- children and other vulnerable people are protected from being harmed or exploited by gambling
- assistance is made available to people who are, or may be, affected by problems related to gambling.

10.2 Codes of practice are either:

- social responsibility code provisions - which must be adhered to by all licence holders

- ordinary code provisions – these do not have the status of licence conditions but failure to take account of them can be used as evidence in criminal or civil proceedings.

10.4 Operators will be required to prepare a risk assessment for their business which takes into account the nature and characteristics of the locality in which they are situated.

Assessing local risk

1. Licensees must assess the local risks to the licensing objectives posed by the provision of gambling facilities at each of their premises, and have policies, procedures and control measures to mitigate those risks. In making risk assessments, licensees must take into account relevant matters identified in the licensing authority's statement of licensing policy.
2. Licensees must review (and update as necessary) their local risk assessments:
 - a. to take account of significant changes in local circumstances, including those identified in a licensing authority's statement of licensing policy
 - b. when there are significant changes at a licensee's premises that may affect their mitigation of local risks
 - c. when applying for a variation of a premises licence, and
 - d. in any case, undertake a local risk assessment when applying for a new premises licence.

Sharing local risk assessments

All non-remote casino, adult gaming centre, bingo, family entertainment centre, betting and remote betting intermediary (trading room only) licences, except non-remote general betting (limited) and betting intermediary licences.

1. Licensees should share their risk assessment with licensing authorities when applying for a premises licence or applying for a variation to existing licensed premises, or otherwise on request.

10.5 **Local area profiles:** Such risk assessments can make reference to the councils' area profile which may be compiled with respect to reported gambling-related problems in an area. At the time of preparing this edition of the statement of licensing policy there has been no evidence presented to the West Suffolk councils to support the assertion that any part had or is experiencing problems from gambling activities.

10.6 This position will be kept under review, however, as the council sees this as best practice has compiled a basic guidance document using ward profiles and licensing figures. This document is available on our website https://www.westsuffolk.gov.uk/Business/Regulation_and_Licensing/Licensing/Gambling_and_lotteries/index.cfm.

Part B – Premises licences

1.0 General principles

- 1.1 Premises licences are subject to the requirements set out in the Gambling Act 2005 and regulations. The act provides that conditions may be attached to licences, in a number of ways:
1. automatically, having been set out on the face of the act
 2. through regulations made by the Secretary of State
 3. by the commission, to operating and personal licences
 4. by the licensing authority, to premises licences and some permits, and
 5. by the licensing authority, by excluding certain default conditions on a premises licence.
- 1.2 When determining an application, this licencing authority **aims to permit** the use of premises for gambling in so far as it thinks it is:
- in accordance with any relevant code of practice issued by the Gambling Commission
 - in accordance with any relevant guidance issued by the Gambling Commission;
 - reasonably consistent with the licensing objectives, and
 - in accordance with the Authority's statement of principles.
- 1.3 **Definition of 'premises':** Premises is defined in the act as 'any place'. A particular premises cannot be granted more than one premises licences under the gambling act at any one time. It is possible for a single building to be subject to more than one premises licence, provided they are for different parts of the building and the different parts of the building can be reasonably regarded as being separate premises. Whether different parts of a building can properly be regarded as being separate premises will always be a question of fact in the circumstances. However, the Gambling Commission does not consider that areas of a building that are artificially or temporarily separated, for example by ropes or moveable partitions, can be properly regarded as different premises.
- 1.4 The licencing authority takes particular note of the Gambling Commission Guidance, which states that licensing authorities should take particular care when considering applications for multiple licenses for more than one premises licences for a single building, applications for a premises licence where part of the premises is used for non-gambling purposes. In particular the licencing authority will consider whether:
- entrances and exits from parts of a building covered by one or more licences are to be separate and identifiable so that the separation of different premises is not compromised and that people cannot 'drift' into a gambling area
 - premises are configured so that children are not invited to participate in, have accidental access to, or able to closely observe gambling where they are prohibited from participating, and

- customers are able to participate in the principal gambling activity authorised by the premises licence.

1.5 The licencing authority takes particular note of the Gambling Commission guidance, which states that licensing authorities should pay particular attention to applications where access to the licensed premises is through other premises, whether licensed or unlicensed. The licencing authority will consider whether:

- entrances and exits from parts of a building covered by one or more licences are to be separate and identifiable so that the separation of different premises is not compromised and that people cannot 'drift' into a gambling area
- premises should be configured so that children are not invited to participate in, have accidental access to, or closely observe gambling where they are prohibited from participating and
- customers are able to participate in the principal gambling activity authorised by the premises licence.
- children can gain access to the premises
- the two establishments are compatible and
- The proposed licence holder would be able to comply with the requirements of the act, for example, mandatory operating licence conditions, and
- Gambling Commission guidance in relation to division, separation or splitting of premises and primary gambling activity (Part 7 of statutory guidance).

In addition an overriding consideration for the licencing authority is whether, taken as a whole, the co-location of the licensed premises with other facilities has the effect of creating an arrangement that otherwise would, or should, be prohibited under the act.

1.6 Where an application is made in respect of a premises to be constructed or altered the licencing authority will consider each application on its own merits having due regard to the advice given by the Gambling Commission in its Guidance. The licencing authority will consider:

- if a future effective date on the licence is appropriate; or
- the licence should be issued subject to a condition that trading shall not commence until the premises have been completed in all respects and in accordance with the scale plans provided with the application.

The licencing authority may require inspection of the completed works or written confirmation from the applicant, their agent or surveyor to satisfy the authority that the completed works comply with the original, or changed, plan attached to the premises licence.

1.7 **Primary gambling activity:** The licensing authority takes particular note of the Gambling Commission guidance which states that licensing authorities exercise care when considering applications to ensure that the primary gambling activity of the premises should be that described by the premises

licence type. For example, in a bingo premises, the primary activity should be bingo, with gaming machines as an ancillary offer on the premises.

- 1.8 **Location:** Demand or need for licensed premises cannot be considered with regard to the location of premises. In accordance with the Gambling Commission guidance, the licencing authority will pay particular attention to protection of children and vulnerable persons from being harmed or exploited by gambling, as well as issues of crime and disorder. Should any specific policy be decided upon concerning areas where gambling premises should not be located, this policy statement will be updated. It should be noted that any such policy does not preclude any application being made and each application will be decided on its merits, with the possibility for the applicant to show how any concerns can be overcome.
- 1.9 **Duplication with other regulatory regimes:** The licencing authority seeks to avoid any duplication with other statutory/regulatory systems wherever possible, including planning, building control, health and safety and fire safety.

Should it come to the attention of the licencing authority that planning conditions or other regulatory restrictions/controls may impact on a premises operator's ability to comply with mandatory or default conditions then it may alert the applicant accordingly. The grant of a gambling premises licence does not prejudice or prevent any action that may be appropriate under the law relating to planning or building.

- 1.10 The premises operators are normally responsible for compliance with any other statutory requirements which may apply (for example, Regulatory Reform (Fire Safety) Order 2005).
- 1.11 The licencing authority will seek to avoid duplication with other regulatory regimes when dealing with the licensing function. If other existing law already places certain statutory responsibilities on an employer or operator of premises, it cannot be necessary to impose the same or similar duties on the premises licence (or, in certain circumstances, permit) holder. Once the discretion of the licencing authority is engaged, it is only where additional and supplementary measures are necessary to promote the licensing objectives that necessary and proportionate conditions will be attached to a licence.
- 1.12 Other local authority and government policies, strategies, responsibilities, and guidance documents may also refer to the licensing function, and the licencing authority may liaise with the relevant authorities or its directorates with regard to these. While some of these may not be directly related to the promotion of the licensing objectives, they can indirectly impact upon them. For example, the licencing authority will liaise closely with Local Police to ensure that the Local Authority can develop effective strategies that take full account of local crime and disorder issues.

It is the licencing authority's intention that it will, through its licensing committee, monitor how the matters set out in this paragraph impact on the licencing authority's licensing and other functions in order to integrate its licensing function with other relevant strategies.

The licencing authority will maintain a list of those strategies and policies with which it seeks to integrate its aims and objectives on the website, at www.westsuffolk.gov.uk.

- 1.13 **Licensing objectives:** Premises Licenses granted must be reasonably consistent with the licensing objectives. With regard to these objectives, the licencing authority has considered the Gambling Commission Guidance and provides some commentary below:

1. **Preventing gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime:**

The Gambling Commission takes the leading role in preventing gambling from being a source of crime. Where a particular area is associated with criminal activity the licencing authority will consider carefully whether gambling premises are suitable to be located there and whether conditions may be appropriate, for example the provision of door supervisors. There is a distinction between disorder and nuisance, and licencing authority will consider factors such as whether police assistance was required and how threatening the behaviour was to those who could see it, so as to make that distinction. Issues of nuisance cannot be addressed when determining applications under the Gambling Act 2005.

2. **Ensuring that gambling is conducted in a fair and open way:**

The Gambling Commission stated in its guidance that it would, with the exception of tracks (see Part B section 7 of this document) generally not expect Licensing Authorities to be concerned with ensuring that gambling is conducted in a fair and open way as this is addressed via operator and personal licensing requirements. If the licencing authority suspects that gambling is not being conducted in a fair and open way then this will be brought to the attention of the Gambling Commission for its further consideration.

3. **Protecting children and other vulnerable persons from being harmed or exploited by gambling:**

The Gambling Commission has stated, with limited exceptions, that the intention of the Gambling Act is that children and young persons should not be permitted to gamble and should be prevented from entering those gambling premises which are adult only environments. The objective refers to protecting children from being 'harmed or exploited' by gambling. This means preventing them from taking part in gambling activities except limited authorised activities (see schedule D), and for there to be restrictions on advertising so that gambling products are not aimed at children or advertised in such a way that makes them particularly attractive to children (excepting category D machines). With the exception of bingo clubs, tracks on race-days and licensed family entertainment

centres, children should not be permitted to enter licensed gambling premises.

The licensing authority will therefore consider, as suggested in the Gambling Commission Guidance, whether specific measures are required at particular premises, with regard to this licensing objective. Appropriate measures may include such matters as supervision of entrances/machines or segregation of areas.

The licensing authority will also have due regard to any relevant codes of practice issued by the Gambling Commission concerning this licensing objective in relation to specific premises.

This section refers to 'vulnerable persons' but for regulatory purposes assume that this group includes people who:

- gamble more than they want to
- gamble beyond their means
- who may not be able to make informed or balanced decisions about gambling due to a mental health needs, alcohol or drugs."

The licensing authority will consider this licensing objective on a case by case basis.

1.14 **Conditions:** Since the licensing authority must aim to permit the use of premises for gambling, it will not attach conditions which limit the use of the premises for gambling, except where that is necessary as a result of the requirement to act:

- in accordance with the Gambling Commission guidance, the commission's codes of practice or this licensing authority's statement of policy; or
- in a way that it is reasonably consistent with the licensing objectives.

This licensing authority notes that conditions on premises licences should only relate to gambling, and it is not necessary, proportionate or appropriate to impose conditions on a premises licence where the Gambling Commission's Licence Conditions and Codes of Practice, or other legislation, places the same or similar duties, responsibilities or restrictions on an employer or the operator of gambling premises.

This licensing authority shares the view of the Gambling Commission that the mandatory and default conditions set by the Secretary of State will normally be adequate for the general good conduct of gambling premises. However, where there are specific, evidenced risks or problems associated with a particular locality, specific premises, or class of premises in its area then the licensing authority may be able to attach individual conditions to address this.

Any conditions attached by the licensing authority to a premises licence shall be:

- carefully considered in view of the matters mentioned above
- proportionate

- directly related to the premises and the type of licence applied for
- relevant to the need to make the proposed building suitable as a gambling facility
- fairly and reasonably related to the scale and type of premises, and
- reasonable in all other respects.

Sections 169 to 172 of the Act set out certain matters that may not be the subject of licensing authority conditions, as set out below:

- any condition on the premises licence which makes it impossible to comply with an operator licence condition;
- conditions relating to gaming machine categories, numbers, or method of operation;
- conditions which provide that membership of a club or body be required (the Gambling Act 2005 specifically removes the membership requirement for casino and bingo clubs and this provision prevents it being reinstated); and
- conditions in relation to stakes, fees, winning or prizes.

The licensing authority will have due regard to these when considering the need for conditions.

- 1.15 The licencing authority will also consider specific measures, which may be required for buildings, which are the subject of more than one Premises Licence.

In considering these matters the licensing authority shall have due regard to:

- any mandatory or default conditions of licence;
- any relevant codes of practice (particularly social responsibility provisions linked to operator licences) issued by the Gambling Commission; and
- Gambling Commission guidance.

Such measures may include the supervision of entrances, segregation of gambling from non-gambling areas frequented by children and the supervision of gaming machines in specific non-adult gambling premises in order to promote the licensing objectives.

- 1.16 The licensing authority must be satisfied that where category C or above machines are available in premises to which children are admitted:

- all such machines are located in an area of the premises which is separated from the remainder of the premises by a physical barrier which is effective to prevent access other than through a designated entrance;
- only adults are admitted to the area where these machines are located;
- access to the area where the machines are located is supervised;
- the area where these machines are located is arranged so that it can be observed by the staff or the licence holder; and
- at the entrance to and inside any such areas there are prominently displayed notices indicating that access to the area is prohibited to persons under 18.

These considerations may apply to premises including buildings where more than one Premises Licence is applicable.

- 1.17 Tracks may be subject to one, or more than one, premises licence provided each licence relates to a specified area of the track. In accordance with the Gambling Commission guidance, the licensing authority will consider the impact upon the protection of children and vulnerable adults licensing objective and the need to ensure that entrances to each type of premises are distinct and that children are excluded from gambling areas where they are not permitted to enter.
- 1.18 In accordance with Gambling Commission guidance, the licensing authority may consider whether door supervisors are necessary and appropriate in the particular circumstances in order to:
- prevent premises from becoming a source of crime or disorder, or
 - protect children and vulnerable persons from being harmed or exploited by gambling.

Should the licensing authority consider that door supervisors are necessary and appropriate in the particular circumstances to promote the licensing objectives for a particular premises, it will normally expect that any person employed as a door supervisor at that premises will either:

- meet the minimum requirements necessary for that individual to be licensed by the Security Industry Authority (SIA) in normal circumstances (accepting that there is a specific exemption for the licensing of door supervisors by the SIA for casino and bingo premises), or
- the holder of the operator licence will have recruitment criteria for their door supervisors, which may specify:
 1. a minimum training standard (whether within the organisation, or a nationally accredited training course), and
 2. an assessment of whether that individual is fit and proper, for example by means of a subject access search, Disclosure and Barring Service (DBS) basic disclosure or other means.

2.0 Reviews

2.1 An application for review of a premises licence may be made by:

- an interested party
- a responsible authority, and
- the licencing authority, for:
 - a particular class of premises licence, or
 - in relation to a particular premises, and
- it is for the licencing authority to determine whether the review is to be carried out.

2.2 Any request for a review should normally relate to matters relevant to one or more of the following:

- any relevant code of practice issued by the Gambling Commission
- any relevant guidance issued by the Gambling Commission
- the licensing objectives, and
- the licencing authority's statement of policy.

When considering any review request, or whether to instigate its own review, the licencing authority will have due regard to the guidance issued by the Gambling Commission and consider:

- each application on its merits
- whether matters raised in the application are frivolous or vexatious
- whether the application would certainly not cause the it to amend/suspend or revoke the licence, or
- whether the request is substantially the same as any previous representations or requests made for a review or previous application for the same premises.

Officers of the authority may attempt informal mediation or dispute resolution techniques, where practicable, prior to a review being conducted.

2.3 A review application must only be determined by a subcommittee, and not by an officer. The purpose of a review is to determine whether the licencing authority should take any action in relation to the licence. The licencing authority must have regard to the principles set out in section 153 of the Act, as well as any relevant representations. If action is justified, the options are to:

- add, remove or amend a licence condition imposed by the licencing authority
- exclude a default condition imposed by the Secretary of State (relating to, for example, opening hours) or remove or amend such and exclusion
- suspend the premises licence for a period not exceeding three months, or
- revoke the premises licence.

3.0 Provisional statements

3.1 An applicant may apply for a full premises licence where the premises are uncompleted or unaltered (see Part B section 1.7 of this document). However, an applicant for a provisional statement does not need the right of occupation or an operator licence (granted or applied for), which are required in order to apply for a premises licence.

3.2 An application may be made to the licencing authority, under section 204 of the Act, for a provisional statement in respect of premises that the applicant expects to:

- be constructed
- be altered, or
- acquire a right to occupy.

An application may also be made for a provisional statement for premises which already have a premises licence (either for a different type of gambling or the same type).

- 3.3 When considering an application for a provisional statement the licencing authority shall have due regard to the guidance issued by the Gambling Commission (in particular Part 11). Subject to any necessary modifications, the process for considering an application for a provisional statement is the same as that for a premises licence, including the rights of interested parties and responsible authorities to make representations and rights of appeal.
- 3.4 If representations about premises licence applications following the grant of a provisional statement are received, they may not be taken into account unless they concern matters which could not have been addressed when determining the provisional statement, or they reflect a material change in the circumstances of the application. The licencing authority must determine the premises licence, referring only to matters:
- which could not have been raised by way of representations at the provisional statement stage
 - which in the licencing authority's opinion reflect a change in the operator's circumstances, or
 - where the premises has not been constructed in accordance with the plan and information submitted with the provisional statement application. If there are substantial changes to the plan the licencing authority will discuss any concerns with the applicant before making a decision.
- 3.5 In accordance with section 210 of the act (which applies to premises licences and provisional statements), the licencing authority must not have regard to whether or not a proposal by the applicant is likely to be permitted in accordance with planning or building law.

4.0 Temporary use notices

- 4.1 Temporary use notices (TUN) allow the use of premises for gambling where there is no Premises Licence but where a licensed gambling operator wishes to use the premises for providing facilities for equal chance gaming. The Gambling Commission guidance suggests that premises that might be suitable for TUNS may include hotels, conference centres and sporting venues, and that equal chance gaming may include games such as backgammon, mah-jong, rummy, kapok, dominoes, cribbage, bingo and poker but may not be provided by means of machine.
- 4.2 There are a number of statutory limits that apply in respect of a TUN, including that a TUN may only be granted to a person or company holding a relevant operator licence, in effect a non-remote casino operating licence, and limitations on the number of times a 'set of premises' can be used under these provisions.
- 4.3 A 'set of premises', as referred to in section 218 of the act, is the subject of a TUN if any part of the premises is the subject of a notice. This reference to 'premises' is not the same as that in Part 8 of the Act and prevents one large

premises from serving a TUN for different parts of the premises and exceeding the statutory limit of 21 days in any 12 month period.

- 4.4 The licencing authority will take into account Gambling Commission guidance when considering whether a place falls within the definition of a 'set of premises'. This consideration may include looking at the ownership, occupation and control of the premises. The Gambling Commission guidance advises that: "This is a new permission and licensing authorities should be ready to object to notices where it appears that their effect would be to permit regular gambling in a place that could be described as one set of premises."
- 4.5 Where a notice of objection is received in respect of a temporary use notice, the licensing authority will hold a hearing and consider representations from:
- the person who gave the notice
 - any person who objected to the notice, and
 - any party who was entitled to receive a copy of the temporary use notice.

Where all parties agree that a hearing is unnecessary, the hearing may be dispensed with.

- 4.6 Where objections are made, a modification to the TUN may be proposed, which could include:
- a reduction in the number of days when gambling occurs
 - a restriction on the type of gambling which may take place.
- 4.7 Where, following a hearing, or after a hearing has been dispensed with, the licensing authority considers that the temporary use notice should not have effect, it must issue a counter notice which may:
- prevent the temporary use notice from taking effect;
 - limit the activities that are permitted
 - limit the time period of the gambling
 - allow the activity to take place subject to a specified condition.
- 4.8 The principles which the licensing authority will apply in determining a TUN are those which it will apply when determining a premises licence, as set out at part B, General principles, subject to its view as to whether it accords with a:
- commission code
 - the Guidance issued by the Gambling Commission
 - this licensing authority's statement of licensing policy, and
 - is reasonably consistent with the licensing objectives.

5.0 Occasional use notices

- 5.1 Occasional use notices (OUN) permit licensed betting operators (with appropriate permission from the Gambling Commission) to use tracks for short periods for conducting betting, where the event upon which the betting is taking place is of a temporary, infrequent nature. The OUN dispenses with the need for a betting Premises Licence for the track in these circumstances.

- 5.2 The OUN must be served by a person who is responsible for the administration of events on the track or by an occupier of the track.
- 5.3 The licencing authority must ensure that the statutory limit of eight days in a calendar year is not exceeded. The licencing authority must consider the definition of a 'track', which need not be a permanent fixture, and whether the applicant is eligible to serve the notice.

6.0 Casinos

- 6.1 This licencing authority has not passed a 'no casino' resolution under Section 166 of the Gambling Act 2005, but retains the power to do so. Any change will be published on the councils' website and the statement of principles in the intervening period.
- 6.2 Where a licencing authority area has the power to determine a premises licence application for a new style casino, it will do so following any regulations under Section 175 of the Gambling Act 2005 published by the Secretary of State.
- 6.3 The act lays down a framework for a two-stage process for considering applications in circumstances where the number of applications exceeds the number of licences available, and this will be followed by the licencing authority.
- 6.4 **Licence considerations/conditions:** The licencing authority shall have due regard to the Gambling Commission guidance in relation to the suitability and layout of casino premises, and also the guidance issued by the commission on primary gambling activity at casino premises.
- 6.5 **Betting machines:** Where betting is permitted in a casino, the licencing authority will normally, in accordance with the Gambling Commission guidance and when considering whether to impose a condition to restrict the number/nature/circumstances of betting machines (bet receipt terminals) made available in particular premises, take into account the size of the premises, the number of counter positions available for person-to-person transactions, and the ability of staff to monitor the use of the machines by children and young persons (it is an offence for those under 18 to bet) or by vulnerable persons,.

7.0 Bingo premises

- 7.1 It is important that if children are allowed to enter premises licensed for bingo that they do not participate in gambling, other than on category D machines. Where category B or C or machines are made available for use on premises to which children are admitted Licensing Authorities should ensure that:
- all such machines are located in an area of the premises separate from the remainder of the premises by a physical barrier which is effective to prevent access other than through a designated entrance; and
 - only adults are admitted to the area where the machines are located.

- 7.2 The licencing authority shall have due regard to relevant licence conditions and codes of practice in relation to the operation of Bingo premises, and also the Gambling Commission's guidance about the particular issues that licensing authorities should take into account in relation to the suitability and layout of bingo premises. This includes guidance on primary gambling activity, split premises and operating licence conditions.

8.0 Betting premises

- 8.1 **Gaming machines** are defined by the Act as machines designed or adapted for use by individuals to gamble (whether or not it can also be used for other purposes. It is an offence under the Act to make a gaming machine available for use, except under:

- An Operating Licence
- A Family Entertainment Centre Gaming Machine Permit
- A licensed premises Gambling Machine Permit
- A notification by Premises Licence Holder under Licensing Act 2003
- Exception for travelling fairs to operate category D gambling machines
- Provision that there is no prize or prize limited to value not in excess of amount paid to play

Further details about gaming machines can be found in Schedule C.

- 8.2 **Betting machines:** The licencing authority will normally, in accordance with the Gambling Commission guidance; take into account the size of the premises, the number of counter positions available for person-to-person transactions, and the ability of staff to monitor the use of the machines by children and young persons (it is an offence for those under 18 to bet) or by vulnerable people, when considering the number/nature/circumstances of betting machines (bet receipt terminals) an operator wants to make available. Children and young persons will not be able to enter premises which hold a betting premises licence, unless the special rules applying to tracks are applicable.
- 8.3 Betting machines (Bet receipt terminals) are not gaming machines under the Act, and do not accrue against the premises entitlement for gaming machines, **unless** the machine is designed or adapted for use to bet on **virtual** races (that is, images generated by computer to resemble races or other events) in which case it is considered a gaming machine. Where betting facilities are provided only by betting machines the number of betting machines must exceed the number of gaming machines made available for use.
- 8.4 The licencing authority shall have due regard to the Gambling Commission's guidance in relation to the suitability and layout of betting premises. This includes guidance on primary gambling activity, split premises and operating licence conditions.

9.0 Tracks

9.1 Tracks are defined under the act as “a horse race course, greyhound track or other premises on any part of which a race or other sporting event takes place or is intended to take place”. Examples of tracks include:

- a horse racecourse
- a greyhound track
- a point to point horse race meeting
- football, cricket and rugby grounds
- an athletics stadium
- a golf course
- venues hosting darts, bowls or snooker tournaments
- premises staging boxing matches
- sections of river hosting a fishing competition
- a motor racing event.

This list is not exhaustive, but gives an example of the types of venue which could accommodate the provision of betting facilities.

9.2 There are three types of authorisation under which betting facilities may be made available at a sporting event:

- an occasional use notice
- a temporary use notice and
- a track premises licence.

Betting in relation to tracks may be provided either as on course, or off course betting. The different types of betting are explained in detail in the Guidance issued by the Gambling Commission, and an up to date excerpt of this guidance is published at www.gamblingcommission.gov.uk.

9.3 A betting premises licence permits premises to be used for the provision of facilities for betting, whether by:

- making or accepting bets
- acting as a betting intermediary, or
- providing other facilities for the making or accepting of bets.

9.4 Tracks are the only class of premises that may be subject to more than one premises licence, provided that each licence relates to a specific area of the track. This allows track venues to develop leisure facilities such as a casino and apply for a (casino) premises licence for that part of the track.

9.5 There is no special class of betting premises licence for a track, but the act does contain rules which apply specifically to Premises Licences granted in respect of tracks.

9.6 Special rules apply to applicants for a premises licence in relation to a track. Most importantly the applicant need not hold an operator licence. That is because, unless the occupier of the track wishes to offer pool betting (or general betting) facilities himself (for which he will need a licence) the betting that is provided upon the track will not be provided by him, but will be provided by other operators who come on-course. Since those people will require the

necessary operator licences, the act allows the track operator to obtain a premises licence without also having to hold an operator licence. This track premises licence then authorises anyone upon the premises with a valid operator licence to offer betting facilities.

- 9.7 Track premises licences are distinguished from all other premises licences because children and young persons are allowed to be present on the track while betting is taking place on those licensed premises.
- 9.8 Track premises that safeguard the achievement of the three licensing objectives may generally be considered fit for gambling, and some general principles hereby licensing authorities can establish whether a track is fit for the provision of gambling facilities are, as follows:

Licensing objective	Issues to consider	Reason to consider a track premises unfit for gambling purposes?
The protection of children and other vulnerable persons from being harmed or exploited by gambling	Tracks permit access to children.	No - children are allowed access to tracks on race days.
	Bet receipt terminals in areas where there is no supervision which would allow children or young persons to use machines undetected.	No - It is a mandatory condition of the operating licence that operators ensure that bet receipt terminals are supervised. This is not an issue for the premises licence.
	Children are allowed access to areas holding category B and C gaming machines.	It is a mandatory condition of the operating licence that operators ensure that children are not allowed access to areas where category B and C gaming machines are provided. However, section 182 of the Act also creates a premises licence condition that children and young persons must be excluded from areas where any gaming machines other than category D are located.
	Betting areas adjacent to areas where children/young persons are present such as play	No - children are allowed access to tracks on race days and so will be exposed to gambling areas.

	areas	It is a mandatory condition of the operating licence that operators do not accept bets from children or young persons.
	Betting areas adjacent to areas where children/young persons are present such as play areas	The commission considers that the location of betting does not generally pose a risk to this licensing objective. Licensing authorities may impose their own local conditions where they perceive problems.
Ensure gambling is conducted in a fair and open way	The rules of betting are not displayed on the premises.	No (not an issue at application stage) - it is a mandatory condition of the premises licence that the rules of betting are displayed.
	Unlicensed betting operators are allowed to operate on tracks.	No (not an issue at application stage) - it is a mandatory condition of the premises licence that licence holders make arrangements to ensure that they only allow licensed operators on track.
	Betting takes place out of approved hours.	No (not an issue at application stage) - it is a mandatory condition of the premises licence that betting only takes place within the specified hours.
Prevent gambling from being a source of crime and disorder	Betting is allowed in all parts of a track resulting in greater difficulties for track premises licence holders to identify instances of illegal betting.	No - the Commission's view is that this does not generally pose a risk to this objective. Licensing authorities may impose their own conditions should they perceive a problem.
	No formal exit/entry points allowing easy access for unapproved operators and customers.	No - the commission's view is that this does not generally pose a risk to this objective. Licensing authorities may impose their own conditions should they perceive a problem.

The licencing authority will take any such guidance into consideration when determining an application for a track premises licence.

9.9 **Access to premises and other parts of the track:** Access between premises licensed for gambling and non-gambling areas is an important local licensing consideration, for reasons such as the following:

- to prevent operators from seeking to circumvent the Act by artificially subdividing a premises and securing separate premises licences for its composite parts
- to ensure that operators do not circumvent regulations governing the maximum number of gaming machines applicable to specific premises;
- to ensure that people who have entered a premises for one type of gambling are not exposed to another, potentially harder, form of gambling
- to ensure that there is no direct access between gambling premises to which children have access and those which they are prohibited from entering
- to ensure that all gambling premises have publicly accessible entrances, and
- to ensure that gambling premises are not developed in the backrooms of other commercial premises.

9.10 **Access by children – special dispensation for tracks:** The act forbids all persons under 18 years old to enter premises when betting facilities are being provided, other than at tracks. This dispensation allows families to attend premises such as greyhound tracks or racecourses on event days, and children to be permitted into areas where betting facilities are provided, such as the betting ring, where betting takes place. This dispensation does not, however, apply to:

- areas within a track where category C or above machines are provided, or
- other premises to which under 18 year olds are specifically not permitted access.

Licensed betting operators at tracks are bound by their operating licence conditions which prevent them from accepting bets from persons who are under 18 years old. The track premises licence holder is also required through premises licence conditions to display a notice in a prominent place at every public entrance stating that no person under the age of 18 is permitted to bet on the premises.

There may be some specific considerations with regard to the protection of children and vulnerable persons from being harmed or exploited by gambling, the need to ensure entrances to each type of premises are distinct and that children are excluded from gambling or betting areas where they are not permitted to enter.

Children and young persons will by law be permitted to enter track areas where facilities for betting are provided on days when dog racing and/or horse racing takes place, although they are still prevented from entering areas where gaming machines (other than category D machines) are provided. The licencing authority will normally expect premises licence applicants to demonstrate

suitable measures to ensure the children do not have access to adult only gambling facilities.

Appropriate measures may include:

- proof of age schemes
- CCTV
- door supervisors
- supervision of entrances/machine areas
- physical separation of areas
- location of entry
- notices/signage
- specific opening hours
- the location of gaming machines
- self barring schemes
- provision of information leaflets/helpline numbers for organisations such as GamCare or Gamble Aware.

This list is not mandatory, nor exhaustive, and is merely indicative of example measures.

- 9.11 **Betting on event and non-event days:** Premises licence holders will be expected to comply with the mandatory and default conditions applicable to them on both event and non-event days. The licensing authority will not generally expect to re-assess a licence application as a result of a change to the dates of sporting events, but would expect applicants and licence holders to make information about sporting fixtures available as part of the application.

Significant changes to the fixture/events listing have a bearing on the licence conditions in that track premises licence holders will be expected to comply with the mandatory and default conditions applicable to them on both event and non-event days.

On days when no public sporting event is taking place on a track, gambling facilities may only be provided on the track between the hours of 7am and 10pm. Where the premises user intends to continue to offer facilities for gambling outside the proposed gambling hours on non-event days these facilities should be provided by virtue of an occasional use notice.

On non-event days, tracks become similar to licensed betting offices on the high street. Tracks may achieve this requirement by:

- locating all betting areas inside an area of the premises that is separated from the remainder of the premises by a physical barrier, thereby preventing access other than through a designated entrance
- only admitting adults to the part of the track where betting areas are located, by establishing procedures for verifying customer ages and refusing entry to adult-only areas for those unable to produce an acceptable form of identification (and taking action where there are unlawful attempts to enter adult-only areas), and
- placing prominent notices in front of and inside each entrance stating that access to the area is prohibited to persons under 18.

The licensing authority may consider reducing the default gambling hours, providing any reduction is in line with the principles set out in section 153 of the Act.

- 9.12. **Bet receipt terminals:** Licensed operators may install bet receipt terminals on tracks. There is no restriction on the number of bet receipt terminals that may be in use but operators must, by virtue of their operating licence conditions, supervise such terminals to prevent them being used by those under 18 years of age.

There is no formal requirement on track premises licence holders to involve themselves in the procedures used by betting operators to supervise their bet receipt terminals unless specific local conditions specifying supervisory arrangements are added to the track premises licence by the licensing authority terminals.

- 9.13 **Gaming machines:** A track premises licence does not of itself entitle the holder to provide gaming machines, as this type of premises licence can be held without any corresponding operating licence.

Where a track owner holds both a track premises licence *and* a pool betting operating licence issued by the commission (in effect, greyhound tracks only), they may site up to four gaming machines within categories B2 to D on the track.

Some tracks may also hold a premises licence under the Licensing Act 2003. As such they will be automatically entitled under section 282 of the act to two gaming machines of category C or D.

In such scenarios the operating licence entitlement does not take precedence, and each licence has its own requirements that must be complied with.

Applications for permits to allow additional gaming machines are not permitted where the premises is already covered by a track premises licence.

It is a condition of section 282 of the act that alcohol-licensed premises licence holders (not necessarily the owners) must comply with any relevant provision of a code of practice under section 24 about the location and operation of a gaming machine. The gaming machine permits code of practice can be found on the commission's website.

Where track premises licence holders possess a pool betting operating licence, the commission places a mandatory licence condition on such operators that they must:

- have and put into effect documented policies and procedures to prevent underage gambling, and
- monitor the effectiveness of these.

- 9.14 **Administration of betting:** Administrative and quasi-regulatory arrangements in place to ensure that activities held on tracks run smoothly for paying

customers, track operators and betting operators are considered to be outside the remit of the act unless they affect the licensing objectives.

- 9.15 **The role of track premises licence holders:** The responsibilities of track premises licence holders are established by the mandatory and default licence conditions attaching to their premises licence.

The licensed betting operators authorised by track owners to provide betting facilities at tracks must comply with their operating licence conditions and codes of practice issued by the commission.

Track premises licence holders have a responsibility to report regulatory breaches or potential breaches relating to the premises itself or to betting operators.

- 9.16 **Acceptance of bets:** Track premises licences for greyhound tracks and racecourses are subject to mandatory licence conditions requiring access to be offered at the track-side to betting operators generally. This prevents track premises licence holders who are also pool betting operators from becoming a monopoly supplier of betting on tracks.

While this does not mean that there must be independent betting operators on tracks on event days, track premises licence holders cannot hold event days without at least making places available to licensed operators. This matter is the responsibility of the Gambling Commission and not the licencing authority.

- 9.17 **Pool betting:** Under the act, holders of track premises licences on licensed greyhound tracks are given exclusivity to offer pool betting facilities on greyhound racing.

They may also authorise other people to conduct such pool betting on their behalf, although in all cases a relevant operating licence will be required to license this activity

A totalisator on a licensed greyhound track will only be permitted while the public are admitted to the track for the purpose of attending greyhound races, and no other sporting events are taking place. A mandatory condition is attached to the premises licence to this effect.

- 9.18 **Admission of betting operators:** It is a mandatory premises licence condition of track premises licences that the licence holder makes arrangements to ensure that the betting operators they admit to their track operate under valid operating licences.

Track premises licence holders are responsible for determining their own arrangements for the verification of betting operators. As part of this process, the track premises licence holder should make arrangements for ensuring that the betting operator holds an operating licence. Additionally, both parties should agree a procedure for assessing that persons accepting bets on behalf of a betting operator either themselves hold operating licences in their own right, or are employed by the operator under a written contract of employment.

- 9.19 **Removal of illegal betting operators:** Track premises licence holders are required by a mandatory licence condition to take reasonable steps to remove from the racecourse anybody found to be providing facilities for gambling without authorisation. Failure to uphold this requirement could result in action being taken against the premises licence holder.

Track premises licence holders are not expected to have proactive policies and procedures for identifying illegal gambling other than the mandatory requirement to verify that betting operators offering betting facilities on their track hold suitable operating licences.

- 9.20 **Display of rules:** It is a mandatory condition of premises licences that clear and accessible information about the terms on which a bet may be placed must be displayed at betting premises, including tracks.

The track premises licence holder should make the necessary arrangements to ensure that betting rules are accessible to all customers, regardless of which area of the track they are in. If certain areas are restricted to certain customers (such as different stands within a football ground) then rules could be displayed at various parts of the track. Other measures could be taken to ensure that they are made available to the public, such as printing them in the race-card or programme. The requirement could also be met by making a copy of the rules available in leaflet form from the main track office, and customers could be given a copy if they request one.

Betting operators offering betting facilities on racecourses and at greyhound tracks are required through the conditions of their operating licence to clearly display any of their own rules that differ from those that the track premises licence holder elects to display, and their rules concerning voids, late bets, and maximum payouts. For racecourses and greyhound tracks, the maximum payout will vary according to the rules of individual on-course operators.

- 9.21 **Approved betting areas:** In considering applications, the licensing authority will take into account the licensing objectives and assess whether these objectives are compromised by proposed betting arrangements. The location of betting areas (other than those for gaming machines and bet receipt terminals) is not considered a threat to the licensing objectives and therefore no additional conditions would normally be imposed by licensing authorities, unless the circumstances are such that the licensing authority considers that the licensing objectives would be undermined.

- 9.22 **Multiple licences:** The act permits a licencing authority to issue more than one premises licence for a track provided that each licence relates to a distinct specified area of the track (although there cannot be more than one premises licence covering the same area of the track.)

This enables track owners to extend existing facilities to provide other gambling facilities such as a casino on their existing tracks, whereby these additional gambling activities are covered by separate premises licences.

Where an application is made for an additional premises licence, the licencing authority will consider the following matters when determining an application:

- access issues in particular whether access to the desired premises will be allowed directly from the track. Direct access between a track and other betting premises (other than a track betting shop) is not permitted. The track owner would need to make arrangements so that access to a casino or bingo hall would be via a street, not via the track itself.

Where a particular area of a track is already subject to a premises licence, and a person wishes to apply for a licence to offer another type of activity in that area, an application must be made to the licensing authority to vary the original premises licence. The new track premises licence can only be granted at the same time as, or after, the original licence has been varied.

Where the licensing authority receives an application indicating separate betting areas that may not necessarily have clear physical boundaries, such as walls or fencing, it may grant the licence where it is satisfied that the area is clearly delineated, both in terms of making it clear to the public that they are entering a 'betting office', and to keep out persons aged under 18.

Where the licensing authority is not satisfied that a new activity in an existing area is clearly delineated, it may consider refusing the application.

- 9.23 **Social responsibility considerations for tracks:** The Act places a condition on the track premises licence that the licensee shall ensure that children and young persons are excluded from any area where facilities for betting are provided (unless on race days at racetracks and at greyhound tracks).

10.0 Adult gaming centre's

- 10.1 The licencing authority will specifically have regard to the need to protect children and vulnerable persons from harm or being exploited by gambling and will require applicants to demonstrate that there will be sufficient measures to ensure that under 18 year olds do not have access to the premises.

Appropriate measures may also be included within mandatory/default conditions, codes of practice and cover matters such as:

- proof of age schemes
- CCTV
- supervision of entrances / machine areas
- physical separation of areas
- access and Location of entry
- notices / signage
- self-barring schemes
- ATM locations
- prohibition of alcohol consumption
- provision of information leaflets/helpline numbers for organisations such as GamCare or Gamble Aware.

This list is not mandatory, nor exhaustive, and is merely indicative of example measures.

The licencing authority may determine the opening hours for adult gaming centres, on a case-by-case basis, in the absence of any default conditions addressing this matter.

11.0(Licensed) family entertainment centre's

11.1 The licencing authority will specifically have regard to the need to protect children and vulnerable persons from harm or being exploited by gambling and will require applicants to demonstrate that there will be sufficient measures to ensure that under 18 year olds do not have access to the adult only Category C gaming machine areas.

The licencing authority will require applicants to demonstrate that there will be sufficient measures to promote the licensing objectives. Appropriate measures may also be included within mandatory/default conditions, codes of practice and cover issues such as:

- CCTV
- supervision of entrances / machine areas
- physical separation of areas
- access and Location of entry
- notices/signage
- challenging children or young person's attempting to play Category C machines
- self-barring schemes
- ATM location
- prohibition of alcohol consumption
- provision of information leaflets/helpline numbers for organisations such as GamCare or Gamble Aware
- measures/training for staff on how to deal with suspected truant school children on the premises.

This list is not mandatory, nor exhaustive, and is merely indicative of example measures.

The licencing authority may determine the opening hours for licensed FEC's, on a case-by-case basis, in the absence of any default conditions addressing this matter.

11.2 The licencing authority will, in accordance with the Gambling Commission guidance, make itself aware of any conditions that may apply to operator licenses covering the way in which the area containing the category C machines should be delineated. The licencing authority will ensure that it has due regard to any mandatory or default conditions on these premises licenses, codes of practice and guidance issued by the Gambling Commission when dispending its functions in relation to licensed family entertainment centres.

Part C. Permits, temporary use notices and occasional use notices

1.0 Unlicensed family entertainment centre (unlicensed FEC's) gaming machine permits

- 1.1 Unlicensed family entertainment centres (FEC's) are commonly located at seaside resorts, in airports and at motorway service stations, catering for families - including unaccompanied children and young persons. Where a premises does not hold a Premises Licence but there is an intention to provide gaming machines (category D only), an application may be made to the licencing authority for the grant of this permit. The applicant must be an individual aged 18 or over, and he/she must occupy or plan to occupy the relevant premises. The licencing authority may only grant a permit where it is satisfied that the applicant intends to use the premises as an unlicensed FEC and where it has consulted the Chief Officer of Police on the application. Any duties on the applicant to comply with other legislation such as fire regulations or health and safety are not issues for the licencing authority under the Gambling Act 2005.

If the operator of a family entertainment centre intends to make category C machines available, in addition to category D machines, then an application must be made for an operator licence from the Gambling Commission and a premises licence from the licencing authority

- 1.3 Details of up to date application requirements, including any supporting documentation, are made available on the councils' website at https://www.westsuffolk.gov.uk/Business/Regulation_and_Licensing/Licensing/Gambling_and_lotteries/index.cfm or from our Licensing Service.
- 1.4 It should be noted that a licencing authority cannot attach conditions to this type of permit.
- 1.5 **Statement of principles:** The licencing authority will expect the applicant to satisfy it that that they and their employees can demonstrate a full understanding of the maximum stakes and prizes of the gambling that is permissible in unlicensed FEC's. The applicant is expected to demonstrate that he has considered appropriate measures to promote the licensing objectives, and training for staff on issues such as:
- suspected truant school children on the premises
 - how staff would deal with unsupervised very young children being on the premises
 - children causing problems on or around the premises, and
 - maximum stakes and prizes of the gambling that is permissible in unlicensed FEC's.

This list is not mandatory, nor exhaustive, and is merely indicative of example measures.

- 1.6 The Chief Officer of Police is a statutory consultee for all such permit applications, and any representations made by him/her will be considered by the licencing authority.
- 1.7 The licencing authority may also require the applicant to provide details of any relevant convictions, (those that are set out in Schedule 7 of the Act); the following documents will be accepted:
- basic Disclosure and Barring Service disclosure, or
 - a police subject access search.

2.0 Club gaming permits

- 2.1 Members clubs and miners' welfare institutes (but not commercial clubs) may apply for a club gaming permit which authorises the premises to:
- make available for use up to three gaming machines of categories B3A to D,
 - equal chance gaming (without restriction on the stakes and prizes), and
 - games of chance as prescribed by regulations (namely pontoon and Chemin de Fer.

The gaming which a club gaming permit allows is subject to the following conditions:

1. In respect of equal chance gaming:
 - The club must not deduct money from sums staked or won.
 - The participation fee must not exceed the amount prescribed in regulations.
 - The game takes place on the premises and must not be linked with a game on another set of premises. Two games are linked if the result of one game is, or may be, wholly or partly determined by reference to the result of the other game.
 - The amount of winnings available in one game is wholly or partly determined by reference to the amount of participation in the other game, and a game which is split so that part is played on one site and another part is played elsewhere is treated as two linked games.
 - Only club members and their genuine guests participate.
2. In respect of other games of chance:
 - the game must be Pontoon and Chemin de Fer only.
 - No participation fee may be charged otherwise than in accordance with the regulations.
 - No amount may be deducted from sums staked or won otherwise than in accordance with the regulations.

- 2.2 Members clubs must have at least 25 members and be established and conducted 'wholly or mainly' for purposes other than gaming, unless the gaming is permitted by separate regulations. The Secretary of State has made

such regulations covering bridge and whist clubs. A members' club must be permanent in nature and established and conducted for the benefit of its members and not as a commercial enterprise. Examples include working men's clubs, branches of Royal British Legion and clubs with political affiliations".

A club gaming permit may not be granted in respect of a vehicle or a vessel.

2.3 The licencing authority may only refuse an application on the grounds that:

1. the applicant does not fulfil the requirements for a members' club or miners' welfare institute and therefore is not entitled to receive the type of permit for which it has applied
2. the applicant's premises are used wholly or mainly by children and/or young persons
3. an offence under the act or a breach of a permit has been committed by the applicant while providing gaming facilities
4. a permit held by the applicant has been cancelled in the previous ten years, or
5. an objection has been lodged by the Gambling Commission or the Suffolk Constabulary.

Where the licencing authority is satisfied that point 1 or point 2 above is the case, it must refuse the application. In determining an application the licencing authority shall have regard to the relevant guidance issued by the Gambling Commission and, subject to that guidance, the licensing objectives.

Where a permit is granted, the permit holder must comply with statutory conditions:

- no child or young person may use a category B or C machine on the premises; and
- the permit holder must comply with any relevant provision of a code of practice regarding the location and operation of gaming machines.

Clubs do not have to have a permanent premises or alcohol licence.

There is a 'fast-track' procedure available for premises where the club holds a club premises certificate under section 72 of the Licensing Act 2003. Where an application is made under the fast track procedure, there is no opportunity for objections to be made by the commission or the Suffolk Constabulary, and the grounds upon which an Authority can refuse a permit are limited as below:

1. the club is established primarily for gaming, other than gaming of a prescribed kind
2. in addition to the prescribed gaming, the applicant provides facilities for other gaming; or
3. a club gaming permit or club machine permit issued to the applicant in the last ten years has been cancelled.

2.4 There are statutory conditions concerning club gaming permits.

3.0 Club machine permits

- 3.1 Members clubs and miners' welfare institutes and commercial clubs may apply for a club machine permit, which enables the premises to make available for use up to three gaming machines of categories B4, C and D. Members clubs and Miner's welfare institutes only may also make available for use category B3A machines offering lottery games in the club under a club machine permit.
- 3.2 Members clubs must have at least 25 members and be established and conducted 'wholly or mainly' for purposes other than gaming, unless the gaming is permitted by separate regulations. The Secretary of State has made such regulations covering bridge and whist clubs. A members' club must be permanent in nature and established and conducted for the benefit of its members and not as a commercial enterprise. Examples include working men's clubs, branches of Royal British Legion and clubs with political affiliations".
- 3.3 Commercial clubs must have at least 25 members, but may be established with a view to making a profit, which is not returned to the members, but the proprietor(s) of the club. Examples of commercial clubs include snooker clubs, clubs established for personal profit and most clubs established as private companies.
- 3.4 The Gambling Commission guidance advises that licensing authorities may only refuse an application on the grounds that:
- the applicant does not fulfil the requirements for a members' or commercial club or miners' welfare institute and therefore is not entitled to receive the type of permit for which it has applied
 - the applicant's premises are used wholly or mainly by children and/or young persons
 - an offence under the act or a breach of a permit has been committed by the applicant while providing gaming facilities
 - a permit held by the applicant has been cancelled in the previous ten years, or
 - an objection has been lodged by the Gambling Commission or the Police

It should be noted that either type of permit may not be issued in respect of a vessel or vehicle.

- 3.5 There is also a 'fast-track' procedure available for premises where the club holds a club premises certificate under section 72 of the Licensing Act 2003. As the Gambling Commission guidance states: "Under the fast-track procedure there is no opportunity for an objection to be made by the commission or the Police, and the grounds upon which an authority can refuse a permit are reduced". The grounds on which an application under the process may be refused are that:
- the club is established primarily for gaming, other than gaming of a prescribed kind
 - in addition to the prescribed gaming, the applicant provides facilities for other gaming, or

- a club machine permit issued to the applicant in the last ten years has been cancelled.

3.6 There are statutory conditions concerning club machine permits that no child or young person may use a category B or C machine on the premises and that the permit holder complies with any relevant provision of a code of practice regarding the location and operation of gaming machines.

4.0 (Alcohol) licensed premises gaming machine permits

4.1 The act makes provision for premises licensed to sell alcohol for general consumption on the premises to be entitled to make available up to two gaming machines, of categories C and/or D. The Licensing Act 2003 premises licence holder needs only to notify the licencing authority of this intention and pay the prescribed fee. The licencing authority may remove the automatic authorisation in respect of any particular premises only if it is satisfied that:

- provision of the machines is not reasonably consistent with the pursuit of the licensing objectives
- gaming has taken place on the premises that breaches a condition of section 282 of the gambling act (that is, that written notice has been provided to the licencing authority, that a fee has been provided and that any relevant code of practice issued by the Gambling Commission about the location and operation of the machine has been complied with)
- the premises are mainly used for gaming, or
- an offence under the gambling act has been committed on the premises.

Before making any such order the licencing authority shall give the licensee at least 21 days prior notice and consider any representations made by the applicant (at a hearing if requested by the licence holder).

4.2 If a Licensing Act 2003 premises licence holder wishes to use more than two gaming machines, then (s) he will need to apply to the licencing authority for a permit and the licencing authority must consider that application based upon:

- the licensing objectives
- any guidance issued by the Gambling Commission, and
- 'such matters' as they think relevant.

This licencing authority considers that 'such matters' will be assessed on a case-by-case basis. Generally there will be regard to the need to protect children and vulnerable persons from harm or being exploited by gambling.

This permit replaces, and is not in addition, to the automatic entitlement notification.

4.3 The licencing authority expect the applicant to satisfy the authority it that there will be sufficient measures in place to ensure that persons under the age of 18 year olds do not have access to the adult only category C gaming machines. The applicant may consider appropriate measures to comply with the Gambling Commission's Code of Practice and monitor access to machines. This may include:

- ensuring that the adult gaming machines are within sight of the bar, or within the sight of staff who can monitor that the machines are not being used by persons under the age of 18
- notices and signage may also be an appropriate measure/safeguard, and
- or the provision of information leaflets / helpline numbers for organisations that give support to vulnerable persons such as GamCare and Gamble Aware.

4.4 The holder of a permit must comply with any code of practice issued under section 24 of the act by the Gambling Commission about the location and operation of the gaming machines.

4.5 It should be noted that the licencing authority can and may decide to grant the application with a smaller number of machines and/or a different category of machines than that applied for. Conditions (other than these) cannot be attached to the grant of this permit.

There is a similar mechanism for applying to vary the number and category of machines specified on an existing permit.

5.0 Prize gaming and prize gaming permits

5.1 **Statement of principles:** The prize gaming conditions in the act are:

- the limits on participation fees, as set out in regulations, must be complied with
- all chances to participate in the gaming must be allocated on the premises on which the gaming is taking place and on one day; the game must be played and completed on the day the chances are allocated; and the result of the game must be made public in the premises on the day that it is played
- the prize for which the game is played must not exceed the amount set out in regulations (if a monetary prize), or the prescribed value (if non-monetary prize), and
- participation in the gaming must not entitle the player to take part in any other gambling.

It should be also noted that this permit cannot be issued in respect of a vessel or vehicle.

An application may only be made by an individual over the age of 18, who occupies or plans to occupy the relevant premises. An application for a permit cannot be made if a premises licence or club gaming permit is already in effect for the same premises.

The licencing authority will expect the applicant to satisfy the authority that that they and their employees can demonstrate a full understanding of the maximum stakes and prizes for the gaming offered and that the type of gaming offered is within the law. The applicant will normally be required to set out the types of gaming that he/she is intending to offer, and may wish to consider appropriate measures to promote the licensing objectives, and training for staff on:

- the type of gaming which they intend to provide
- the stakes and prizes which apply under the regulations relevant to the type of gaming they intend to offer.

This list is not mandatory, nor exhaustive, and is merely indicative of example measures.

- 5.3 In making its decision on an application for this permit the licencing authority may have regard to the licensing objectives and must have regard to any Gambling Commission guidance. Given that the premises may be particularly appealing to children and young persons, the licencing authority will give appropriate weight to the consideration of child protection issues.
- 5.4 The Chief Officer of Police is a statutory consultee for all such permit applications. Any representations made by the Chief Officer of Police which are relevant to the licensing objectives will be considered by the licencing authority relevant considerations may include:
- whether the applicant has any convictions that would render them unsuitable to operate prize gaming, or
 - the suitability of the location of the premises in relation to any disorder issues.

This list is not mandatory, nor exhaustive, and is merely indicative of example measures.

- 5.5 It should be noted that whilst there may be conditions in the Gambling Act 2005 and Gambling Commission codes of practice (including on social responsibility) with which the permit holder must comply, the licencing authority cannot attach conditions to this permit. Where the authority is minded to refuse a permit application it will notify the applicant and allow the opportunity for the applicant to make representations (which may be considered at a hearing).

6. Travelling fairs

- 6.1 It is the duty of the licensing authority to decide whether, where category D machines and/or equal chance prize gaming without a permit are made available for use at travelling fairs, the statutory requirement that the facilities for gambling amount to no more than an ancillary amusement at the fair is met.
- 6.2 The licensing authority will carefully consider whether an operator falls within the statutory definition of a travelling fair (provided by section 286 of the act) and be 'wholly or principally' providing amusements.
- 6.3 The 27 day statutory maximum for the land being used as a fair is per calendar year, and this applies to the piece of land on which the fairs are held regardless of whether it is the same or different travelling fairs occupying the land. The licensing authority shall endeavour to work with neighbouring authorities to

ensure that land which crosses district/borough boundaries is monitored so that the statutory limits are not exceeded.

7.0 Society lotteries

7.1 The council as the local authority is responsible for registering small society lotteries. A lottery is defined under the act and in the guidance as:

A simple lottery if:

- persons are required to pay to participate
- one or more prizes are allocated to one or more members of a class
- the prizes are allocated by a process which relies wholly on chance.

A complex lottery if:

- persons are required to pay to participate
- one or more prizes are allocated to one or more members of a class
- the prizes are allocated by a series of processes
- the first of those processes relies wholly on chance.

A society, or any separate branch of such a society, may be registered by the council to promote a small lottery where it is established and conducted:

- for charitable purposes
- for the purpose of enabling participation in , or of supporting, sport, athletics or a cultural activity
- for any other non-commercial purpose other than private gain and the proceeds of the lottery must be devoted to the purposes above. The society must not be established for the sole purpose of facilitating lotteries.

A small lottery is defined in the act and the current limits are published on the council website at

https://www.westsuffolk.gov.uk/Business/Regulation_and_Licensing/Licensing/Gambling_and_lotteries/smallocietylotteries.cfm. Definitions of exempt lotteries are also published at the above address.

The council may only register a society which wishes to promote a small lottery where the society's principal office is located within its area. If the council believes that the society's principal office does not fall within its boundaries it will inform the society and relevant authority at the earliest opportunity.

The council will expect the society applying to supply a copy of its terms conditions or constitution to enable the council to establish that the society is non-commercial, together with a declaration to the effect that it is non-commercial.

Registration of small society lotteries is a function which the council has delegated to officers.

Details of societies registered by the council will be published in a register maintained by the council.

The registration is for an indefinite period unless the registration is cancelled by:

- the society, or
- the council on failure of the society to pay the annual charge.

The council may refuse to register a small society lottery where:

- an operating licence held by the applicant for registration has been revoked or an application for an operating licence made by the applicant for registration has been refused
- the society cannot be deemed non-commercial
- a person who will or may be connected with the promotion of the lottery has been convicted of a relevant offence
- information provided in or with the application for registration is found to be false or misleading.

Where the council proposes to refuse to register a small society lottery it will give the society an opportunity to make representations in writing or at a hearing. The council will notify the society in writing of the outcome of the hearing and the reasons for the decision.

The council may revoke a society lottery registration where it considers that it would have had to, or would be entitled to refuse an application if it were to be made at that time.

Schedule A

Gambling Act 2005 Statement of Licensing Principles: consultee list

(Please note this is not exhaustive)

ADFAM Families Drugs and Alcohol	Independent Betting Arbitration Service
Adult and Community Services (SCC)	JBR Leisure Ltd
Age Concern Suffolk	Jockey Club
Alcoholics Anonymous	Joe Jennings Ltd
Association of British Bookmakers	Ladbrokes PLC
Association of British Bookmakers	Learning Disability Partnership Board
BACTA	Leisure Link
Beer & Pub Association	Narcotics Anonymous
Bingo Association	National Greyhound Racing Club Ltd
British Casino Association	National Stud
British Casino Association	National Youth Agency
British Greyhound Racing Board	Newmarket Community Partnership
British Horseracing Board	Newmarket Racecourses Trust
Chilvers Automatics Ltd	Planning Authority (FHDC)
Citizens Advice Bureau	Racing Welfare
Citizens Advice Bureau	Responsibility in Gambling Trust
Community Development Youth Worker	Royal British Legion
Corals	Society for the Study of Gambling
Done Brothers Ltd	Suffolk Constabulary
East of England Faiths Council	Suffolk County Council
Environmental Services (FHDC)	Suffolk Local Safeguarding Children's Board
Essex Leisure	Tesco PLC
Gamblers Anonymous	The Racecourse Association Ltd
Gambling Commission	Town and Parish Councils within the District
GamCare	West Suffolk Crossroads
Gamestec Leisure Ltd	
Gordon House Association	
Heads of Service (West Suffolk)	
Help the Aged	
Horserace Totalisator Board	
Horseracing Betting Levy Board	

Schedule B

Section 353 of the Gambling Act 2005 gives some general interpretation and reference for some of the main terminology used within the act and contained within this statement of principles document. Except where the context otherwise requires:

- 'adult gaming centre' has the meaning given by section 237,
- 'alcohol licence' has the meaning given by section 277,
- 'authorised local authority officer' has the meaning given by section 304,
- 'authorised person' has the meaning given by that section,
- 'betting' has the meaning given by sections 9 to 11, 37 and 150,
- 'betting intermediary' has the meaning given by section 13,
- 'bingo' means any version of that game, irrespective of by what name it is described,
- 'casino' has the meaning given by section 7,
- 'casino game' has the meaning given by that section,
- 'Category A gaming machine' (or B, C or D) means a gaming machine falling within category A (or B, C or D) as prescribed under section 236,
- 'chief constables of police forces' has the same meaning in relation to England and Wales as in the Police Act 1996 (c. 16),
- 'child' has the meaning given by section 45,
- 'club gaming permit' has the meaning given by section 271,
- 'club machine permit' has the meaning given by section 273,
- 'commercial club' has the meaning given by section 267,
- 'the Commission' means the Gambling Commission,
- 'director'-
 - (a) has the meaning given by section 741 of the Companies Act 1985 (c. 6), and
 - (b) includes a shadow director within the meaning of that section,
- 'dog track' means premises which are designed, used or adapted for use for dog-racing,
- 'draw', in relation to a lottery, has the meaning given by section 255,
- 'EEA State' means a State which is a contracting party to the Agreement on the European Economic Area signed at Oporto on 2nd May 1992 (as it has effect from time to time),
- 'Enactment' includes an enactment comprised in, or in an instrument made under, an Act of the Scottish Parliament,
- 'Enforcement officer' means a person designated or appointed as an enforcement officer under section 303,
- 'equal chance gaming' has the meaning given by section 8,
- 'exempt lottery' has the meaning given by section 258,
- 'external lottery manager' has the meaning given by section 257,
- 'fair' has the meaning given by section 286,
- 'family entertainment centre' has the meaning given by section 238,
- 'family entertainment centre gaming machine permit' has the meaning given by section 247,
- 'football pools' means an arrangement whereby-
 - a. people compete for prizes by forecasting the results of association football games, and

- b. each entry to the competition must forecast the results of at least four games,

'gambling' has the meaning given by section 3,
'gambling software' has the meaning given by section 41,
'game of chance' has the meaning given by section 6,
'gaming' has the meaning given by that section,
'gaming machine' has the meaning given by section 235,
'horse-race course' means premises which are designed, used or adapted for use for horse-racing,
'horse-race pool betting' has the meaning given by section 12,
'large casino' has the meaning given by regulations under section 7(5),
'licensed family entertainment centre' has the meaning given by section 238,
'licensed premises gaming machine permit' has the meaning given by section 283,
'the licensing objectives' has the meaning given by section 1,
'licensing authority' has the meaning given by section 2,
'lottery' has the meaning given by section 14 (and section 256),
'lottery manager's operating licence' has the meaning given by section 98,
'lottery ticket' has the meaning given by section 253,
'machine' has the meaning given by section 235(3)(a),
'members' club' has the meaning given by section 266,
'miners' welfare institute' has the meaning given by section 268,
'the National Lottery' has the meaning given by section 1 of the National Lottery etc. Act 1993 (c. 39),
'non-commercial betting' has the meaning given by section 302,
'non-commercial gaming' has the meaning given by section 297,
'non-commercial society' has the meaning given by section 19,
'occasional use notice' means a notice given under section 39,
'operating licence' means a licence issued under Part 5,
'on-premises alcohol licence' has the meaning given by section 277,
'participant', in relation to a game of chance, includes a person who discharges an administrative or other function in relation to the game,
'participation fee' has the meaning given by section 344,
'passenger vessel' means a vessel which is carrying or expected to carry at least one passenger,
'personal licence' means a licence issued under Part 6,
'pool betting' has the meaning given by section 12,
'premises' includes any place and, in particular-
 a. a vessel, and
 b. a vehicle

'premises licence' means a licence issued under Part 8,
'private betting' has the meaning given by section 295 and Part 2 of Schedule 15,
'private gaming' has the meaning given by section 295 and Part 1 of Schedule 15,
'private gain' is to be construed in accordance with section 19(3),
'prize' in relation to gaming (except in the context of a gaming machine) has the meaning given by section 6,
'prize' in relation to a gaming machine has the meaning given by section 239,
'prize' in relation to a lottery has the meaning given by section 14,
'prize gaming' has the meaning given by section 288,
'prize gaming permit' has the meaning given by section 289,

'proceeds', in relation to a lottery, has the meaning given by section 254,
'profits', in relation to a lottery, has the meaning given by that section,
'profits', in relation to non-commercial prize gaming, has the meaning given by section 299,
'racecourse' means premises on any part of which a race takes place or is intended to take place,
'real', in relation to a game, event or process means non-virtual,
'relevant offence' has the meaning given by section 126 and Schedule 7,
'remote communication' has the meaning given by section 4,
'remote gambling' has the meaning given by that section,
'remote gambling equipment' has the meaning given by section 36,
'remote operating licence' has the meaning given by section 67,
'rollover', in relation to a lottery, has the meaning given by section 256,
'small casino' has the meaning given by regulations under section 7(5),
'society' includes a branch or section of a society,
'stake' means an amount paid or risked in connection with gambling and which either-
 (a) is used in calculating the amount of the winnings or the value of the prize that the person making the stake receives if successful, or
 (b) is used in calculating the total amount of winnings or value of prizes in respect of the gambling in which the person making the stake participates,
'supply' includes-
 (a) sale,
 (b) lease, and
 (c) placing on premises with permission or in accordance with a contract or other arrangement,
'temporary use notice' has the meaning given by section 215,
'track' means a horse-race course, dog track or other premises on any part of which a race or other sporting event takes place or is intended to take place,
'travelling fair' has the meaning given by section 286,
'vehicle' includes-
 (a) a train,
 (b) an aircraft,
 (c) a seaplane, and
 (d) an amphibious vehicle (other than a hovercraft within the meaning of the Hovercraft Act 1968 (c. 59)),
'vessel' includes-
 (a) anything, other than a seaplane or an amphibious vehicle, designed or adapted for navigation or other use in, on or over water,
 (b) a hovercraft (within the meaning of the Hovercraft Act 1968), and,
 (c) anything, or any part of any place, situated in or on water,
'virtual' has the meaning given by subsection (3) below,
'winnings', in relation to a bet, means anything won, whether in money or in money's worth, and 'young person' has the meaning given by section 45.

Schedule C

Summary of machine provisions by premises

Summary of gaming machine categories and entitlements **as well as detailed technical standards**

Summary of gaming entitlements for clubs and alcohol licensed premises

Summary of offences under the Gambling Act 2005

Summary of Statutory application forms and notices

For all of the above please follow the link to: www.gamblingcommission.gov.uk

Gaming Machines

The table below provides a summary of the machine provisions by type of premises.

Premises type	Machine category						
	A	B1	B2	B3	B4	C	D
Large casino(machine/table ratio of 5-1 up to maximum)		Maximum of 150 machines Any combination of machines in categories B to D (except B3A machines), within the total limit of 150 (subject to machine/table ratio)					
Small casino (machine/table ratio of 2-1 up to maximum)		Maximum of 80 machines Any combination of machines in categories B to D (except B3A machines), within the total limit of 80 (subject to machine/table ratio)					
Pre-2005 Act casino(no machine/table ratio)		Maximum of 20 machines categories B to D (except B3A machines), or any number of C or D machines instead					
Betting premises and tracks occupied by pool betting			Maximum of 4 machines categories B2 to D (except B3A machines)				
Bingo premises¹				Maximum of 20% of the total number of gaming machines which are available for use on the premises categories B3 or B4		No limit on category C or D machines	
Adult gaming centre²				Maximum of 20% of the total number of gaming machines which are available for use on the premises categories B3 or B4		No limit on category C or D machines	
Licensed family entertainment centre³						No limit on category C or D machines	
Family entertainment centre (with permit)³						No limit on category D machines	

Clubs or miners' welfare institute (with permits)⁴						Maximum of 3 machines in categories B3A or B4 to D
Qualifying alcohol-licensed premises						1 or 2 machines of category C or D automatic upon notification
Qualifying alcohol-licensed premises (with licensed premises gaming machine permit)						Number of category C-D machines as specified on permit
Travelling fair						No limit on category D machines

¹ Bingo premises licence are entitled to make available for use a number of category B gaming machines not exceeding 20% of the total number of gaming machines on the premises. Where a premises licence was granted before 13 July 2011, they are entitled to make available eight (The Gambling Act 2005 (Gaming Machines in Bingo Premises) Order 2009) category B gaming machines, or 20% of the total number of gaming machines, whichever is the greater. Category B machines at bingo premises are restricted to sub-category B3 and B4 machines, but not B3A machines.

² Adult gaming centres are entitled to make available for use a number of category B gaming machines not exceeding 20% of the total number of gaming machines which are available for use on the premises and any number of category C or D machines. Where a premises licence was granted before 13 July 2011, they are entitled to make available four category B gaming machines, or 20% of the total number of gaming machines, whichever is the greater. Category B machines at adult gaming centres are restricted to sub-category B3 and B4 machines, but not B3A machines.

³ Only premises that are wholly or mainly used for making gaming machines available may hold an unlicensed FEC gaming machine permit or an FEC premises licence. Category C machines may only be sited within licensed FECs and where an FEC permit is in force. They must be in a separate area to ensure the segregation and supervision of machines that may only be played by adults. There is no power for the licensing authority to set a limit on the number of machines under the FEC permit.

⁴ Members' clubs and miners' welfare institutes with a club gaming permit or with a club machine permit, are entitled to site a total of three machines in categories B3A to D but only one B3A machine can be sited as part of this entitlement.

⁵ Commercial clubs with club machine or gaming permits are entitled to a total of three machines in categories B4 to D.

Several devices or systems are excluded from being defined as gaming machines including:

- domestic or dual-use computers
- telephones or other machines for facilitating communication
- machines designed or adapted to bet on future real events
- lottery terminals

- in a bingo premises, machines designed or adapted for the playing of bingo (including by way of prize gaming)
- machines designed or adapted for the playing of bingo, by way of prize gaming, where a family entertainment centre gaming machine permit or a prize gaming permit is held
- semi-automated casino games
- wholly-automated casino games.

Gaming machines fall into categories depending on the maximum stake and prize available.

Category of machine	Maximum stake (from Jan 2014)	Maximum prize (from Jan 2014)
A	Unlimited – No category A gaming machines are currently permitted	
B1	£5	£10,000*
B2	£100	£500
B3A	£2	£500
B3	£2	£500
B4	£2	£400
C	£1	£100
D – non-money prize	30p	£8
D – non-money prize (crane grab machines only)	£1	£50
D – money prize	10p	£5
D – combined money and non-money prize	10p	£8 (of which no more than £5 may be a money prize)
D – combined money and non-money prize (coin pusher or penny falls machines only)	20p	£20 (of which no more than £10 may be a money prize)

* With option of max £20,000 linked progressive jackpot on premises basis only

Fixed Odds Betting Terminals

Fixed odds betting terminals (FOBTs) are electronic machines found in betting shops, which contain a variety of games, including roulette. Each machine accepts bets for amounts up to a pre-set maximum and pays out according to fixed odds on the simulated outcomes of games.

The Gambling Act 2005 classifies FOBTs as B2 gaming machines. Up to four machines can be sited on betting premises. The maximum stake on a single bet is £100, the maximum prize is £500.

Schedule D

Authorised gambling activities

Children and young persons – A child is any person who is less than 16.

- Category D Machines
- Equal Chance gaming at a licensed family entertainment centre
- Equal chance gaming under prize gaming permit
- Football pool

Young persons – A young person is an individual of 16 or 17

- Category D machines
 - Equal chance gaming at a licensed family entertainment centre
 - Equal chance gaming under prize gaming permit
 - Prize gaming at a travelling fair
 - Prize gaming at a non-licensed family entertainment centre
 - Private/non commercial gaming/betting
 - Lottery
-

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GAMBLING ACT 2005

Local Area Profile Draft

2018 figures

(Amendments shown in red text)

CONTENTS

1. Introduction

Nationally, gambling policy and the regulatory environment overall has an increasing focus on risk. Whilst not compulsory, it is now recommended that a licensing authority creates a 'local area profile' to inform its understanding of risk and to allow appropriate decisions to be made and steps taken to mitigate these risks.

From April 2016, gambling establishment operators must undertake 'local area risk assessments' for all their premises and will be expected to give due consideration to the information available in the Council's 'local area profile'.

Although not a compulsory requirement, we have included a local area profile in the proposed Gambling Act Statement of Policy in order to increase awareness of local risks and improve information sharing with gambling operators. This will facilitate constructive engagement with licensees and a more coordinated response to local risks.

The local area profile will help to inform the local risk assessment process. For example, if a gambling outlet is to be located within close proximity to a school we would expect licensees to have sufficient controls in place to mitigate associated risks, e.g. implementing a robust Think 21 policy and ensuring that the premises is so designed that children cannot see gambling taking place. The Council believe that contribution to premises risk assessments and being knowledgeable and informed on the 'local area' and risks is necessary in order to provide sufficient detail within the assessment. This means that any assessments undertaken do need to have an involvement of and an understanding of the local area in which they operate and are licensed.

It is wholly anticipated that the Council's 'local area profile' will develop over time and will be influenced by information and intelligence from researchers, key partners and other stakeholders. This includes updates once we become a single council on 1 April 2019.

It is our view that the inclusion of a Local Area Profile within the Policy will bring the following benefits:

- enable us to better serve our local community, by better reflecting the community and the risks within it,
- enable us to make robust decisions, based on a clear, published set of factors and risks, which are therefore less susceptible to challenge; and
- encourage operators and applicants to take a proactive approach to risk that is likely to result in reduced compliance and enforcement action.

2. Background

The last decade has seen many changes in the British gambling landscape. The most notable changes during this period include growth in the availability of remote gambling (particularly via the internet), the introduction of fixed odds betting terminals into most bookmakers, an increase in the number of casinos, an increase in the prominence of poker (both online and offline), and the introduction of online betting exchanges.

The most severe form of gambling, pathological (or problem gambling) is recognized as a mental health disorder. Pathological gambling is currently classified as an impulse control disorder but it shares many important features with substance use disorders, especially in terms of diagnostic criteria, clinical

All major current research has been undertaken at national level.

- 56.2% of the adult population (16+) have participated in some form of gambling in the last 12 months (2017). This is compared to 48% in 2010.
- The most popular gambling activity remains the national lottery. Excluding this the rate is 45% of adults.
- 9.4% of adults had used the internet to gamble in the past 12 months.
- Problem gamblers are most likely to be young, male, have parents who gambled regularly and smoke. Identified at 0.8% of the overall population.
- Other risk factors include unemployment, poor health, those from Black Asian and Black British backgrounds and other substance misuse.

British Gambling Prevalence Survey (BGPS) 2010

The BGPS 2010 is the third nationally representative survey of participation in gambling and the prevalence of problem gambling in Great Britain. It builds on the two previous surveys conducted in 1999 and 2007. The BGPS 2010 is the first survey to have been carried out since the implementation of the Gambling Act 2005 on 1 September 2007. The aims of the BGPS 2010 were to provide data on participation in all forms of gambling in Great Britain, the prevalence of problem gambling, attitudes to gambling and to explore a range of associations with gambling behaviour.

Participation in Gambling Activities

The following statistics have been sourced from the Gambling Commission report participation in gambling and rates of problem gambling – England 2016:

- Overall, 56% of the adult population (aged 16 and over) spent money on some form of gambling in the past year. This equates to around 29.8 million adults in the UK. Applied to the estimated adult population of West Suffolk (179,248, Office of National Statistics Population Estimates)

in 2017, this would amount to around 100,378 people in the authority.

- The most popular gambling activity was the National Lottery. In 2016, 41% of adults had bought tickets for the National Lottery Draw.
- Excluding those who had only gambled on the National Lottery Draw, 42% of adults spent money on some other form of gambling in the past year.
- After the national lottery, the next most popular gambling activities are scratch cards (20%), other lotteries (14%), horserace betting (9%), slot machines (6%) and sports betting (5%).
- The report noted a decrease in these types of gambling from 2015 to 2016, with the National Lottery down by 4%, scratch cards down by 2%, other lotteries by 1% and horse racing by nearly 2%.
- In line with this trend, betting on football pools, slot machines and online bets have also fallen slightly.

Online and Offline Gambling

- Overall, 10% of adults had used the internet to gamble in the past year, including online lottery tickets, betting, casino games, bingo, online slot machines and football pools. This would estimate to ~17,300 people in West Suffolk. Increases in online gambling activity have been greater in women than men.
- Among respondents who had gambled in the past year, 71% reported that they gambled 'in person' only, 17% had gambled both online and in-person and only 2% had gambled 'online only'.
- The survey suggests that most gambling activities still occur 'offline'; however casino games and betting on other sports events reported relatively high proportions of online activity – 39% and 27% respectively.

Profile of Participants in Gambling Activity

- Men were more likely than women to gamble overall (60% for men and 52% for women). Women however had higher incidence participating in bingo and scratch cards.
- Gambling participation is associated with age – participation was lowest among the youngest and oldest age groups and highest among those aged 44-64.
- Gambling prevalence was highest among those who were;
 - Either married or had been married (75%)
 - White/white British (76%)
 - Those whose highest qualification was GCSE's or equivalent (76%)
 - Those in lower supervisory/technical households (79%)

- Those in paid work (78%)
- Those with the highest personal income

Gambling Frequency

As of 2016:

- 59% of people who participated in the National Lottery did so once a week or more often. Only football pools had a similar level of frequency (54% once a week or more often).
- There were five other activities which were undertaken at least once a month by half or more of all participants. These were bingo played in person (54%), casino games played on line (53%), spread betting (53%), fixed odd betting terminals (52%), and poker at a pub/club (50%).
- Taking participation in all gambling activities together, past year gamblers took part in gambling, on average, on 93.6 days per year. That is, they tended to gamble more than once a week, but not quite as often as twice a week.
- Those who gambled both online and in-person did so more than twice as often (163.3 days) as those who gambled 'online only' (61.5 days) or 'in- person' only (79.5 days).
- Overall, 6% of regular gamblers were classified as high-time/high-spend gamblers.
- The profile for high-time gamblers consists disproportionately of those with poorer socio-economic indicators, with National Lottery and Bingo being the most popular activities.
- The profile for high-spend gamblers had a higher proportion of graduates, those in paid employment and a preference for betting on horse racing, slot machines and casino games.
- When asked how their gambling involvement had changed in the past year, 4% reported an increase, 13% a decrease and 82% no change.

3. Problem Gambling

Problem gambling, or ludomania, is an urge to continuously gamble despite harmful negative consequences or a desire to stop. Problem gambling often is defined by whether harm is experienced by the gambler or others, rather than by the gambler's behaviour. Severe problem gambling may be diagnosed as clinical pathological gambling if the gambler meets certain criteria. Pathological gambling is a common disorder that is associated with both social and family costs. The condition is classified as an impulse control disorder, with sufferers exhibiting many similarities to those who have substance addictions.

- Problem gambling prevalence measures using DSM-IV (diagnostic and statistical manual of mental disorders) and PGSI (problem gambling severity index) estimate problem gambling at 0.7% of the adult population in 2016.
- 1.2% of those who had been identified as having gambled casually in the last year were identified as high risk of problem

gambling with an additional 3.6% rated as moderate to low risk representing 2,128 people and 6,385 people in the West Suffolk area respectively.

- Rates observed in Great Britain compared similarly to other European countries, particularly Germany, Norway and Switzerland, and lower than countries like the USA, Australia and South Africa.
- Problem gamblers were more likely to be male, younger, have parents who gambled regularly and had experienced problems with their gambling behaviour and be current cigarette smokers. Unemployment, poor health, alcohol consumption and those from Asian/Asian British and Black/Black British backgrounds were also associated risk factors.
- Current best estimates suggest that less than 1% of those in need of treatment actually embark on a treatment programme.
- It is estimated that every problem gambler represents an annual cost to society of c£8,000.
- The [NHS website](#) states that cognitive behavioural therapy usually has the best results in terms of treating problem gambling and outlines the key services available for supporting those affected by gambling.

Young People and problem gambling

There are an estimated 127,500 people aged under 24 with a gambling problem in the UK. Factors linked with problem gambling in young people include; depression, anxiety, crime, suicide, alcohol and substance abuse and poor school performance.

Gambling and Debt

The first known UK research to focus exclusively on the relationship between problem gambling and over indebtedness, published in Autumn 2009, was jointly commissioned by GamCare and the Money Advice Trust from Manchester Metropolitan University. Key findings were;

- Debts of up to £60,000 might be common amongst problem gamblers.
- Understanding of problem gambling amongst money advice agencies and in the NHS is extremely low.
- Awareness of the help available to problem gamblers amongst these agencies and in the NHS, particularly GPs, is equally poor.
- There is an urgent need to improve education about gambling for young people, alongside or as part of work on financial literacy and understanding chance and risk.

4. Gambling Premises

Across West Suffolk Councils there are currently the following

licensed premises: 26 Betting Shops

2 Adult Gaming Centres

20 Licensed Premises with Gaming Machine Permits

12 Premises with Club Machine Permits

1 Betting Race Track (Horse Racing)

144 Licensed Premises with Notices of Intent (2 gaming machines)

These premises pose potential risks to those who reside, work and visit West Suffolk in terms of associated crime and also in terms of 'problem gambling'.

5. West Suffolk Premises

Breakdown of Gambling Premises is detailed below:

Town	BREAKDOWN
Newmarket	1 Adult Gaming Centre (Wellington Street) 1 Horse Racing Betting Track (Rowley Mile) 11 Betting Shops (All Saints Road, The Rookery, High Street, Market Street, Valley Way, Wellington Street, the Guineas) 2 Club Machine Permits (Cheveley Rd, Kingston Passage) 2 Premises Licence Gaming Machine permits
Mildenhall	2 Betting Shops (Mildenhall Market Place) 1 Club Machine Permit (Mildenhall Social Club) 2 Licensed Premises Gaming Machine Permits
Brandon	2 Betting Shops (High Street and Market Hill) 3 Licensed Premises Gaming Machine Permits
Bury St Edmunds	6 Betting Shops (St Andrews Street South, Abbeygate Street, St Olaves Precinct, Hardwick Shopping Centre, Risbygate Street, Cornhill) 1 Family Entertainment Centre Gaming Permit (Western Way) 11 Licensed premises gaming machine permits
Haverhill	5 Betting Shops (High Street and Queen Street) 2 Premises Licence Gaming Machine permits

West Suffolk Councils have a number of licensed premises (2003 Act) which have 2 gambling machines (automatic entitlement) which are required to be registered and the appropriate fee paid. Whilst these are not separately licensed, they will be inspected accordingly and the Council expect these premises to consider an appropriate risk assessment and will review their activities within the guidance.

6. Compilation of the Local Profile

In line with updated guidance, the Council will use the Local Area Profile to support those using the Gambling Statement of Principles. The profile will be maintained separately from the Statement to enable it to be updated accordingly.

This profile will be developed further in 2019 and then reviewed on a regular basis. New versions will appear here on our website.

The following information is a brief summary and we expect to expand on this through our ongoing work on this profile.

7. The Local Profile

Population

- The population of West Suffolk is currently 179,3248 (Office for National Statistics 2017) located within five main centres of population (Bury St Edmunds, Haverhill, Newmarket, Mildenhall and Brandon) and a number of smaller rural communities.
- Between 2017 and 2030, the population of West Suffolk is expected to grow by 8%, compared to 9% in England as whole
- West Suffolk has an ageing population. In 2016, 9.3 of the population were aged over 75, compared to an England average of 8.1% (Office for National Statistics mid year estimates 2016).
- The current area of Forest Heath is the most ethnically diverse district in Suffolk. In 2011 it had the smallest percentage of White (Eng/Welsh/Scot/NI) people - 77.2% compared to a Great Britain average of 80.5% (Census 2011). St Edmundsbury's percentage of White (Eng/Welsh/Scot/NI) people was 91.6% in 2011 (Census 2011). This diversity is in part attributable to the presence of the two largest US Air Force Bases in the UK in the district.
- In 2011, 35.6.1% of West Suffolk's population considered themselves to be in good health and 47.6% in very good health. (Census 2011).
- West Suffolk's households are spread across a large rural area, with 40% living in rural locations. In 2011 the distribution of the population was: villages and outlying areas 38%; Bury St Edmunds 25.5%; Haverhill 15%; Newmarket 10.5%; Brandon 6% and Mildenhall 5% (Census, 2011).

Economy and skills

- West Suffolk saw a large increase in the number of people in employment between 2015 to 2016, with a rise of 3.98% compared to 3.12% across the United Kingdom (Business Register and Employment Survey).
- As of 2011, 73.9% of West Suffolk's 16-64 year olds were economically active compared to 81% in Suffolk as a whole (ONS Annual Population Survey).
- As of April 2017, 4% of the 16-18 year old population in West Suffolk were not in education, employment or training (NEET), compared to 8.4% in England (Labour Force Survey).
- In 2016, 15.6% of West Suffolk employees worked in business and admin support services, 11.9% worked in manufacturing, 11.9% in health, 9.7% in retail and 7.4% in accommodation and food services (Business Register and Employment Survey).
- In 2016, the percentage of residents aged between 16-64 with NVQ4+ level qualifications or more was 33%, which is higher than the Suffolk average of 31.1% but lower than the national average of 37.1% (ONS Annual Population Survey).
- In 2017, the proportion of young people achieving grade 5 or above in England and Maths GCSE was 39.3%, which is below the national average of 42.2% (Department for Education).

Housing

- The average household size in West Suffolk is 2.3 people, slightly smaller than the England average of 2.4 people, (Census, 2011)
- The number of overcrowded households in West Suffolk is 3.2%, lower than the average across England of 4.6%.
- As of 2017, there were 78,010 properties in West Suffolk.
- By 2039, the number of households in West Suffolk is expected to increase by 20% compared to 2014 figures (Ministry for Housing, Communities and Local Government)).
- In 2016, the lower quartile house prices to ratio of lower quartile gross annual earnings was 9.48 in Forest Heath and 9.55 in St Edmundsbury. The East region average ratio was 9.29 and the average ratio for England was 7.26 (Office for National Statistics House price to residence based earnings ratio).
- In 2016, the average monthly cost of renting a home in Forest Heath was £923 and £725 in St Edmundsbury. The average for the East region was £729 per month and average for England was £650 per month (Valuation Office Agency 2016).
- In 2016/17 the number of people accepted as homeless increased significantly from 209 in 2015/16 to 242 in 2016/17 (Ministry for Housing, Communities and Local Government).
- The number of rough sleepers in West Suffolk increased from 11 to 29 between 2015 to 2017 (West Suffolk Councils figures).

Additional Information

Any operators preparing local risk assessments and wishing to find out more about the social and physical makeup of the immediate vicinity should access the following sources:

- Key population and health data broken down by local authority ward: Forest Heath and St Edmundsbury Ward reports:
https://www.westsuffolk.gov.uk/Council/Data_and_information/wardreports.cfm

(Please note that wards are subject to change once a single West Suffolk Council is created on 1 April 2018.)

- Geographical information that can be searched by postcode to find key features and facilities in the vicinity: the West Suffolk 'Find my Nearest' tool:
<http://maps.westsuffolk.gov.uk/>
- Current local crime patterns (see www.police.uk)
- Suffolk-wide statistics that can also be broken down by ward, district or shared authority and focus on the following themes:
<https://www.suffolkobservatory.info/>
 - Population
 - Crime and community safety
 - Children and young people
 - Deprivation
 - Health and social care
 - Economy and Employment
 - Housing
 - Environment

Council



St Edmundsbury
BOROUGH COUNCIL

Title of Report:	Western Way Development, Bury St Edmunds: Outline Business Case	
Report No:	COU/SE/18/022	
Report to and date:	Council	30 October 2018
Portfolio holders:	<p>Cllr John Griffiths Leader of the Council Tel: 07958 700434 Email: john.griffiths@stedsbc.gov.uk</p> <p>Cllr Susan Glossop Portfolio Holder for Planning and Growth Tel: 01284 728377 Email: susan.glossop@stedsbc.gov.uk</p>	
Lead officer:	<p>Alex Wilson Director Tel: 01284 757695 Email: alex.wilson@westsuffolk.gov.uk</p>	
Purpose of report:	To seek adoption of the Outline Business Case, a budget for the next stage of the project and authority for some associated immediate actions for the Western Way Development in Bury St Edmunds, including an outline business case for the replacement of the Bury St Edmunds Leisure Centre.	
Recommendations:	<p>It is <u>RECOMMENDED</u> that:</p> <p>(1) the Outline Business Cases for the Western Way Development, Bury St Edmunds and, as part of that scheme, the replacement of the Bury St Edmunds Leisure Centre, as contained in the attachment and its five appendices to Report No: COU/SE/18/022, be approved;</p> <p style="text-align: right;"><i>Continued over....</i></p>	

	<ul style="list-style-type: none">(2) subject to match-funding being received from partners and the Business Rates Pilot Place Fund, further project funding to allow the preparation of Final Business Cases of up to £1,500,000 be approved on the basis set out in Section 2 of Part F of the main Outline Business Case; the Council's own direct contribution of up to £900,000 to be funded from the Strategic Priorities and MTFs Reserve;(3) funding bids be made to regional and national funding schemes to offset the project funding and support delivery of the actual scheme;(4) the Council's Section 151 Officer makes the necessary changes to the Council's prudential indicators to reflect the direct cost to the Council of funding the project budget;(5) an external expert adviser be appointed to carry out an independent gateway review of the Final Business Case for the Western Way Development before it is presented to Council;(6) subject to planning consent being received by the ESFA, the Council approves the principle of funding the marginal cost of upgrading the Beetons Way/Western Way junction so that it can meet the requirements of the Western Way Development as well as the Abbeygate Sixth Form; officers being authorised to approve these works and meet any capital expenditure from within the project funding approved under (2) above; and(7) the officers be authorised to enter into leases with third parties for temporary off-site parking options within one mile of the site to facilitate the delivery of the project, on the basis set out in section 2.5 of Part G of the main Outline Business Case; any cost incurred before approval of the Final Business Case also being met from within the approved project budget.
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Key Decision: <i>(Check the appropriate box and delete all those that do not apply.)</i>	<i>Is this a Key Decision and, if so, under which definition?</i> Yes, it is a Key Decision - <input type="checkbox"/> No, it is not a Key Decision - <input checked="" type="checkbox"/>
Consultation:	<ul style="list-style-type: none"> • The 2016 masterplan for the Western Way Development was the subject of widespread consultation before adoption. • The Outline Business Case explains the consultation with partners that has taken place for this document. • Partners are likely to carry out their own consultations before their own Final Business Cases. • Any planning application will be subject to a full public consultation.
Alternative option(s):	<ul style="list-style-type: none"> • Not to adopt the Outline Business Case, or to adopt a different model for delivery of the adopted masterplan. This issue is explored in more detail in the Outline Business Case itself.
Implications:	
<i>Are there any financial implications? If yes, please give details</i>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> • As set out in the Outline Business Case and recommendations. • At this stage the only financial decision is to approve the Council's share of the budget for the preparation of the Final Business Case.
<i>Are there any staffing implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
<i>Are there any ICT implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
<i>Are there any legal and/or policy implications? If yes, please give details</i>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> • As explained in the Outline Business Case
<i>Are there any equality implications? If yes, please give details</i>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> • As detailed in Part G of the business case
Risk/opportunity assessment: <i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>	As contained in Part D of the business case.
Ward(s) affected:	All

<p>Non-exempt Background papers:</p>	<p>Public Service Village Phase II, Olding Road, Bury St Edmunds CAB/SE/15/023 - 24 March 2015</p> <p>Western Way, Masterplan 2016 http://www.westsuffolk.gov.uk/Council/Consultations/westernway.cfm</p> <p>Western Way, Bury St Edmunds Development Site, Phase II (PSV II) CAB/SE/16/017</p> <p>West Suffolk Investment Framework</p>
<p>Documents attached:</p>	<p>Attachment: Main Outline business case and its five appendices:</p> <ul style="list-style-type: none"> • Appendix 1: Bury St Edmunds Leisure Centre outline business case • Appendix 2: Organisational Overview • Appendix 3: Benefits Appraisal • Appendix 4: Zoning Diagrams • Appendix 5: Plans and Visualisations

Forest Heath & St Edmundsbury councils

West Suffolk
working together

Outline Business Case Western Way Development



October 2018

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- G. Management Case**
- H. Next Steps and Recommendations**

Appendix 1: Outline Business Case for Bury St Edmunds Leisure Centre

Appendix 2: Strategic Case: Organisational Overview of PSV Proposal

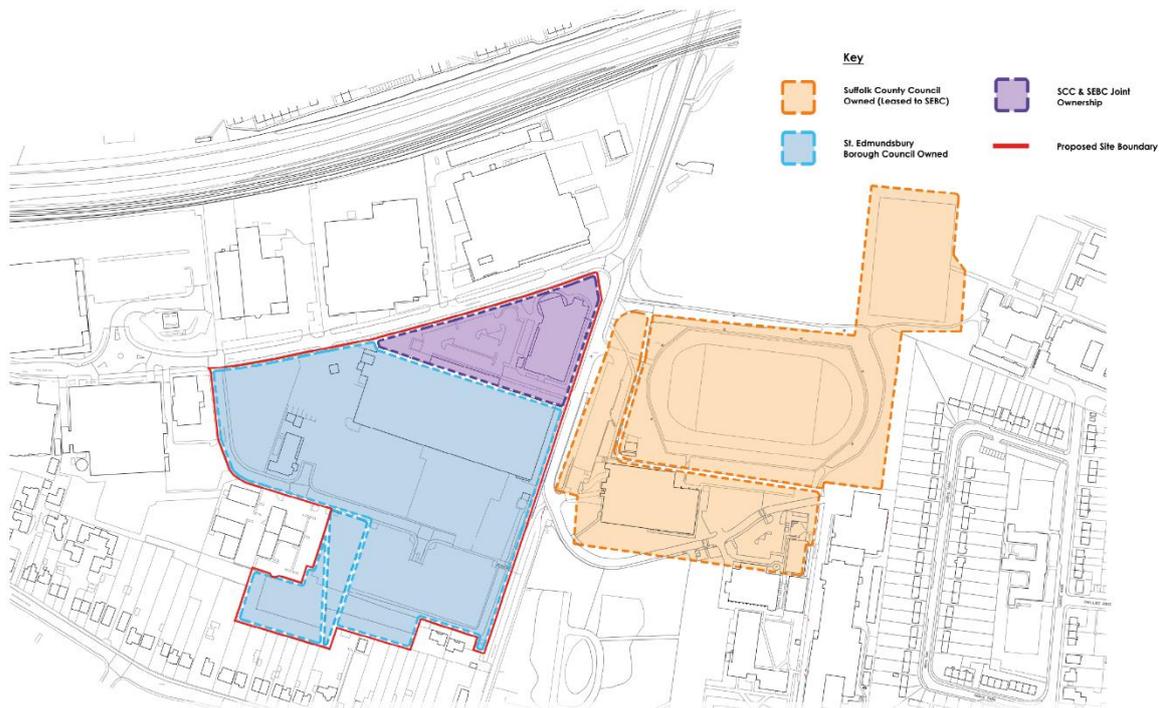
Appendix 3: Benefits Criteria for PSV model

Appendix 4: Indicative internal layouts for target PSV model

Appendix 5: Full-size images for target PSV model

A. Executive Summary

1. In 2016, the Council updated its masterplan for the Western Way Development (WWD) to extend not just the area of the site but also the ambition of the project. This included adding not only a larger Public Service Village (PSV) but new commercial and student accommodation elements, creating an even wider range of benefits. At the same time, it was agreed by the Council to work on delivering such a scheme. The WWD covers the areas shaded blue and purple in the plan below, but also affects the area in orange and has an indirect impact on other neighbouring sites owned by West Suffolk College (and vice-versa).

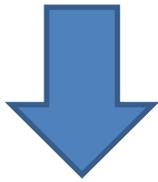


2. There is no 'do nothing' option for the WWD insofar as:
 - the Council has already committed to deliver the masterplan for the site to achieve wide strategic objectives;
 - the Council's depot building will be vacant from 2021 onwards;
 - the Council's leisure centre will likely require substantial maintenance and complete refurbishment within the next 10 years;
 - neighbouring sites to WWD will come forward irrespectively but with less scope for a coordinated and integrated solution. There is a possibility they will also limit the potential and value of the WWD site (for instance, absorbing available highway capacity); and
 - partner organisations will similarly have to make property decisions in the coming years.
3. In this context, and building on the strong track record for co-location in the Suffolk public sector, the Western Way Development (WWD) now has the potential to deliver another radical step change in the regeneration and sharing of the public estate; potentially bringing together a large amount of new

employment space, student accommodation, education, leisure facilities, health and multiple other public, voluntary and community services in a single area to improve public access, service delivery and efficiency, and promote skills and enterprise.

4. Benefits, in keeping with the aims of the national One Public Estate Programme, would be:
 - Savings in property running costs
 - More integrated and efficient public services
 - Capital receipts from vacated sites
 - New homes and jobs for West Suffolk.
5. This Outline Business Case explains the case for such an investment in West Suffolk, demonstrates the most effective technical model for achieving it and requests approval to take the next step towards delivering it within the next four years.
6. Having thoroughly tested the 2016 masterplan concept of a campus style development, and hybrids in between, the project team is proposing a preferred regeneration option which re-uses the existing frame and concrete pad of the depot building when it is vacated in the early 2020s. A structural engineer has confirmed the existing frame is fundamentally sound.
7. As shown in the following diagrams, this design evolution results in a scheme which meets the project objectives of both financial deliverability and maximising the potential benefits of the PSV concept, as well as staying true to the vision in the masterplan for a bold regeneration.

2016 Masterplan 'Campus' Concept



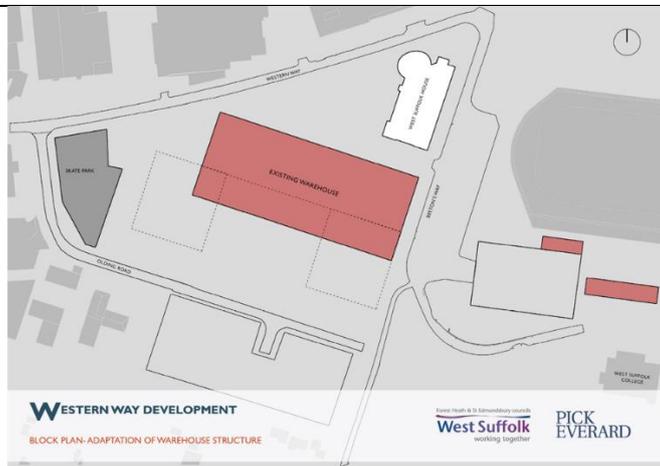
- Strong architectural vision
- Good on phasing
- Expensive
- Weak on integration
- Doesn't relocate leisure centre
- Requires large multi-storey car park (MSCP)

'Hybrid' Concept of extending West Suffolk House, alongside a campus of other buildings



- Good on integration for most services
- Relocates leisure centre (but still standalone)
- Expensive
- Weak on phasing
- Still requires large MSCP
- Requires relocation of skatepark

Preferred Concept of a single building on the main site, created by using and extending the existing depot frame, with separate student accommodation and a new athletics pavilion.



- Most cost effective
- Strong on phasing
- Flexible and future-proofed design
- Complete integration of services
- Requires only a small MSCP (if at all)
- Environmentally strong due to re-use of existing building

8. As highlighted in the table above, this preferred option has several key advantages:

- By sharing building infrastructure, increasing surface car parking and saving the cost of groundworks and a frame, it would be more costs effective than the other models. For example, the commercial office space could be 17% cheaper than a conventional new build.
- In terms of phasing, it will enable a start of works as soon as the Council vacates its end of the depot, so is not dependent on the timetable for possession of the NHS logistics facility, as illustrated in the phasing plans shown below (these are shown in greater detail in the main plan).



Phasing option 1

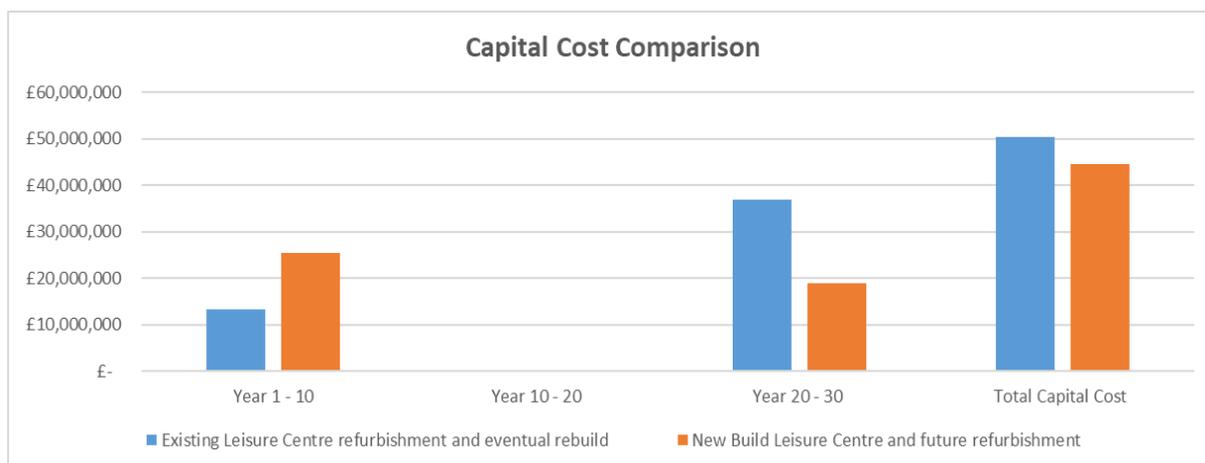


Phasing option 2

- As a simple frame, it is extremely flexible for the first and any later phases of the WWD, allowing upward and outward extension and unlimited scope for internal layouts. Minimising the footprint of buildings on the site and avoiding the need for a large MSCP, also creates long-term flexibility for the WWD site in general.
- By having all occupiers (other than the student accommodation and track pavilion) in a single building, and the scope to link the facilities to West Suffolk House with a bridge, the scope for integration of public, voluntary and private sector uses is the highest, specifically offering the chance to integrate leisure and health together.

9. The Outline Business Case also explains, in a separate appendix, the case for taking the opportunity offered by the WWD to replace and upgrade Bury St Edmunds' leisure centre to form an integral part of the PSV, adjacent to the existing skatepark. This will leave the current site for other, more appropriate uses, particularly student accommodation and on-site parking provision. More importantly, it will form a large community benefit of the Council's investment in the WWD.

10. The current leisure centre is 43 years old and will likely require in the region of £13m of maintenance and refurbishment in the next 10 years to extend its life by 20-30 years, after which a full rebuild will likely be required.



11. As well as being more affordable in the long-run, as the graph above shows, this is a cost the Council will have to meet in any event, and money it will have to find in order to maintain services. Replacing the facility as part of a wider, integrated PSV scheme will avoid a long gap in provision. It will also offer not only economies of scale in the construction process but also savings estimated to be in the region of 7% of the size of the building itself due to sharing things like plant rooms and receptions, including commensurate savings in running costs. Just as importantly, it will offer a more attractive facility that will be better suited to the needs of the community for now and in the future, and one which will be integrated with health provision similar to our other West Suffolk hub projects.

12. In addition to examining the case for a new leisure centre, the Council has spent the last two years working with partners under the One Public Estate Programme to establish their potential needs in the WWD to sit alongside what has been estimated by advisers as a potential long-term demand for up to 6000m² of commercial office space. Although, like the Council itself, they are not formally committed to deliver the project at this point, public sector partners have signed declarations of intent to explore the business case and, as a further sign of their commitment, some have also funded some of the specialist advice that will be required. Many are also parties to Memoranda of Understanding to govern the partnership arrangements for the project. Most of the partners involved are also involved in some or all of the Council's existing or planned projects for shared buildings in the other market towns in West Suffolk.

13. This joint work to date has resulted in an indicative target scheme for delivering the next phase of the Public Service Village (PSV), which includes a large extension to the existing depot frame to accommodate most of the leisure centre. This target scheme is aspirational at this Outline Business Case stage, since it is entirely dependent on the formal sign-up of partners in the next year and attracting external funding from a range of sources. It is also almost certain to evolve before the Final Business Case and any planning application.

14. Given the dependencies involved in the target model, a cheaper baseline model has also been prepared which only requires a small extension, but still delivers significant benefits.

15. The two indicative schemes can be summarised as follows:

Potential Occupier / Partner	Baseline Model (Limited PSV) m2	Target Model (Fuller PSV) m2
Combined Public Sector Space (not broken down)	9,103	n/a
Public Sector Office and/or Public Access Facilities, including support/staff spaces for other building uses below	n/a	7,215
Health Facility	n/a	6,929
Emergency Services	n/a	2,607
Commercial Space	6,865	5,239
Energy Centre	193	193
Leisure Centre	7,166	7,166
Athletics Pavilion	140	140
Student Accommodation	3,975	3,975
Total Area Proposed:	27,442	33,464

NB Neither model includes the existing accommodation already in West Suffolk House, which would be integrated with the new scheme in either scenario, but to varying degrees.

16. As a further safeguard, the model of re-using the frame is very flexible. So not only can the design continue to evolve before the Final Business Case, but partners will also have options to join in later phases if this was better for them.

17. To show the potential of the scheme, some indicative design work for the target model has been prepared. The key features are: an internal 'street' to bring the PSV 'to life' by joining up all activities within it (public and private); and a large single, shared reception area which will link the offices, advice centre, meeting spaces, leisure centre, health centre and café at the western end of the existing frame. An illustrative concept drawing of the external treatment, showing this western end of the building provided on the cover illustration to this business case. The potential for the internal 'street' is shown below in a potential view looking eastwards from the shared reception area.



18. The Outline Business Case proposes a number of criteria for the approval of any Final Business Case project, including the following spending objectives for the Council:

- at worst, a break-even scheme over the life of the project after external funding; and
- a deliverable scheme irrespective of who or what is incorporated in the development.

19. At this Outline Business Case stage, it is clear that further mitigation of the financial model will be needed if these targets are to be met, and the full ambition of the project is to be realised. As a baseline for a deliverable Final Business Case, and also to make the case for external funding, if the Council were to attempt to take on the full cost of the development, both options currently have a funding gap which must be closed.

Estimated Capital Required before Mitigation	Baseline Model £m	Target Model £m	Variance £m
Total	102.38	122.31	19.93

Annual Revenue Implications before Mitigation	Baseline Model £m	Target Model £m	Variance £m
Surplus/(Deficit) after Borrowing Costs	(1.65)	(2.41)	(0.76)

20. If this sum is adjusted to remove the cost of the leisure centre which the Council would be meeting anyway, the surplus deficit is:

Annual Revenue Implications before Mitigation	Baseline Model £m	Target Model £m	Variance £m
Surplus/(Deficit) after Borrowing Costs	(1.07)	(1.50)	(0.43)

21. In either scenario, how would this gap be closed to zero by the time the Final Business Case is adopted?

- (a) **Partner funding** - the model could change significantly if partners are able to invest higher amounts of capital, or attract external grants.
- (b) **External funding** - delivering the full potential of the WWD will require some form of enabling funding and/or land release to address the funding gap. Part of adopting this Outline Business Case is to enable the Council to make that case to funders.
- (c) **Car parking** – the objective of reducing or completely removing the need for a multi-storey car park is a critical part of closing the funding gap.
- (d) **Value Engineering** – the current estimates are based on standard industry costs per m2 and not a technical design for this scheme.
- (e) **Benefiting from shared facilities** - design work to reduce duplicated spaces will drive more cost savings.
- (f) **Maximising the amount of commercial occupation** – by minimising the amount of public space required
- (g) **Renewable energy** – these are yet to be fully explored and therefore no allowance for this has been made in the financial analysis. The estimated net benefit of renewables on the smaller Mildenhall Hub project is over £100,000 a year.
- (h) **Income from shared areas** – The provision of multi-functional areas offers the opportunity to generate an income from these spaces by leasing these out to third parties.
- (i) **Financing options** – During the next stage, the Council will seek advice on the most advantageous mechanisms to fund delivery of this project.

22. It is felt that there is sufficient scope in these mitigation measures to justify moving to the next stage of the project under either option. For

instance, for every £10m of capital cost removed or external funding gained, the revenue gap would close by circa £550,000 per annum.

23. As with any capital scheme, taking the project to the next stage will have a cost to the Council in the form of specialist advice, site surveys, design work, transport studies, project management, etc. Due to the scale of the project, the total cost is estimated to be up to £1.5m, which is up to 1.5% of the project value. This cost will be shared with funders and partly met by external funds, and the balance of funding sought directly from the Council through this Outline Business Case will be capped at a maximum of £900,000.
24. There are additional safeguards for this spending insofar as much of the work involved is transferable to any eventual scheme for the WWD, including sale of the site to a third party.
25. It is also proposed in the Outline Business Case that an external and independent 'gateway' review of the project finances takes place before the Final Business Case is presented to councillors and partners.
26. It is recognised in the masterplan, and in this OBC, that an investment of this size will have an impact on the surrounding area. This impact obviously needs to be set against the wide benefits the WWD will bring to local people. However, a key part of the Final Business Case will also be showing that the scheme is capable of achieving planning consent, and is fully policy compliant. Advice for the Outline Business Case is that the preferred scheme is still consistent with the adopted masterplan, *including its assessment on highways capacity*. However, the project budget being sought for the next stage provides for a new and detailed transport assessment to take place before the Final Business Case to ensure councillors have confidence on this critical issue. Among other things, this study will look at a travel plan to minimise the need for direct car journeys to the site, as well as demonstrating that the highways network can cope with any extra traffic if suitable mitigation is put in place.
27. Finally, the Outline Business Case also proposes two initial steps to manage project risks or reduce future costs. One is to jointly fund the *marginal* cost of upgrading the Beetons Way/Western Way junction from the works already likely to be required by the Abbeygate Sixth Form (if planning consent is approved) to minimise cost and disruption to the taxpayer. The second is to authorise the officers to pursue temporary leases for off-site parking options within a mile of site to manage the construction period, and to provide more flexibility for the initial parking strategy.

B. Structure and Aims of Outline Business Case

1. It is important not to confuse this *outline* business case (OBC) with the *final* business case for the Western Way Development (WWD) that will be needed before the Council commits to make any planning application in 2019.
2. As this stage of the project, the intention is simply to give councillors and partners the confidence to take the next step of working up that final business case by demonstrating that:
 - a) there is no 'do nothing' option for the site, and further transferable work is required whatever final scheme is eventually pursued;
 - b) from an appraisal of options, a preferred and flexible model for physically developing the site can already be identified, irrespective of the balance of uses in any actual development;
 - c) there is also a compelling case for continuing to develop and test with partners an aspirational model to deliver the next phase of the 'Public Service Village' (PSV) concept on the site, and to make this the target outcome;
 - d) external and partner investment will be needed to deliver the project and adopting a bold vision through this outline business case is essential to support any bids for such funding; but equally
 - e) there are other deliverable options that can meet the objectives of the adopted masterplan if that target model is not possible in full or part.
3. In short, this document is seeking to demonstrate that the next stage of the project is a good investment of taxpayers' money. Councillors are not being asked to approve details or funding models for the scheme that will actually be delivered, only the budget for the work to prepare them.
4. To make this argument, this document will be structured into three distinct elements, which reflect three sequential questions to be answered in progressing the project:
 1. An outline business case to develop Western Way using a preferred design approach

Key Question 1: Given the advantages and safeguards it offers, is this the best model through which to progress the WWD irrespective of uses?

2. An outline business case (Appendix 1) to relocate the Bury St Edmunds leisure centre¹ as part of a wider development of the site

Key Question 2: Should any WWD include a replacement leisure centre as part of the core design?

¹ Excluding the track which would be retained in its current location in all options.

3. An outline business case to allow the PSV concept to be pursued further as the target model for the new development.

Key Question 3: Should the PSV concept be the target outcome for the WWD?
--

5. The report will also propose some initial 'holding' actions that preserve the new West Suffolk Council's options going forward as a developer.
6. It will also, hopefully, assist partners in making their own separate decisions to proceed to the next stage of the scheme themselves.
7. On the above basis, the outline business case deliberately does not go into final levels of detail on matters of design and layout and cost, since these will inevitably continue to evolve before being presented in the final business case. Furthermore, at this early stage, flexibility is crucial.
8. More importantly, this level of detail is also something councillors will want to consider separately as part of their planning role. It is therefore important at this stage that councillors only consider the proposal in terms of the Council's role as landowner, developer and strategic body. This outline business case does not represent the view of the Local Planning Authority, and any proposals that result from it will need to be tested by the full planning process, with proper public engagement and reference to adopted planning policy. Where a planning view is reported in the text, it reflects the initial, and without prejudice, informal opinion of planning officer(s).
9. As it relates to decisions that will be delivered by the new single council, in this document the use of term "council" in relation to internal matters is, unless stated otherwise, a reference to West Suffolk Council, which will be formed on 1 April 2019. Similarly, any assets owned by St Edmundsbury Borough Council (SEBC) will transfer to the new council on that date.

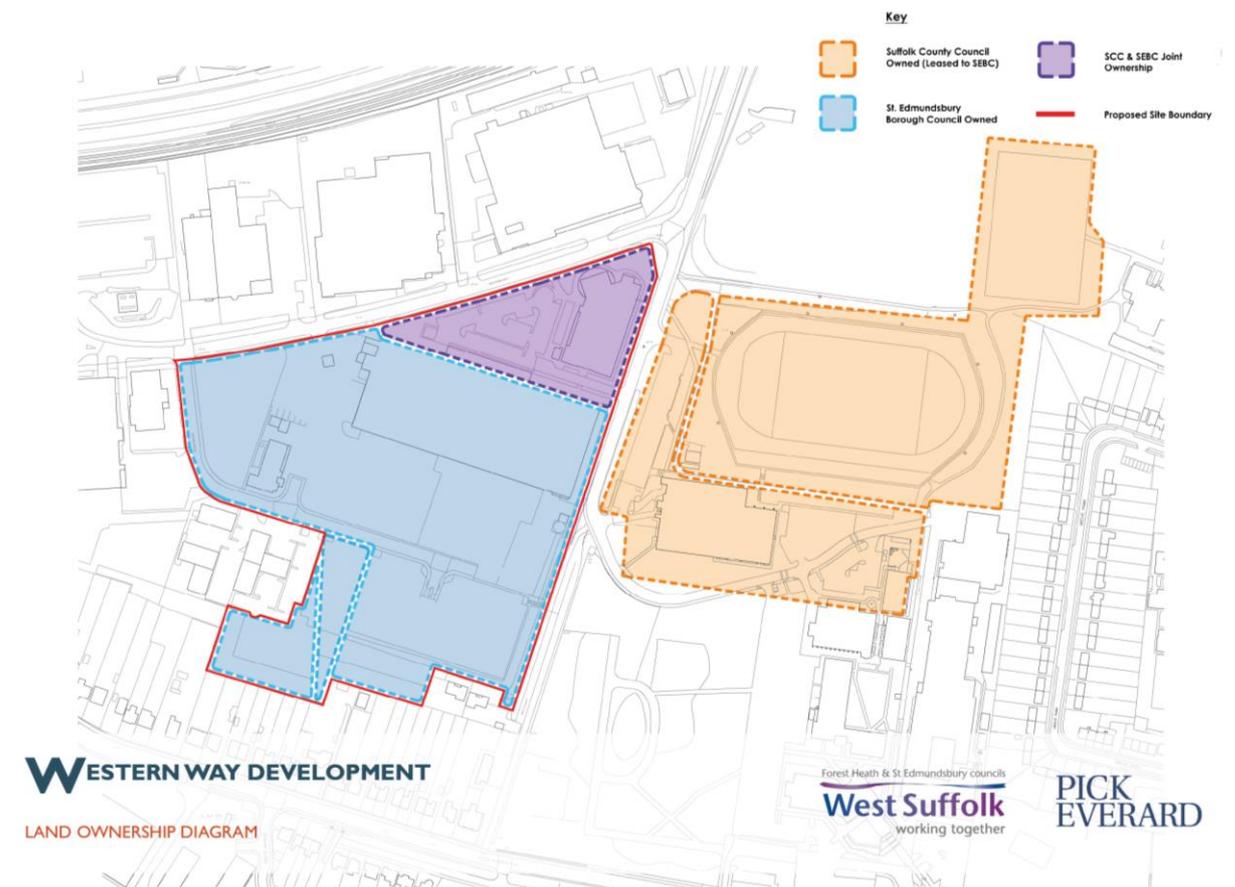
C. The Strategic Case

(Why are we doing it and what are we trying to achieve?)

1. Background to Strategic Case and Scope of Project

What is the Western Way Development?

- 1.1. This is the strategic case for developing local authority land at Western Way with a preferred technical approach, and then using that design to create a Public Service Village. The specific arguments for replacing the leisure centre are contained in Appendix 1. Taken together, the aim is to adopt a preferred method of redeveloping the site in any eventuality, but with two target outcomes (the PSV and a new leisure centre within it).
- 1.2. This business case refers to the following land in local authority ownership:



What is already agreed?

- 1.3. Since June 2007, the large majority of the Western Way site has been allocated within the Replacement St Edmundsbury Borough Local Plan 2016 ("Vision 2031") under Policy BSE17 as a redevelopment opportunity site for predominantly B1 use. Current planning policy BV14 highlights the site as a General Employment area and policy BV15 states the site has opportunities to redevelop and re-use the site or buildings for alternative business / mixed activities which do not necessarily fit neatly into B use classes.

- 1.4. The 2006 masterplan was adopted and phase 1 of it has been completed with the opening of West Suffolk House in 2009. This building has saved taxpayers a significant amount of money since opening due to savings in running costs. Subsequent to its completion, the owners of the NHS logistics site agreed to include their land in the future development of the site. Given the wider options resulting from the inclusion of the NHS Logistics site, a new masterplan was developed and adopted in 2016, reflecting a vast array of new opportunities.
- 1.5. Also in 2016, the Council agreed to progress the option that best achieved the Council's objectives for the Western Way development site. Prior to that decision being taken, the commercial considerations had been examined to establish whether the revised Masterplan was financially feasible. That initial appraisal concluded that the most financially prudent option was for the Council to become, in effect, the developer of the site. Furthermore, it was decided that the Council's preferred option was for a comprehensive development of the whole site *including the NHS logistical building*. This option was the focus of the work that followed using that approved budget.
- 1.6. It should be noted, however, that in 2016 the Council did not own the whole site and, furthermore, the scope of the project was very different to what is being proposed in this report. Not least because the potential requirements of the public partners have changed since the masterplan was prepared. In terms of phasing, the 2016 evaluations also assumed a start on site in 2018 which, at that time, was linked to the expected opening date of the West Suffolk Operational Hub.
- 1.7. Subsequent to those decisions, the Council purchased the NHS logistical building in October 2017 to give it the ability to deliver the agreed objectives.

What is the 'Public Service Village' concept?

- 1.8. In 2014, the project was adopted by the Cabinet Office and Local Government Association in their national One Public Estate (OPE) Programme. The local and national public sector partners have been discussing the project since that time under the auspices of OPE. They have concluded that, building on the strong track record for co-location among the partners, the Western Way Development (WWD) has the potential to deliver another radical step change in the regeneration and sharing of the public estate; potentially bringing together a large amount of new employment, education, leisure, health and a wide range of other public, voluntary organisations and community services in a single area to improve public access, service delivery and efficiency and to promote skills and enterprise. This ambition has been described as the creation of a "Public Service Village" (PSV), the first phase of which was the opening of West Suffolk House in 2009; close to the leisure centre, West Suffolk College and three of the town's secondary schools. This project would be phase II of the PSV.
- 1.9. Driving this ambition is the fact that many of the public sector buildings in Bury St Edmunds are either reaching the end of their design-lives, are either too large or too small for likely future needs, are in need of complete refurbishment or replacement and/or sit on sites which have more beneficial alternative uses. These diverse assets are currently spread around the town, occupying around 6 hectares. Like the Government, the partners recognise that this is increasingly inconsistent with the changing landscape of public service delivery. They are

therefore looking for a model of public estate management which creates new jobs and homes, fosters collaboration and community identity, and capitalises on new technologies, both in building design and information technology. In particular, the partners feel that any opportunity to reconfigure the public estate to deliver improved outcomes in skills, educational attainment and health should be taken.

- 1.10. The WWD would not only provide a better property solution, it would also enable services to integrate and work together in an innovative way. By involving West Suffolk College, and including a significant amount of new enterprise space, the WWD would also allow for skills and employment to be progressed in the town, with the potential to link directly to a new proposed sixth form, apprenticeships and qualifications beyond degree level. In addition, health and wellbeing could be improved in the area by upgrading and integrating with the leisure facilities on the site.
- 1.11. Like the partners' other hub projects in Mildenhall, Newmarket, Haverhill, Brandon and Clare, it is believed that this project could be used as a national exemplar of good practice and could be used as a model for other local authorities, large and small. For this reason, the project is already part of the national One Public Estate (OPE) programme.
- 1.12. The potential of the WWD to achieve this ambition is already recognised in the adopted masterplan and, with the relocation of depot operations from the site in the early 2020s, there is now the opportunity to deliver it. This outline business case brings together work over the last few years to assemble partner interest and appraise options for the site, and seeks to demonstrate why a WWD incorporating the next phase of the PSV is the target outcome for the overall scheme, over and above a baseline model.

How has the PSV work fed into this outline business case?

- 1.13. Under the auspices of the OPE programme, public sector stakeholders (many of which are owner/occupiers of sites in Bury St Edmunds) are actively engaged in discussions with the Council on their potential accommodation and operational requirements within the WWD. This is captured in the master planning options and costings in this OBC and planning work for the next phases of the project.
- 1.14. Completion of development appraisal modelling and securing the timely commitment of all parties remains a key aspect to progressing the project and to informing the finalisation of: the final WWD business case; phasing; refinement of masterplan layout; the scope of the planning application for the next stages of the project. Partners with local discretion to do so have therefore signed a multi-partite Joint Declaration of Intent, which provides senior level commitments from all the signatories to provide the capacity to explore and prepare a final business case for the WWD in 2019. Detailed discussions with potential occupiers/partners are continuing to advance with bi-partite Memoranda of Understanding and indicative high level draft Heads of Terms being prepared and, in most cases, signed.
- 1.15. Specifically, those WWD stakeholders in the health and social care sectors are working closely together on the development of proposals for the WWD health and social care facilities with shared goals of greater service integration,

improved overall customer service, and greater efficiencies. A WWD Health Facility Operating Group is well established. In support of their work the group has jointly funded the commissioning of an expert professional health planner who is working with all stakeholder to refine how the current and future needs of the likely occupiers, and all users of health facilities at WWD, can most effectively be integrated in support of the stakeholders shared goals. Completion of such analysis is a requirement of any internal business cases in the NHS.

- 1.16. As explained above, embracing and driving the skills and innovation agenda is also a central principle running through all of the WWD activities. There is therefore a close partnership between the Council and West Suffolk College which seeks to promote wider relationship between the College and Western Way opportunities, as well as other hub sites in West Suffolk. The relevant stakeholders are also working together to explore and progress options for the delivery of the proposed student accommodation element.
- 1.17. Similar considerations and processes are being developed in relation to the Leisure Centre proposals and its links to other elements of the Western Way development (as detailed in Appendix 1) and to the shared advice centre concept being developed.

What is the current scope of the PSV concept?

- 1.18. As an outline business case (OBC), the aim at this stage is to be as aspirational as possible for the PSV element of the WWD. This ambition can always be reduced in the final business case, when partners' positions are known but, at this point, the intention is to design a scheme that is flexible enough to deliver the PSV at its maximum extent either in the first or later stages. Thereby giving the maximum number of partners the opportunity to take part if they are able.
- 1.19. However, this OBC is also a snapshot in time. The financial model explained in this OBC was based on an initial appraisal of options in summer 2018 to enable a 'design freeze' to be put in place in September, and allow cost estimates for this OBC to be prepared. The design will inevitably evolve further before the final business case in 2019 (FBC). For instance, the aforementioned work of the Health Facility Operating Group has continued beyond the design freeze, and already suggests a higher amount of health space could be sought. Therefore the public sector requirements should be seen as notional and indicative.
- 1.20. In terms of public and voluntary sector uses, **although this OBC does not commit them to take part in delivery of the project**, the preparation of a joint business case for the WWD currently involves the following partners as well as the Council:
- Abbeycroft Leisure
 - Citizens' Advice Bureau
 - Police & Crime Commissioner for Suffolk/Suffolk Constabulary
 - Suffolk County Council
 - West Suffolk College
 - West Suffolk Alliance (i.e. *Suffolk County Council, West Suffolk Foundation Trust, Norfolk and Suffolk Foundation Trust, West Suffolk Clinical Commissioning Group, GP services etc*)
 - Various other public, voluntary and private health and care sector providers.

1.21. In addition, while they may not require space themselves and/or only have an advisory capacity, the Council has engaged with multiple organisations through the One Public Estate Programme or other channels, including but not limited to:

- Abbeygate 6th Form
- Anglia Revenues Partnership
- Cabinet Office and other central government departments
- East of England Ambulance Service Trust
- Education and Skills Funding Agency
- Local Government Association (national and regional)
- New Anglia Local Economic Partnership
- NHS Logistics
- Sport England
- Suffolk Fire and Rescue Service
- The Business Board (Formerly Greater Cambridge/Greater Peterborough Enterprise Partnership)

1.22. The WWD masterplan also envisages a mixed development. Therefore, at the heart of any scheme will be commercial enterprise space, ideally with strong links to other activities on the site. Carter Jonas have analysed local demand and suggested that this development could support commercial office space in the region of 6,000 m², with likely occupation occurring over a period of five years, subject to demand. It is envisaged that the accommodation could be provided on a phased basis with the initial phase comprising 2,000m². This accommodation would need to be flexible enough to be divided into units as small as 500m², ranging up to 3,000m². This OBC shows that there will ultimately be a trade-off between public sector and commercial uses due to the highway and parking capacity of the site. Therefore, again, the amount of commercial space shown in this OBC is only indicative at this point.

1.23. The FBC will refine this information significantly but, for the purposes of understanding the target PSV model, the Council is therefore currently working with the partners to **explore the possibility** of the following facilities in the PSV:

- Space to accommodate the delivery of community health services and supporting facilities.
- Office and/or Public Access Accommodation and supporting facilities (including integrated advice centre) fully integrated with West Suffolk House
- Emergency Services Accommodation (currently police only)
- Improved Leisure Facilities
- Student Accommodation and Integration of the Skills Agenda across WWD
- Car Parking² and Public Transport Facilities
- Enabling Road infrastructure and services/utilities reinforcements.

1.24. In addition to the above services and Partners, the following supporting and ancillary facilities are being modelled for inclusion in the project:

² The aim will be to include only enough parking in the WWD for the planned uses, and to keep this to a minimum through an effective travel plan. Even so, it is worth highlighting that this will predominantly be a weekday requirement meaning that there will a significant number of spaces available at weekends to support peak demand in Bury St Edmunds, either by park-and-walk or even park-and-ride.

- Adaptation of West Suffolk House to allow it to be fully integrated
- Commercial B1 office space.
- Crèche³
- Renewables and sustainable energy strategy.
- General and specialist storage.
- Catering provision
- Integration of existing Skatepark⁴.

1.25. Although **not** included in the target model at present, there is also scope before the FBC to look at adding other specific elements to the scheme, albeit there would be compromises, explained below:

- General residential:** Though the Western Way Masterplan (2016) did not include a housing provision, the principle of incorporating housing within the scheme was explored with the aim to making a positive financial contribution to the viability of the scheme. However, the housing development would only contribute a one-off sum of approximately £1.5m and limits parking and phasing options as it reduces the available area within the site to accommodate surface car parking. This significantly increases the cost of providing car parking spaces adding approximately 360 car parking spaces, and triggering a need for a multi-storey car park (MSCP) or off site options. In addition, it limits the future potential of the site. Therefore, this has not been explored further though may be revisited in the future should circumstances change.
- Hotel:** The research identified that there was limited interest expressed through initial market testing, however, this may be reviewed as the overall Western Way development matures.
- Retail:** Research identified limited demand for ancillary retail, however, this will be reviewed as the scheme develops.

1.26. The preferred model explained later in this OBC offers significant scope for extension, laterally and vertically, so the scale of development is only constrained by financial viability and, just as importantly, highways and parking capacity. However, in order to provide a cost model for this OBC, a notional space allocation had to be fixed because the building cost per m² of various facilities varies significantly (ranging from sports halls up to clinical health spaces and swimming pools). As does the rental income from each use.

1.27. Therefore at the time of the design freeze in September 2018, two illustrative models were prepared to show:

- a. The core cost of developing the site, whatever the use.
- b. The flexibility of the site.
- c. The trade-off in capital and revenue terms between public and commercial space.

³ The aforementioned Carter Jonas demand study identified the potential for a up to 500m² crèche facility to support the development and jobs created.

⁴ The site configuration under the preferred model enables the existing skatepark to be retained in its current location and incorporated into the leisure elements of the scheme, as per the masterplan.

1.28. These indicative models take the form of: a 'baseline' option for developing the site under the preferred model in its simplest (and least extended) form; and an aspirational 'target model' which shows how the preferred model would need to be adapted to reflect a larger extent of the PSV concept. Both of these models are explored in more detail in the later parts of this OBC. However, in terms of scope, they compare as follows:

Occupier / Partner	Baseline Model (Limited PSV) GIFA⁵ m2	Target Model (Fuller PSV) GIFA m2
Combined Public Sector Space (not broken down)	9,103	n/a
Public Sector Office and/or Public Access Facilities, including support/staff spaces for other building uses below	n/a	7,215
Health Facility	n/a	6,929
Emergency Services	n/a	2,607
Commercial Space	6,865	5,239
Energy Centre	193	193
Leisure Centre	7,166	7,166
Athletics Pavilion	140	140
Student Accommodation	3,975	3,975
Total Area Proposed:	27,442	33,464

NB Neither model includes the existing accommodation already in West Suffolk House, which would be integrated with the new scheme in either scenario, but to varying degrees.

1.29. In terms of specific service requirements, the specification for the above facilities is taken to follow the normal national guidelines for each sector i.e. NHS, Sport England, Home Office, etc design guides.

1.30. However, it must be stressed again that this is the target outcome and is almost certain to evolve before the FBC due to the ongoing work with partners to refine this accommodation schedule further. Therefore the totals of, and balance between, various elements is almost guaranteed to change before the FBC. A strength of the preferred development model set out in the main OBC is that it provides this flexibility.

2. Strategic Needs

Council context

2.1. The Western Way Development (WWD) addresses multiple strategic needs for the Council itself, as well as partners. The Council has several roles in this context, in no order of importance.

2.2. As **landowner**, and on behalf of taxpayers, it addresses the need to have a plan to develop the depot sites in accordance with the masterplan. This is consistent with the Council's Strategic Framework vision of "supporting and investing in West Suffolk communities and businesses to encourage and manage ambitious

⁵ Gross Internal Floor Area (GIFA).

growth in prosperity and quality of life for all". This development also meets the aspirations of our Growth Investment Strategy which aims to "use our investments, assets, leadership and influence to maximise the benefits for our communities and businesses, to support services and generate economic, social and financial return". Further, this development will be a major strand of our Asset Management Strategy which aims to "use property to support financial security and community prosperity".

- 2.3. As a **local authority** with strategic priorities and statutory responsibilities, it addresses a variety of needs. It is important to re-confirm in this OBC that the project is aligned to and/or complements West Suffolk councils' existing policy framework and other relevant corporate considerations. Such an analysis is contained in **Appendix 2**, and is also explored in **Appendix 1** in relation to the leisure centre.
- 2.4. As a **partner** within the Suffolk public sector, the WWD allows the councils to support the improvement of wider outcomes for its community through rationalisation of the public estate. This is explored in greater detail in the following section.

Community and partnership context

- 2.5. Bury St Edmunds has a population of nearly 42,000 and is the largest of six market towns in the predominantly rural district of West Suffolk. Well-connected with London, the East Midlands and the rest of Suffolk, West Suffolk has a diverse economy which contributes to the East's annual economic value of £146bn. West Suffolk saw the largest increase in employment in the year 2015 to 2016 compared to surrounding districts and the nearest city of Cambridge. However, wage levels in West Suffolk remain below the national average, leading to a renewed focus by West Suffolk councils on attracting high quality employment to the area, supported by training and skills development.
- 2.6. Bury St Edmunds itself has grown from a medieval core to a market town serving West Suffolk and has seen net population increase of up over 18% since the millennium, 6.4% higher than the national increase. Through strengthening our relationships with other public sector organisations we can help meet the needs of the 15,000 additional homes that will be built in West Suffolk by 2031, alongside supporting new business and employment opportunities, such as those created by the new Suffolk Business Park in Bury St Edmunds.
- 2.7. West Suffolk also recognises the financial pressures on local services and seeks to save money for the taxpayer and take advantage of commercial opportunities, while realising its ambition to ensure many of our investment choices now will lay building blocks for resilient and thriving communities. We are particularly ambitious in our plans to rationalise the public estate as part of the national One Public Estate programme, such as through the recent Mildenhall Hub programme. This collaborative approach also provides the opportunity to respond to the changing nature of customer demand, in terms of increasing digital access and a more holistic approach to face-to-face contact with public services.
- 2.8. In this context, the redevelopment of Western Way is the innovative next step in the success story that is Bury St Edmunds and West Suffolk, providing the chance for public, private and voluntary partners to work together for the communities

they serve, whilst also delivering economic growth, creating jobs, and improving health and education in one easy to reach destination.

- 2.9. The project provides a unique opportunity to enhance a predominantly industrial area, creating a site that not only will improve the local street-scene but work for the future prosperity of local communities and residents. Building on the successes of other major development projects like the Cattle Market (arc), West Suffolk has established a reputation for delivering ambitious schemes with the sole intention of increasing the wellbeing and opportunities for those living, working and visiting the area. With the WWD development, the Council and its partners go a step further, for example linking enterprise space to education and health providers to leisure. Western Way therefore becomes more than just a collection of buildings. It is a new way of working collaboratively to improve health, education and the local economy.
- 2.10. Accepting that partners are still only exploring the principle of taking part, the WWD nonetheless has the potential to deliver the core corporate ambitions of a number of partners to address these local needs, and it is beneficial to understand these at this point. These ambitions feed into the required benefits (see section C6). Merely to demonstrate the potential of the WWD in a policy context, the table overleaf is a summary of the corporate priorities of a sample of the **possible** partners, including those who have signed the declaration of intent to prepare a business case. The WWD will assist with all of these priorities.

West Suffolk College

- Achieve the most appropriate qualifications completed to the very best of their ability
- Expect support in making excellent connections with employers in order to maximise their future.
- Have the strength of character to shine out above the rest and live as independent thinkers, confident in their choices and actions.

West Suffolk NHS Foundation Trust

- Delivery personal care, safe care and joined-up care
- Support a healthy start, a healthy life and aging well
- Support all our staff

Norfolk and Suffolk NHS Foundation Trust

- Co-ordination of high quality, excellent and cost-effective services, together with a commitment to research and innovation.

West Suffolk Alliance

- (Alliance comprises the NHS partners above, Suffolk County Council and the Suffolk GP Federation)
- Focus on people and places in West Suffolk integrating services around people's homes, neighbourhoods and communities

West Suffolk Clinical Commissioning Group (WSCCG)

- Develop clinical leadership
- Demonstrate excellence in patient experience and patient engagement
- Improve the health and care of older people
- Improve access to mental health services
- Improve health and wellbeing through partnership working
- Deliver financial sustainability through quality improvement

NHS Sustainability & Transformation Partnership (STP)

- A step change in prevention and the building of safer, stronger, resilient communities
- Transforming locality based care and support through health, care and other services integration
- Ensuring that our hospitals, mental health, community, social and primary care providers and commissioners are sustainable financially and continue to provide high quality care
- Enabling better health and care through the development of innovative new models of care and ways of working

West Suffolk Councils

- Growth in West Suffolk's economy for the benefit of all our residents and UK plc.
- Resilient families and communities that are healthy and active.
- Increased and improved provision of appropriate housing in West Suffolk in both our towns and rural areas

Suffolk County Council

- Inclusive growth
- Health, care and wellbeing
- Efficient and effective public services



Suffolk Police and Crime Commissioner

- Making Suffolk safer
- Delivering much greater visibility of front line policing
- Improving respect for law and order in society
- Greater focus on detection and conviction of criminals
- A more robust approach to drug crime, repeat offenders, anti-social behaviour, problem families and domestic violence

Citizens Advice Suffolk West

- Provide the advice people need for the problems they face and improve the policies and practices that effect people's lives

Greater Cambridgeshire & Greater Peterborough LEP

- Doubling the size of the local economy
- accelerating house building rates to meet local and UK need
- Delivering outstanding and much needed connectivity in terms of transport and digital links
- Providing the UK's most technically skilled workforce
- transforming public service delivery to be much more seamless and responsive to local need
- Growing international recognition for our knowledge based economy
- Improving the quality of life by tackling areas suffering from deprivation.

New Anglia LEP

- The place where high growth businesses with aspirations choose to be
- An international facing economy with high value exports
- A high performing productive economy
- A well-connected place
- An inclusive economy with a highly skilled workforce
- A centre for the UK's clean energy sector
- A place with a clear, ambitious offer to the world

Abbeycroft Leisure

- Support people to be the best they can be
- take ownership over what we do and ensuring that we do what we said we were going to do
- care about our role and what we are there to achieve
- it is our responsibility to remain informed about the service we provide, communicate as much as possible and find out if we don't know
- adapt to the environment around us so that we can overcome challenges
- remain at the heart of our community by delivering local services and employment for local people

Suffolk Police

- Making Suffolk safer:
- Responding to calls for urgent assistance.
- Caring about victims, communities, the local economy and our workforce
- Protecting vulnerable people and communities by preventing, reducing and solving crime and reducing anti-social behaviour.
- Delivering efficient and effective services with the right resources.

LGA/Cabinet Office: One Public Estate

- Creating economic growth (new homes and jobs)
- Delivering more integrated, customer-focused services
- Generating efficiencies, through capital receipts and reduced running costs

- 2.11. West Suffolk Foundation Trust (WSFT) have also highlighted that WWD and similar hub projects form a key part of their new estate strategy (September 2018); the Trust is looking to develop health and care wellbeing hubs in six localities across the west of Suffolk, with integrated neighbourhood teams working within them. It is envisaged that the localities will contain a wide range of statutory and non-statutory services but, in keeping with OPE, the philosophy is as much as about the way everyone works as it is the space they work from. NSFT similarly confirmed that this project is a key part of their estates strategy. The local health sector's Sustainability and Transformation Plan (STP) also identifies WWD project as a key priority for a number of the health partners' occupational and operational needs.
- 2.12. More detailed analysis in relation to the leisure centre element is set out in Appendix 1.

3. Spending Objectives

General considerations

- 3.1. The Council's Medium Term Financial Strategy (MTFS) has an emphasis on investing in key strategic projects to support the delivery of its strategic priorities. There are six key themes as part of the MTFS, which include "continuation of the shared service agenda and transformation of service delivery" and "being an 'investing authority' and considering new funding models". However, depleting capital and revenue reserves mean that the Council is not able to use traditional funding models, such as using its own reserves, to finance this project. As such, other funding models will need to be considered, namely external borrowing.
- 3.2. There are options for developing the site in a completely commercial manner and these are not precluded by adoption of this OBC. However, the detailed work since 2016 shows that delivery of the first phase of a large and ambitious mixed-use scheme, as envisaged in the 2016 masterplan, is unlikely to generate a direct net return to the taxpayer when taken as a whole. For the reasons that there will be large infrastructure requirements and, more importantly, that it is to be seen as an investment in improved outcomes for the local community and economy. There will be measurable benefits, directly and indirectly, which are identified below, but, in terms of spending objectives, it is therefore important to be clear that the *main* driver for the Council progressing the WWD is not, in a strategic sense, commercial. It will certainly require commercial behaviours and decisions, and some elements of the scheme will be profitable, but the intention of these will be to generate a cross-subsidy for infrastructure and improving public services. Moreover, it is important for this reason that no party is able to extract direct financial benefits from the site without re-investing them within it (which does have an impact on the choice of delivery model).
- 3.3. In the case of the proposal to replace the leisure centre, this approach to preparing an OBC is long-established. As set out in Appendix 1, the objective will be to invest to create self-supporting leisure facilities capable of meeting their own day-to-day running costs. Moreover, as an existing council facility, the replacement of the leisure centre can be treated as a conventional asset management decision, just as the West Suffolk councils have done over many years e.g. Mildenhall Hub. In that context, Appendix 1 shows that, on a 'whole-life' cost, replacing the leisure centre as part of the WWD saves the taxpayer money, as well as resulting in far stronger service outcomes.

- 3.4. The above commentary applies to the WWD in the context of it being a mixed development, with a large PSV element. As explained in later stages of this OBC, however, it is important to note that the large investment required to take the project to its next stage has spending safeguards, in the form of it supporting any future development of the site; in whatever form, and through whatever vehicle.
- 3.5. For any commercial elements of the WWD, the principles in the Council's Medium Term Financial Strategy and Investment Strategy will apply. It also follows that, if any of the public sector requirements reduce before the FBC stage, they will be swapped in the preferred development model for more commercial uses, to assist with overall viability. As a general observation, the target outcome for the WWD (i.e. the full PSV model) is likely to be the most costly for the Council and its taxpayers to deliver without significant external funding. The justification for pursuing this model is, therefore, not a financial one, but because it produces the greatest and widest long-term benefits for West Suffolk, and the highest social returns on investment.
- 3.6. In summary, the Council's general spending objectives for the WWD project should be:
 - At worst, a break-even scheme over the life of the project after external funding.
 - A deliverable scheme irrespective of who or what is incorporated in the development.

PSV Considerations

- 3.7. In terms of the PSV element of the WWD, additional spending objectives can be added to those above in the form of a set of key principles. These reflect the public service nature of the scheme and are in keeping with those used for other One Public Estate projects, such as the Mildenhall Hub. Namely, in no ranked order of importance:
 - (a) In terms of replacing comparable facilities and/or relocating within the WWD, the aim ahead of the FBC would be for at least a cost-neutral proposition for public sector partners over the life of the project in terms of their equivalent current running costs (however, if a partner wants to increase facilities, or is gaining a significant improvement, then they may need to pay more).
 - (b) Costs will be shared between public sector partners on a 'user-pays' basis, the principle being that no public body will subsidise another, or seek to achieve a commercial outcome from the scheme which is not being used to cross-subsidise the WWD.
 - (c) In keeping with (b), given that existing office facilities at West Suffolk House (WSH) will be an integral part of the extended PSV concept, the capital and revenue costs of adapting WSH will be blended with the equivalent costs of any new office space on the site. This will avoid any incentive to be located in a particular part of the scheme, and allow teams to be situated where the operational and design benefits are the greatest.
 - (d) As the whole site is already in public ownership, it is assumed there will be no new land acquisition costs for the Council or other partners, if conditions (a) and (b) are observed.

- (e) All occupying partners will need to sign an agreement before any planning application is submitted, which commits them to their defined share of the costs. This agreement will define the tenure arrangements for each partner and the working assumption is that the Council act as the landlord for the new built facilities on the site, with all other partners as tenants. In the case of WSH, this will be a shared role with SCC, as they are already joint owner. However, other partners are able to request a shared landlord role for the new facilities if they wish.
- (f) The landlord may also choose to subsidise the rent of a tenant if it wishes (if State Aid compliant and where this fits with the landlord's own strategic or operational requirements).
- (g) (e) and (f) do not preclude a different community ownership model emerging in the future when the WWD is safely established.
- (h) To ensure deliverability, the Council will need to assess initial estimates in the FBC on the worst-case financial scenario of also underwriting most of the capital cost of the central and shared infrastructure in the new Hub building. However, it is expected that some of this cost will be shared with some of the other partners, or be eligible for external grants, when the final budget for the WWD is determined in 2019. Ultimately, if this is not achieved, what may be affordable in phase 1 of the WWD is likely to change significantly.
- (i) As explained in Appendix 1, the Council will also cover, as landlord, the capital cost of operational elements required by Abbeycroft. As with all other council leisure facilities, Abbeycroft will operate the leisure centre as agents.
- (j) Tenant partners will also be able to invest capital in return for a rent consideration (although they will still pay their share of occupation and maintenance costs – see (l) below). Partners will not be able to recover their capital investment if they surrender their lease early. This arrangement can be pro-rata i.e. a full investment will result in a peppercorn rent for a defined period; a 50% investment will result in a 50% rent subsidy. The rent-free period will be linked to an assessment of the design-life and/or planned maintenance cycle of the new building and will enable the partners (and the taxpayers funding them) to achieve the same outcome as building their own standalone new building. It also gives them the certainty of tenure required for their initial investment. This important principle is essential to allow (and incentivise) partners to join the WWD project on a fair and cost-effective basis; the Council's role in the WWD project is not commercial, but as an enabler of the community and economic benefits.
- (k) Alternatively, if they do not have capital to invest, and to assist with the coordination of the project, the Council will be prepared to borrow on behalf of other partners to cover their share of the capital costs, provided that the partners enter into a contract (and long-term lease) to enable the Council to recover the cost and risks of this borrowing in accordance with its Medium-Term Financial Strategy. This will mean that the West Suffolk council taxpayer will not subsidise the other partner and vice-versa.

- (l) Irrespective of the Hub's ownership, all of the Hub occupiers will share its running costs, including maintenance, on a fair 'user-pays' basis.
- (m) The project, like all others, will be considered on the basis of the West Suffolk investment framework principles to cover any borrowing requirements. However, it should be noted that (as explained in this OBC) the project is more complex than a normal 'commercial' investment decision, as it is about delivering core services, meeting strategic objectives and addressing asset management issues.
- (n) Partners may also choose to enter into joint arrangements for the regeneration of any vacated sites elsewhere which the Council could include in the wider financial appraisal of their involvement in the scheme.

4. Existing arrangements

4.1. In general terms, the WWD site can be divided into six distinct elements:

- (a) West Suffolk House – built in 2009, this is a high-performing shared office building, which is at maximum capacity in terms of its office space and meeting rooms. The design of the building, and in particular its natural ventilation, means that any adaptation must be treated carefully. However, there is scope to extend the building and/or link it to new buildings on the WWD. The flexibility of the building also means that there is scope to change who occupies it – it is already shared by councils, NHS and EELGA. Furthermore, if additional public buildings are added to the WWD, there would be scope to review their shared infrastructure with West Suffolk House. The building is jointly owned by SEBC and SCC.
- (b) Council depot – part of the former industrial building, this operational space, with large amounts of parking and external storage, is now due to be vacated in January 2020 when the West Suffolk Operational Hub opens. It is owned by SEBC.
- (c) NHS Logistical Building – owned by SEBC and leased to DHL. The Council acquired this site to enable the WWD to be delivered, and the long-term presumption is redevelopment. The NHS has a lease which expires in 2022 and has a break clause in 2020 and the Council is in dialogue with the NHS and DHL about relocation; the Council being keen to retain these jobs in the locality. For the purposes of adopting this OBC, the preferred model must be shown to be able to cope with two variants: the NHS building becoming vacant at approximately the same time as the Council depot in 2020 (best case); or becoming available later on in 2022 (worst case). National processes within the NHS regarding the future shape of its logistical contract will be concluded in the next 12 months and therefore it will be possible to clarify this matter of phasing before the final business case in 2019.
- (d) Olding Road Car Park – owned by SEBC. This 338 space car park is reserved for staff at West Suffolk House during the day, but is available from 3.30pm and at weekends for public use.
- (e) Bury St Edmunds Skatepark – owned and managed by SEBC, with support from a local charity formed by users (Bury St Edmunds Skatepark Experience). The skatepark has been totally upgraded in the last ten years, with external match-funding, and is very well used. There is no proposal to

relocate it in either the masterplan or this OBC, so the challenge is to integrate it into any new scheme and provide flexibility for the future.

- (f) Bury St Edmunds Leisure Centre and Athletics Track – owned by SCC but subject to a 99 year lease to SEBC (starting in 1975). A large facility, last refurbished around ten years ago, with the likelihood that a full replacement will be needed in the next ten. This element is examined in more detail in Appendix 1.

4.2. The site is also immediately adjacent to other key public landholdings:

- (a) West Suffolk College campus (including Copse), which is subject to its own masterplan. The College also owns a facility off Anglian Lane.
- (b) King Edward VI School playing fields – subject to a planning application to create the Abbeygate Sixth Form College. Planned to open in 2019/20.
- (c) William Vinten building, Western Way – Purchased by West Suffolk College as part of its future development plans, focused on business and enterprise.

4.3. Potential space requirements of partners in the target PSV model reflect their analysis of current and future operations. The flexibility of the preferred option means that these can continue to evolve up until the point of occupation, and beyond (see section C5 below). West Suffolk House, for instance, has been reorganised several times since 2009 as partner needs have changed. However, it is worth noting that, for the purposes of the PSV project that West Suffolk House is currently at its maximum level of occupation.

4.4. In terms of the existing arrangements of other partners, clearly this will depend on the final list of organisations which take part. Nonetheless, from the above list of those involved in exploring the PSV, it can be seen that there will be several existing sites elsewhere in the town vacated by the project, allowing them to be redeveloped to create new homes and/or jobs and generate inward investment. This concept is explored in section C6 below and, when details of the phase 1 scheme are agreed in 2019, the FBC will be able to provide far greater detail on this matter, broken down into sites and potential outcomes from them. Some of these sites may also be used by partners to generate capital and/or revenue receipts to contribute to the project itself, albeit not all are in local control or public ownership.

4.5. As can be seen, the total site therefore has considerable potential for regeneration and integration of public services and is about to undergo significant change.

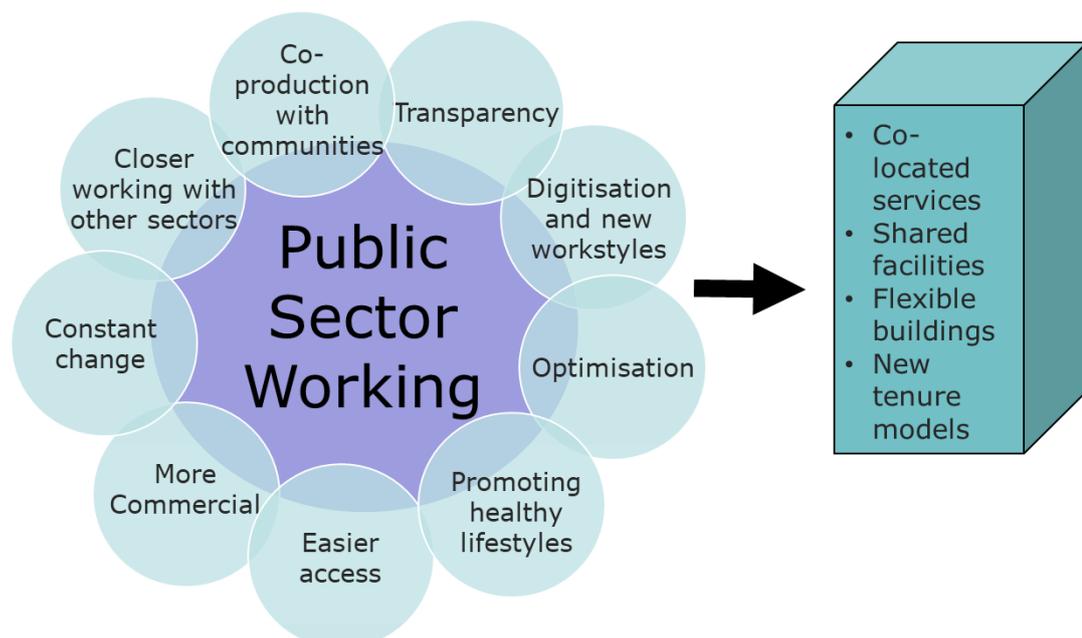
5. Business needs – current and future

General Considerations

- 5.1. In general terms, the Council as landowner has a business need to determine the future use of its own depot site and the NHS logistics depot from the early 2020s. As a planning authority, and in its economic development role, the Council will also want to see the adopted masterplan delivered.
- 5.2. In terms of its own services, the Council is relocating its depot operations off-site to the West Suffolk Operational Hub. It is also already located on the WWD at West Suffolk House. This OBC does not change the adopted office accommodation plan which splits the Council's two largest office and customer access operations between Bury St Edmunds and Mildenhall, with other customer facilities in Haverhill, Newmarket and Brandon. As such, the WWD project is not filling any service gap in terms of the Council's own services, other than a desire to link them much more closely to other public services.
- 5.3. The current and future business needs in respect of the leisure centre are examined in Appendix 1.

PSV Considerations

- 5.4. In terms of the PSV concept, and this being the target outcome for the scheme, the facilities listed above as being in the scope of the project reflect the current and future operational needs of the partners and local economy, as far as they are known. These will continue to evolve before the FBC, for instance as the outcome of a detailed NHS space planning exercise is completed. A strong challenge to individual partner requirements will also be provided collectively by the partners to ensure that the maximum amount of sharing takes place.
- 5.5. Furthermore, predicting the organisational structure and future needs of the public sector is quite hard, as change is constant for a variety of reasons outside of the Council's control. For that reason, partners have discussed the following model for the WWD which meets their future collective needs:



- 5.6. In this regard, a main feature of the design will be flexibility in terms of what is built in phase 1, and also the scope to extend the PSV elements in the future if the community requires this. In simple terms, technically it would only be any swimming pool(s) built in phase 1 which would have to be fixed items going forward. A strength of the preferred model is that it allows this potential flexibility. However, getting elements 'right first time' would be beneficial, and this may dictate the initial locations of some partners, along with specific operational requirements. For instance, access for blue light vehicles will dictate the initial position of any police station. Similarly, a hard-nosed approach will be needed in terms of ensuring that commercial office space takes a location which generates the most rent to cross-subsidise the wider scheme.
- 5.7. In this OBC, therefore, it may be more effective to define some key statements and design principles which will be part of occupiers signing up to the WWD. These reflect discussions to date between the partners under the One Public Estate Programme, and are included in this OBC for adoption.
- 5.8. Firstly, as a draft Mission statement for the WWD:
- ✓ Our mission is to create a vibrant flagship destination that enhances Bury St Edmunds and confirms West Suffolk as an area supporting and investing in business, public services and local communities, including health and education, to create prosperity and a high quality of life.
 - ✓ We will do this by bringing public and private organisations together in an innovative, dynamic and complementary way to achieve exemplary social and economic benefits for local communities beyond what would could be done as separate organisations.
- 5.9. This mission can be translated into the following draft Vision:
- ✓ Once in a generation multi-agency development opportunity to co-locate organisations such as leisure, health, education, councils, police, government departments as well as opportunities for residential, commercial and parking development.
 - ✓ Strengthen existing links between services and forge new ones – allowing new freedoms to work in a more collaborative, co-ordinated and planned way to face challenges and deliver better outcomes – supporting more healthier, safer, fitter, better skilled communities with more opportunities
 - ✓ Innovative space creation - more than a collection of buildings.
 - ✓ A One Public Estate basis as also championed in the Naylor Review for development of assets owned by public body partners. Using these principles to maximise potential for partners and communities.
 - ✓ Redevelopment of vacated sites to not only bring financial benefit but meet housing and commercial needs as well as increasing vibrancy and prosperity of the town.
 - ✓ 'One front door' for accessing public services.
 - ✓ Sharing purpose built and flexible facilities wherever possible allowing partners to move from current expensive and not fit for purpose sites.
 - ✓ Links to education and skills, as well between public services.

5.10. In terms of new ways of working, the WWD partners will commit through their role in the project to:

- ✓ Leading public service reform to drive better outcomes
- ✓ Public and private sector working together innovatively to be bigger and better than the sum of our parts
- ✓ Using public assets for financial, economic and social benefit
- ✓ Putting the needs and aspirations of our communities at the heart of the design.

5.11. In terms of that design, the following principles will be adopted:

- (a) Safeguarding and security principles will not be compromised, and nor will good practice in terms of accessibility and welcoming the whole community.
- (b) Sharing will be the default position for all facilities, within or between sectors. There will also obviously be exclusive operational spaces for specific partners but this only will be in accordance with principle (a) and/or a specific operational requirement, not due to partner preference. This will minimise the public sector footprint and drive new ways of working.
- (c) Wherever possible, the public, private and voluntary sectors will co-locate to encourage new ways of working.
- (d) The digital strategies of the partners will play a large part in terms of the design of the space.
- (e) It is anticipated that customer access for complementary uses will be shared to improve the user experience and increase economies of scale e.g. there will be one 'advice centre'.
- (f) The space needs to be able to flex to suit the needs of the partner agencies e.g. increase/decrease capacity in line with any service changes/demand levels and be re-purposed for something else.
- (g) There needs to be an 'owner' (usually the landlord) who leads on ensuring that the principles of occupation are adhered to.

6. Benefits criteria

- 6.1. As a SMART target for the OBC, the overarching objective is to have a fully developed WWD scheme, with planning consent, ready to implement by the time the West Suffolk Operational Hub (WSOH) opens in 2020. This will enable the Council to deliver the adopted 2016 masterplan, and the maximum benefits, in the most cost-effective and timely manner. This target will drive the timetable for the next stages of the project.
- 6.2. The benefits of the project could usefully then be measured using the objectives of the national **One Public Estate** programme which, via rationalisation of publicly owned land, are to:

- improve the delivery and integration of effective and efficient public services;
- create new homes and jobs (in the case of the WWD, this will be directly and indirectly given its potential to allow other sites to be vacated); and
- generate income in the form of revenue and capital (but see section C3 above).

6.3. These benefits criteria are examined in more detail in Appendix 3, but can be broken down and summarised as:

- Improved accessibility to services.
- The standard of facilities has improved but the comparative cost of running them has at least stayed the same i.e. taxpayers get more for their money.
- Improved public services, measured through the performance of the partners in tackling their individual and shared priorities, and also through general indicators of economic and community wellbeing.
- More integrated and better coordinated public, voluntary and private services, demonstrated not just by reduced operational costs but by the implementation of new ways of working, and better outcomes for local people and businesses.
- Supports Families and Communities.
- Supports the Skills Agenda in West Suffolk.
- The creation of new jobs and apprenticeships on the site itself, but also on any sites vacated by partners moving to the WWD.
- The creation of new homes on any sites vacated by partners moving to the WWD (as well the creation of new student accommodation on the site).
- Generates inward investment to West Suffolk.
- Provides Capital Receipts for the Taxpayer.

6.4. Appendix 1 examines additional benefits criteria for the replacement of the leisure centre.

7. Strategic risks

7.1. Project delivery risks are covered in later parts of this OBC. Strategically, the main risk is the non-delivery of the objectives already explained above, and in Appendices 1 and 2. This risk is mitigated by the detailed and evidence-based approach being taken to the project. External funding/investment will also be sought before the final business case is presented.

7.2. There is also the risk that expenditure on the project, to date and in the next phase, is abortive. This risk is mitigated by ensuring that a focus is maintained on deliverability, and also that the work carried out is, in the main, transferable

to *any scheme that results*. The suggestion of a preferred technical model of development in the next part of this OBC is a specific function of this mitigating this risk. This preferred model is specifically intended to:

- be pragmatic in terms of what can be afforded and delivered in phase 1 of any scheme;
- offer an alternative use and/or exit strategy for most elements, providing complete flexibility before and even during phase 1;
- leave room to grow or evolve the WWD in later phases;
- be coordinated with the plans of neighbours; and
- maximise commercial elements of the scheme to provide the maximum cross-subsidy.

7.3. A key safeguard to the project to date, and going forward, has been pausing at key stages to seek support through the democratic process. Hence this OBC. As further mitigation, it is proposed later in this OBC that, as well as the due diligence it will receive from councillors and partner organisations, the final business case in 2019 is subject to some appropriate form of independent external review by a peer or expert body, as a 'gateway' review.

8. Constraints and dependencies

General Considerations

8.1. As well as the Council's own approval of a deliverable and affordable scheme, the main constraints and dependencies for the WWD irrespective of use are:

- (a) **Transport** – improving transport and access nodes. The 2016 masterplan included a detailed transport study and recommendations regarding changes that would be needed to the highways network, footpaths, cycle ways and public transport to enable the WWD to be deliverable, demonstrating this was feasible. This study has been kept under review during the last phases of work, and tested in relation to the preferred model in this OBC. However, it is fully recognised that the deliverability of the project, and its credibility with the community and funders, will depend on the provision of a detailed transport assessment before any planning application is made which takes into account not only the WWD, but also the impact of other changes and future plans on neighbouring sites since 2016. A key part of this will be public transport. The operational hours of services will also have a bearing on how traffic flows are managed. The treatment of parking on and off the site will also be critical, as will be working in conjunction with West Suffolk College to produce an integrated approach to transport and parking for both sites. In respect of transport, there is also a specific proposal in this OBC to bring forward some works that might be later required but can be delivered now with partners through a joint scheme; which feeds directly into
- (b) **Planning** - achieving a scheme that delivers the planning aspirations set within the masterplan, and can satisfy the local planning authority in terms of a high quality and viable scheme. Initial pre-application advice has already been sought to inform the proposed model;
- (c) **Affordability** – there will be a need to maximise efficiencies and commercial space through innovative solutions;

- (d) **Programming and Phasing** – specifically the two depots being vacated, and when, and the phasing requirements of occupiers. In this regard, the decision of the NHS Logistics provider on when they can vacate the depot will be the most critical, since the WSOH is in the Council’s control and already well underway in terms of a build. The development of other neighbouring sites will also have a bearing. The preferred model will therefore need to have a main and fall-back phasing plan; and
- (e) **External funding** – as will be shown in later parts of this OBC, it is unlikely that the *full* ambition of the masterplan can be realised without some form of external pump-priming funding, simply because of the infrastructure required.

PSV Considerations

8.2. Constraints and dependencies specific to the leisure centre elements of the project are set out in Appendix 1. In addition to those above for the WWD as a whole, the additional constraints and dependencies for the PSV model are:

- 1. Affordability/viability** – the PSV model puts increasing pressure on the financial viability of the project and there will need to be a willingness among public partners to share facilities and adopt new ways of working, which will help mitigate this added financial pressure; which is linked in the PSV context to
- 2. Partner Requirements and Adjacencies** - creating innovative and flexible facilities to minimise the amount of space required by the public sector but also to maximise the opportunities presented by co-location (as at West Suffolk House now and projects like the Mildenhall Hub);
- 3. Public sector reform** – The public sector reform agenda may generate strategic changes, which could impact on the requirements and ability/willingness to continue to embrace the integration of service delivery across the public sector through single points of access for linked services wherever possible (with no compromise on safeguarding considerations);
- 4. Adaptability** – the building footprint constrains the project and the services that can be accommodated, however, by designing in expansion opportunities and flexibilities, the project is able to adapt to future trends and requirements in the public and private sectors; and
- 5. Partner decisions** – as well the Council needing to make its own decisions, no prospective partners have yet formally committed to move to WWD. However, many have signed up to take part in developing a business case they can test through their own due diligence processes in parallel to the Council. Others’ decisions may not be within local control and/or affected by national processes and timetables. Those decisions will have a key bearing on the shape of phase 1. Specifically, if the whole site is to be used a scheme will also have to be designed which meets the requirements of Suffolk County Council, since they are joint or sole owners of some of the land involved. However, it is worth noting that the preferred option explained below is capable of being delivered on SEBC land only.

- 6. External funding** – non-availability of external funding needed to address any financial gap could result in the project being unaffordable to all or some of the Partners.
- 7. West Suffolk College** – ensuring that the WWD is fully integrated with the College’s plans for its own extended campus including the DfE’s Institute of Technology initiative, to achieve OPE objectives but, more importantly, delivering the wider skills agenda in West Suffolk.
- 8. Vacated sites** – The maximum public benefits would be realised if Partners work together to regenerate any public sector sites, which are vacated by Partners as part of the relocation to WWD. Proposals for this have formed part of discussions and are progressed with relevant Partners and the Council. However, failure to realise this potential would represent an opportunity lost.
- 9. Possible resistance to relocation or change** – All existing occupiers of West Suffolk House would need to be receptive and flexible to any relational changes to their current accommodation, or even the need to move to another part of the PSV, if their current location is more optimal for another agency.

D. The Economic Case

(How and why will it work?)

1. Critical Success Factors

- 1.1. The critical success factors explained in the Strategic Case of the outline business case (OBC) (see part C above) and in Appendix 1 for the leisure centre apply equally to the Economic Case.
- 1.2. The main purpose of this part of the OBC is therefore to explain why the preferred model of development makes most economic sense, and offers best value for money whoever funds the project in full or part going forward. To do that, the other options considered will also be explained. For reasons of brevity, what is contained in the OBC necessarily summarises an extensive and detailed process, and the advice of expert advisers.
- 1.3. *In relation to the PSV options (baseline or target models), it is also assumed in the remaining parts of the main OBC that the case for relocating the leisure centre is accepted. Given the magnitude of this decision, the arguments for doing this are contained in a standalone OBC in Appendix 1. If councillors did not wish to agree to this proposal, and leave the leisure centre where it was, it would not prevent adoption of the general OBC for the WWD at this point, since the preferred model is flexible enough to be adapted before the final business case (FBC). However, clearly it would have an impact on the two indicative models in this document.*

2. Development of Options

- 2.1. It is fundamental to considering the recommendations in this OBC to understand why the default position is for some form of development of the SEBC owned parts of the WWD, and that there is no 'do nothing' option available to the Council. In very simple terms, doing nothing would mean:
 - empty depots as early as 2021;
 - replacement of the leisure centre would have to be confronted as an issue in the next few years, potentially with fewer options to consider (and also the scope for a loss of service during the replacement process);
 - the non-delivery of the WWD masterplan and all of its objectives and benefits; and
 - neighbouring sites to WWD will come forward irrespectively but with less scope for a coordinated and integrated solution, and the chance they will limit the potential and value of the WWD site (for instance, absorbing available highway capacity).

These issues carry significant financial, strategic and reputational risk.
- 2.2. In addition, not delivering a PSV option would result in piece-meal and uncoordinated decisions about other parts of the public estate in Bury St Edmunds, undermining the strategic and OPE objectives of the project explained in the previous part of this OBC.

- 2.3. Before explaining the options considered, it is also helpful to clarify the options which were discounted and not evaluated in detail as part of this OBC, and the reasons why:
- (a) **Retain and lease the existing depot:** There would be an option to seek to lease the existing depot building to single or multiple occupiers in its current form as and when the two elements became vacant, or if a renewal of a lease was sought. However, this would be contrary to the Council's previous decisions on delivering the masterplans for the site and not achieve the wider outcomes desired by partners. Any new occupiers would also be likely to want their rent levels to reflect the considerable cost of converting or upgrading the buildings. There are also good options to relocate these depot operations to elsewhere in the town.
 - (b) **Sell the depot site:** Similarly, the site could be sold when vacated, which may have been the traditional approach. Pursuing this option would result in a one-off capital receipt but also a loss of control of the site (creating a large strategic risk). Also, while a purchaser could choose to develop in accordance with the masterplan, it is unlikely that the full range of benefits which that document envisages would be viable without public investment. The Council has therefore previously discounted in 2016 options to have no direct role in the development. Nonetheless, in terms of safeguards for the project expenditure, this option does still exist, and the value of the site would still be enhanced by any work carried out in the next stage to meet later planning and infrastructure requirements.
- 2.4. On the basis of 2.1-2.3 above, the Council's agreed approach has been to take the lead on determining the manner in which its part of the site should be developed, irrespective of the final delivery vehicle (which could well still involve third parties – see part E below). To enable this, a design and cost appraisal approach has been taken with Pick Everard to test a variety of options, and arrive at the recommendation of a preferred model.
- 2.5. A brief summary of that detailed work is set out below to show how the preferred option has evolved. It should be stressed that what follows here is conceptual and applicable to any delivery model or range of facilities. A more detailed appraisal of how the preferred model could be adapted in design terms to create a PSV (and why this should be the target model) is also provided, to support adoption of this as the target outcome.
- 2.6. The evolution of the preferred technical option can be described in terms of testing first the original masterplan concept, looking at a hybrid and then making a more radical leap to reach the preferred solution. Some lateral thinking has been required, driven by the success criteria set out in part C of this OBC, but also the constraints and dependencies. Nonetheless, what has emerged has the potential to be bold, exciting and a national exemplar, in the same way as the Mildenhall Hub.
- 2.7. **Original masterplan concept: Campus**
- 2.7.1. The project team started by looking at the adopted masterplan concept, because this has been tested through the planning process and offers an exciting vision. A masterplan is intended to guide later applications and, while it allows flexibility, whatever comes forward must respect it. For that reason, even

though later options appear radically different, they have been tested in terms of honouring the original intent of the masterplan. Ultimately, of course, a different masterplan could also be tested if it was felt the change was too great.

2.7.2. The original masterplan, in very simple terms, proposed an exciting campus of new buildings. Something similar to below (for the purpose of this discussion it is not important which buildings are which):



2.7.3. In very brief summary, this option was identified to have the following strengths and weaknesses (see section D2.9 for more information on costs):

Strengths	Weaknesses
Provides two entrances and exits to the development, which may be beneficial to traffic flow. Further consultations required.	Not likely to be financially viable – see part F below.
In terms of phasing, provides the opportunity to deliver buildings when they are required without interdependencies.	Relies on the need for a multi-storey car park (MSCP) to accommodate car parking requirements.
Building uses and their required adjacencies can be accommodated (though not in a single building).	Separate building approach reduces the shared facilities opportunity.
Minimal disruption to West Suffolk House.	Leisure Centre remote from other services/buildings.
	Olding Road car park needs to be closed to allow construction of MSCP (transitional arrangements required).

2.7.4. On the basis of this evaluation, other options were then considered.

2.8. **Hybrid Concept – mixture of standalone buildings and extending West Suffolk House**

2.8.1. The next stage in the design evolution was to consider a way to extend West Suffolk House (WSH).



2.8.2. In order to keep WSH operational during a build and preserve its natural ventilation, the concept tested was to build an adjacent “PSV” block and then connect the two together with an ‘internal street’ (atrium). Thereby creating an exciting shared public space, with easy access between the WSH and the new block. The two being, in effect, a single building. This ‘street’ could provide customer services and be used for catering, events, meetings and informal breakout space. The other envisaged elements of the WWD masterplan would then be provided through separate buildings (hence the ‘hybrid’ description). The constraints of the site meant, however, that it would not be possible to locate a new leisure centre within the PSV unless the skatepark is relocated in order to give the leisure centre and car parking a more optimal position on the site.

2.8.3. In summary, this model could be assessed as follows (see section D2.9 for more information on costs):

Strengths	Weaknesses
Forms a more efficient form of One Public Estate and benefits from shared facilities within a single building.	Not likely to be financially viable – see para F below.
Allows Olding Road car park to remain in use until MSCP completed or until any other development is required.	Relies on relocating the skatepark (albeit with potential to upgrade in new location by the track), contrary to the masterplan (see part C).
Creation of an exciting new public space (the 'street')	Phasing of the main building is dependent on the NHS logistics warehouse demolition.
	Does not integrate leisure with the remaining buildings, which is a key objective.

2.8.4. At this point of the process, it was concluded that: the first option (masterplan) did not offer the scope to deliver the integration a PSV would require if this was desired; the second option (hybrid) didn't work on phasing or skatepark; and, most critically, neither were likely to be affordable since both could cost over £140m to deliver in a PSV format. At this point, the project team decided to think laterally and to test the option of re-using the existing frame and concrete pad of the depot building. This has emerged as the preferred concept in this OBC.

2.9. **Preferred Concept – re-use the depot frame and concrete pad**

2.9.1. Conceptually, this is a large leap and the *original* reaction of many people will be driven by the fact they are picturing the existing structure from the outside i.e.



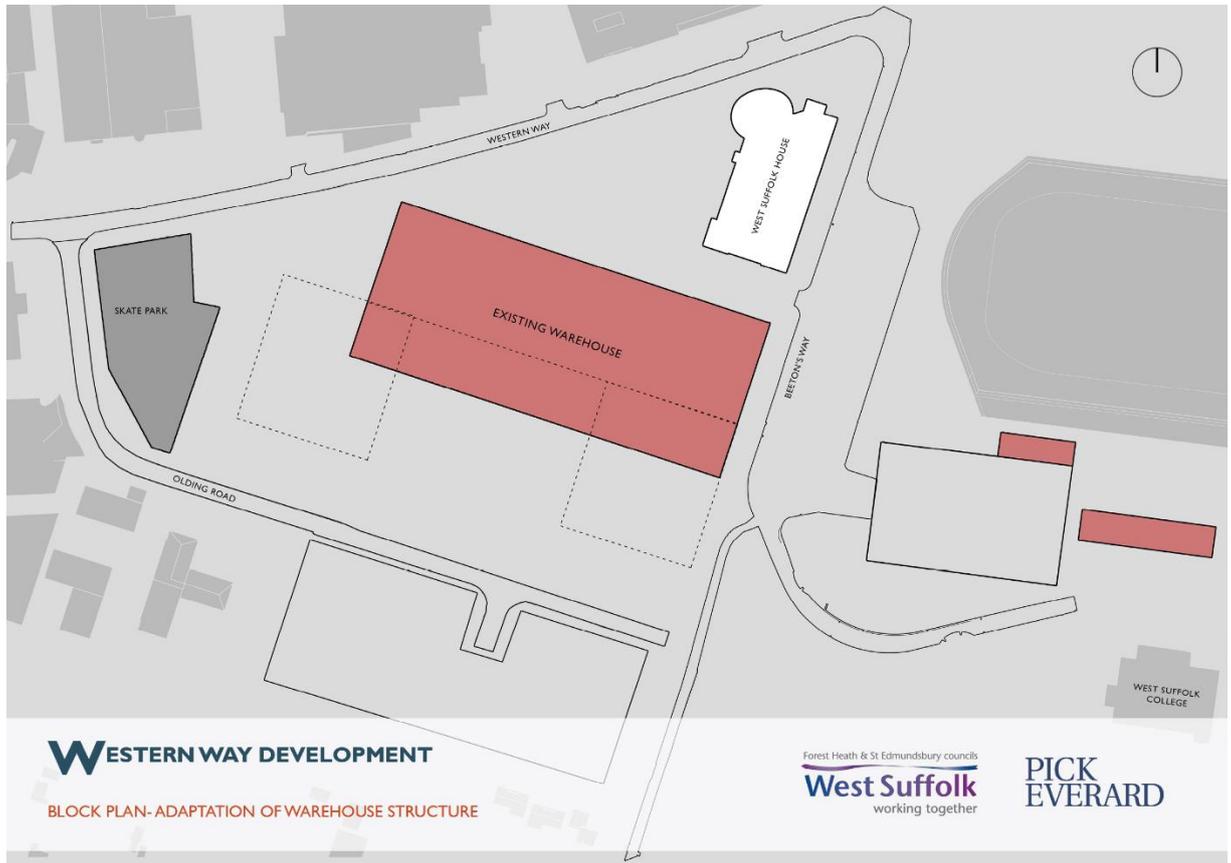
Instead, to understand this option, you need to look from the *inside out*, and consider the structure stripped back to just two things: a large frame (built for

manufacturing uses i.e. supporting cranes); and a deep concrete pad i.e. the skeleton of a steel-framed building before its external and internal fit-out. The extent of the existing frame can be seen in the photo below.



If the existing structure is stripped back to just these two elements, it becomes a very different proposition. Clearly, the first step was to employ a structural engineer to test the structure, which resulted in a clean bill of health, subject to minor works to reflect the age and use of the building. Interestingly, it also revealed that one wing of the frame is independent of the main structure, offering the chance to do something different in terms of height if needed (albeit at higher cost than in the indicative models). Otherwise the frame is 2½ storeys high and, with a first floor and mezzanine added throughout, could offer over 22,000m² of internal space, with the option for a large atrium space at the core offering the same advantages of the “street” in the hybrid option. There are also options to increase this floor space considerably through extensions or raising the height in specific areas.

- 2.9.2. As will be shown later in this part of the OBC, considerable thought has been given to how this option could deliver the PSV concept and still provide commercial space on the site. That early indicative design is almost certain to continue to change. But, for the purposes of the OBC for the WWD as a whole, it is sensible in the first instance to ignore that and consider the preferred model in its most basic conceptual state. Then decide to adopt it or not on that basis only i.e. does this meet the success criteria in part C above? In that context, the recommendation in this OBC is that it does, and that the preferred concept shown in the plan below should be adopted as the core of whatever final design emerges:



(Dotted lines indicate potential for expanding the frame. See D1.3 above regarding leisure centre.)

- 2.9.3. The primary structure of the warehouse, consisting of three identical bays, is constructed from large steel portal frames with external wall and roof cladding. This provides a massively flexible space for any combination of new uses.
- 2.9.4. Irrespective of the final design or uses, there are also strong advantages to the approach of re-using and re-adapting⁶ an existing mid-20th century steel frame and ground floor slab. This is because, in the non-domestic construction sector, new build represents annually less than 1.5% of the building stock (Source: Building Research Establishment, 2016). With new buildings counting for such a small proportion, there is a need to focus on the remaining 98 per cent (the existing buildings) to really improve the building stock. Therefore, the reuse of the existing warehouse structure would be an exemplar in terms of creating a sustainable option, both economically and environmentally.
- 2.9.5. The primary vehicular access into the site is retained off Western Way into Olding Road. It is anticipated that, to accommodate the increased traffic generated, the scheme will need to incorporate improvements to the highway.
- 2.9.6. There are precedents for this approach, either in terms of re-using an existing frame or a new build offering a similar kind of space.

⁶ The Frame has already been adapted in the late 20th century to accommodate the Council depot and, more recently, support services and storage for West Suffolk House.

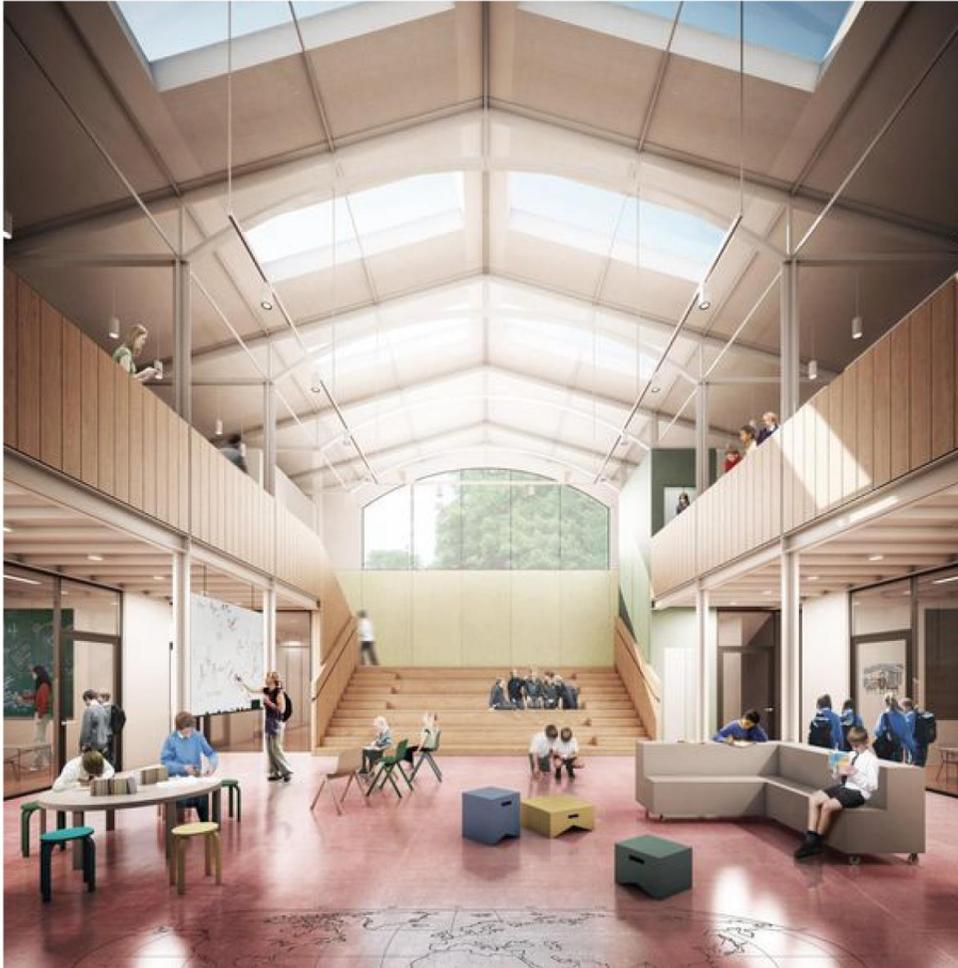


Image 1 : Hazlegrove Preparatory School by Feilden Fowles
Location: Somerset, UK

The image shows the wooden stair which serves as a seating platform and an informal communal space overlooking the multipurpose space. The multipurpose space is characterised by cruciform columns that support upper balconies and form an arched truss above, achieving a strong continuous line from ground floor to roof structure and creating a truly uplifting space.

There is a potential to design a similar communal space/ spaces in the PSVII facility which could act as a multipurpose space.



Image 2: Federal Center South Building 1202 by ZGF Architects
Location: Seattle, USA

This design solution is an excellent example of a sustainable and collaborative workplace environment. Bridges and stairs throughout the atrium connect people across the building, and are strategically located adjacent to informal seating and touchdown work surfaces to encourage communication and collaboration.

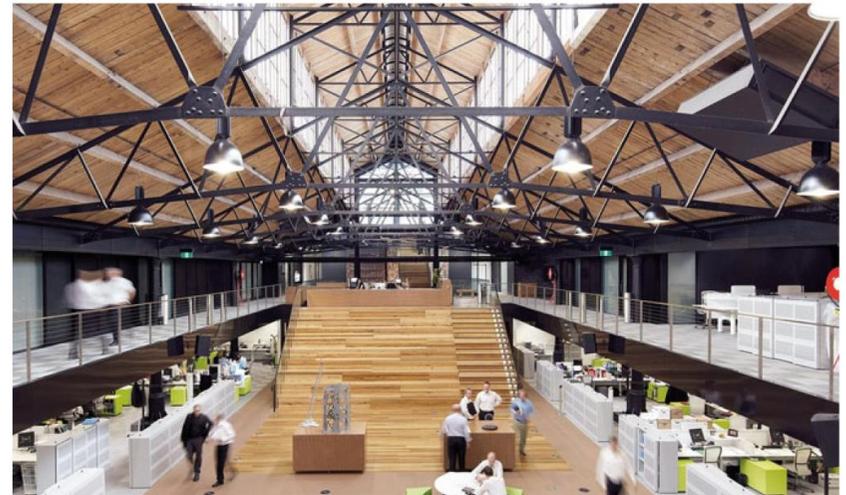


Image 3: Goods Shed Melbourne by Elenberg Fraser + BVN Architecture
Location: Melbourne, Australia

The design re-uses and readapts the existing heritage industrial structure to provide innovative, contemporary, office spaces which are flexible to enable their future adaptation to retail spaces. Multifunctional spaces with clerestory roof lights were created on the central axis of the structure which ensures collaborative work ethic through increased visibility and transparency and creation of both active and passive spaces.



Image 4 Commonwealth Community Recreation Centre by MacLennan Jaunkalns Miller Architects
Location: Edmonton, Canada

The façade comprises of a variety of reflective and transparent surfaces which results in a striking interplay of light and shadow, with views through and beyond the building while also preserving user privacy. This approach to the facade design is particularly interesting and therefore helps set a precedent for WWD.

WESTERN WAY DEVELOPMENT

PRECEDENTS

Forest Heath & St Edmundsbury councils
West Suffolk
working together

**PICK
EVERARD**



Image 5: Mall of Scandinavia by Grontmij
Location: Stockholm, Sweden

The architectural intention for the proposal was to design a striking building which becomes a new landmark for Scandinavia. The use of solid and void (Transparent) surfaces together with the striking Gold and contrasting Grey create an interesting material palette for the façade.

WESTERN WAY DEVELOPMENT

PRECEDENTS

Forest Heath & St Edmundsbury councils

West Suffolk
working together

**PICK
EVERARD**

2.9.7. A summary of the general strengths and weaknesses of this option is as follows, with these being explored in more detail below:

Strengths	Weaknesses
Offers the most financially viable scheme – see section D2.9.8 below.	Adaptation is mostly limited to the footprint of the existing building, which may constrain the quantum of development in early phases. This in turn may restrict the ability to accommodate all users’ requirements in phase 1 unless extensions are considered (see target model)
Provides a single building with maximum OPE benefits and potential for added value from large shared multi-activity spaces (atriums/“street”/café) and integration with skatepark.	Natural ventilation is harder to achieve due to the deep floor plates inherent from the existing building, which may result in higher running costs than West Suffolk House (although this could be offset by a renewables strategy)
Provides very flexible floor plates, which can be adapted in the future.	Warranties for the existing frame may be harder to achieve.
Due to its modular nature, the building can be constructed in phases providing flexibility within the phasing strategy.	
Minimal disruption to West Suffolk House occupants.	
Parking is close to main buildings and Olding Road car park can be retained.	

2.9.8. **Cost:** Because the scheme has evolved through its various stages, the cost plans produced for each can’t be compared like for like. However, all three cost plans (Masterplan, Hybrid and Re-use of Frame) were based on the same new build costs per square metre (m2). On that basis, the preferred option is demonstrably the cheapest because it:

- Has a smaller footprint through sharing spaces in one building.
- Saves the cost of groundworks and structural frame.
- Enables more surface car parking.

This can simply be illustrated like for like by taking, say, the commercial office space in all three models, and applying it to a cost per m2 rate:

- Masterplan concept - £2,120 per m2
- Hybrid concept - £2,120 per m2
- Preferred concept - £1,750 per m2

Extensive value-engineering work will take place to further reduce these costs further before the final business case. However, the key point for this OBC, and for the selection of the preferred model, is that it is considerably cheaper in

relative terms, and has the best chance of being viable overall. A more detailed analysis of costs is provided in part F of this OBC.

2.9.9. **Flexibility:** As well as being relatively cheaper, the preferred model is also comparatively far more flexible at this stage of the project, and therefore a safer scheme to invest project funds in. This is for several reasons:

- It can take virtually any use the WWD might require in phase 1 and, moreover, multiple different uses at the same time. The exception would be a swimming pool – this is feasible, so could be considered if needed, but would require cutting through the concrete pad and may affect the existing steel frame foundations.
- It will be the easiest to adapt in relation to a change in partner requirements before or after the final business case; it can be extended (see below) but equally there is the scope to accommodate more services within the main frame, if there is not a competing demand for it.
- By allowing far more surface car parking, it not only reduces cost but also future-proofs the site for future expansion.
- It gives a range of options in terms of phasing (see below), including the ability to deliver a scheme on SEBC owned land only.
- As a model for re-using the existing footprint of the depot, it does not technically require re-use of the whole frame if a better alternative emerges in the next phase of work.

2.9.10. **Phasing:** The preferred model enables a very efficient approach to phasing the development as it delivers a large part of the development in a single phase (possibly split into sub-phases if the depot is not all available). This approach therefore reduces the amount of interdependencies between phases, optimises relocation of services especially for time critical services and offers the most cost effective build process. More information on phasing is provided in D4.15 below.

2.9.11. **Car Parking:** The preferred model offers the opportunity for a significant amount of surface car parking, which in return reduces the need for a multi-storey car park (MSCP). Providing car parking spaces within a surface car park is far more cost efficient than providing car parking spaces within a MSCP. The ambition is therefore to review and challenge these car parking numbers with all occupiers with the aim to reduce this number as far as practicable and negate the need to build a MSCP, whilst still meeting the demand. For further details on parking within a PSV approach, see D4.17 below.

2.9.12. **Planning:**

- The original masterplan for the Western Way Development adopted in 2006 examined the potential to redevelop the site owned by the Council to create a new PSV, bringing all public services together on a single site. At that time, the DHL distribution depot operating on behalf of the NHS was in separate ownership and was not included in the masterplan area. Much of the masterplan focused on a phased delivery working around the NHS Logistical building. Phase 1 of that masterplan included the delivery of West Suffolk House.

- The 2016 Western Way Masterplan was an update of the earlier 2006 Masterplan and was predicated by a request from the new owner of the NHS Logistical building to be included within the masterplan area. This coincided with a reappraisal of the site following the construction of the Asda supermarket and the relocation of the main West Suffolk College access from Risbygate Street to Beetons Way. Ownership of the NHS Logistical building has since passed back to the Council.
- Incorporation of the NHS Logistics site within the Masterplan area allowed a significant reappraisal of the opportunities, opening the site up to east west movement through the site and improved connection with the West Suffolk College and the leisure centre, although the leisure centre remained outside the masterplan area. The masterplan was supported by an indicative layout indicating how the quantum of development could be delivered and included indicative phasing based upon the projected vacation of parts of the site. It was not envisaged that any of the existing depot/NHS logistics building would be retained. It envisaged a range of new buildings arranged around a pedestrian core creating a campus feel.
- The principal difference between the development envisaged by the revised masterplan and the latest proposal retaining the frame of the existing structure is the physical form of the building proposed. The principles relating to access for vehicles and pedestrians remain largely unaltered and there is no change to the masterplan boundary. The relocation of the leisure centre from outside the masterplan area (albeit immediately adjacent) to within the site is not a material change and was always an option. The key change is the utilisation of the existing building, the impact of which will be to alter the emphasis from an open pedestrian core surrounded by buildings to a pedestrian core contained within a building in the form of an internal street.
- An initial pre-planning application meeting was held with the allocated planning officer in October 2018, who was supportive of the scheme in principle and provided early suggestions for consideration during the next stage of the project. A further formal pre-planning meeting will be held during the next stage and there will be regular dialogue to ensure the scheme continues to satisfy planning policies, standards and expectations, particularly in relation to highways.

2.9.13. **Environmental:** The requirement to achieve BREEAM excellent arises from the need to comply with adopted planning policies. Policy DM7 of the Joint Development Management Policies Document requires (inter alia) that:

'.....All new non-residential developments over 1000 square metres will be required to achieve BREEAM Excellent standard or equivalent.....'

The policy continues by explaining alternatives if this cannot be achieved based on inherent constraints or viability. This project is a great opportunity for the LPA to show initiative to deliver to planning policy for developments of this kind and to set an example for developments in the future.

A BREEAM pre-assessment has been carried out in August 2018, which concludes that the preferred model, taking into account the warehouse conversion, new build leisure centre and student accommodation, has the

potential to achieve BREEAM excellent. Re-using the existing warehouse foundations and structural frame contributed positively to achieving credits required within the BREEAM assessment.

To achieve BREEAM, an initial estimate of an additional 5% on top of the base built costs has been applied.

- 2.9.14. **Skatepark:** There is no requirement to move the skatepark under this option and, as section D4.2 below shows, also an opportunity to fully integrate it in the scheme by association with a new leisure centre.

3. Summary of options

- 3.1. As a 'RAG rated' summary of the three options *before* PSV considerations are taken into account (see section 4 below):

	Masterplan (Campus)	Hybrid (Extend WSH)	Preferred (Re-use Frame)
Relative Affordability	●	●	●
Planning	●	●	●
Transport	●	●	●
Adaptability	●	●	●
Programme & Phasing	●	●	●
Car Parking	●	●	●

This is a conservative assessment to highlight where there are still challenges to address in the next phase of the project (see risk section below). However, relative to the other two options, re-using the frame is regarded as the strongest option since it is no worse on the key transport and parking issues, but relatively strong on the key deliverability criteria of cost and phasing.

4. Using the preferred technical model to deliver a PSV

- 4.1. If re-using the depot frame is adopted as the preferred model of development, it can then be seen how it might be adapted to provide the next stage of the PSV. What is described immediately below is the fuller 'target' model for the PSV, as this most closely meets the potential needs of partners. The baseline model is then explored more briefly afterwards.

Target PSV model

(N.B. Larger versions of the plans and visualisations in this section are repeated in Appendix 5)

- 4.2. **Design Concept:** As shown on the site plan below, the target outcome for the PSV will see multiple services located at WWD. This would see a full integration of public services, with co-location and co-working, and leave room to grow in the future. The preferred design concept proposes a single building which could accommodate council services, health and leisure facilities, commercial office space and various other public sector services. This incorporates the re-use and re-adaptation of an existing mid-20th century steel frame and ground floor slab and the construction of a new integrated new Leisure Centre, and the creation of a direct link to West Suffolk House to form one unit.



- 4.3. The primary structure of the warehouse, consisting of three identical bays, is constructed from large steel portal frames with external wall and roof cladding. As shown below, the principal design proposes to make the central bay narrower than the adjacent bays to form a 'Street' which will emphasize the verticality of the structure and the linear form. The interior space within the industrial structure already has atmosphere and therefore rather than replacing the frame, the design intent is to enhance it to achieve functionality.



- 4.4. The 'Street' has been designed to be a dynamic flexible space at the heart of the building, from which all the other parts of the building are accessible and will gain access to the shared facilities. The street can be described as the spine of the entire architecture and will host an array of public and private facilities, including providing a physical link between Western Way and Beetons Way for both building users and the adjacent neighbouring sites.
- 4.5. The street will be capable of accommodating several multifunctional zones and shared facilities within it and will facilitate greater staff and public interaction and connectivity; these will include a central café, formal and informal meeting spaces, breakout zones etc. This will reduce the requirement for these facilities on the main office floorplates, increasing the occupation and efficiency of those spaces. Due to its flexibility both during the day and evenings, the street will be able to host other events such as performances, conferences and council meetings. It will be what brings the PSV 'to life'.
- 4.6. Commercial tenants would have their own separate offices, but would be fully integrated in terms of sharing staff and meeting facilities, and co-working with the public sector if applicable. The new building would be linked to West Suffolk House to allow full integration with the services based in that existing building.

- 4.7. As shown in the visualisations below, the Leisure Centre is proposed to be located on the west elevation, piercing into the existing depot building to ensure integration with the proposed health facilities. The proposed siting of the leisure facility is informed by the context and to offer considerable frontage across Western Way.



- 4.8. At the main entry point for the public there would be another shared space, containing the reception area, a shared advice centre, the public library point already at WWD, a café and community meeting spaces. Accessed directly off this space would be the leisure centre, and most of the health services. Other services would have their own access points as their users' needs dictated, for instance the existing facilities accessed from the reception at West Suffolk House. Safeguarding would never be compromised by the design, and nor would privacy or dignity.

- 4.9. Some indicative internal layout plans are contained in Appendix 4.

- 4.10. The façade design in the visualisations above responds directly to the immediate context and building use. The site consisting of West Suffolk House and the Depot is roughly a triangular shape. If this was to be split into parts and the main access ways (Western Way, Beetons Way and Olding Road and Pedestrian access through West Suffolk College) into and through the site are to be mapped, a number of triangular geometries could be obtained (as shown in the image below).

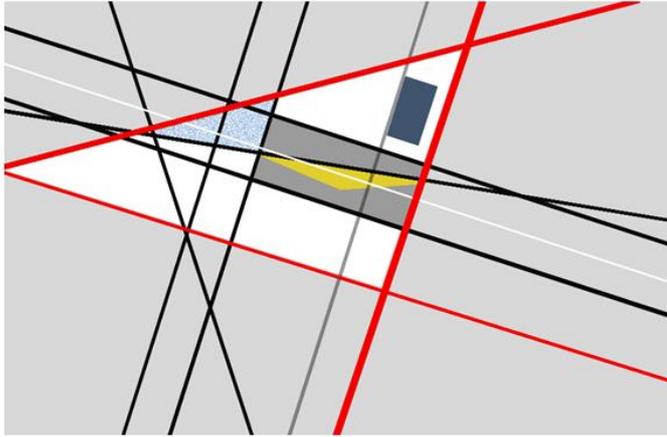


Figure: Abstract representation of the conceptual idea

- 4.11. Furthermore, the triangular geometries can also be seen as a pastiche reference to the repetitive structural frame of the depot which is retained. Thus, making it a contemporary reinterpretation of the historic depot.



Figure: Façade showing Solid and Void relationship in the proposed design

- 4.12. The facilities within the depot building, largely public & commercial, need greater transparency, whereas the leisure centre users will require more privacy. The façade pattern with large openings for the depot and smaller openings on the leisure centre helps to support the functionality of the building as it enables greater visual connection with the public facilities within and creates an element of curiosity for the leisure centre.
- 4.13. A landscaped plaza is proposed on the Western Way frontage, which will create a pleasant public realm area and aid in integrating the new building into its surrounding. The overall landscaping scheme will need careful consideration to ensure the proposals offer increased biodiversity opportunities and clear accessible routes surrounding the site for pedestrian, cycling and vehicular access.
- 4.14. **Integration:** Clearly, as a single building, easy to link to WSH, this model offers extensive opportunities to integrate services, and is the only option which integrates health with leisure. Mixing private and public uses also creates new opportunities to work differently. While the proposal is not dependent on there being a PSV, since this is suggested as the target outcome this functionality is very important.

4.15. **Phasing:** The phasing strategy is dependent on when NHS Logistics are able to vacate their part of the depot building they currently occupy. In order to mitigate the impact this may have on the phasing of the development, two options have been developed, which are explained in the main document. The core design concept is not affected but the choice of these scenarios could affect choices of which services are located where. The cost model presented in the following sections is based on the ideal phasing scenario.

Main phasing plan (ideal scenario) – see plan below: This option assumes that, working with the Council on relocation, NHS Logistics can vacate their part of the depot building by no later than October 2021 meaning that the conversion of the depot building and leisure centre can take place in a single phase. This enables the occupation of this facility at once and offers a very efficient build process. Once the services within West Suffolk House have been relocated into the newly converted depot building, works to West Suffolk House can commence.



The phases identified within this option are as follows:

- Phase 1: Highways Improvement Works (Beetons Way/Western Way Junction)
- Phase 2: Shared Facility, Leisure Centre, Student Accommodation & Athletics Pavilion including Highways works (Olding Road/Western Way junction)
- Phase 3: West Suffolk House Alterations
- Phase 4: Multi-storey car park (if required) – see Section D4.17 for further information on car parking

Fall-back phasing plan (see below): This option assumes that NHS logistics need to remain in their part of the depot building until October 2023. In this case, the strategy includes a phased conversion of the depot building with the council owned depot side being developed ahead of the remaining depot. Whilst this is not the most efficient phasing of the development, it offers a way forward if the NHS logistics operation needs longer to relocate. Time critical services such as the Health Hub will be able to move into the completed part of the building, whilst the remaining build carries on.



The preferred model also offers the flexibility to omit the new build leisure centre and West Suffolk House remodelling works from the development and retain these in their current state and function. Though this is not part of the preferred model, this is technically an option that could be considered should this be required.

- 4.16. **Future-proofing:** The preferred model delivers a proposal that maximises opportunities to adapt both the site and its uses, as well as the warehouse structure. Not just during the design period but also post-completion. During the structural appraisal of the warehouse building (completed in 2018), it was concluded that an entire structural bay of the warehouse building is independent of the remaining building structure. This means that the height of the development for this bay is not restricted and can 'grow' within additional floors with Partners and their spatial requirements if needed. Furthermore, a single building approach offers up a large amount of the remaining site for expansion and further development opportunities in the future.
- 4.17. **Car Parking:** In October 2017, a transport report was produced to assess the predicted traffic generation as well as parking requirements for the proposed

development based on the anticipated uses and level of demand which would be generated by potential occupiers of the development. This work was based on the worst case parking numbers. This report was updated in July 2018 to reflect the preferred model.

In summary:

- The preferred model provides the funding for a total of approximately 1,426 car parking spaces meeting the expected demand of the current proposed uses and lie within SCC car parking standards for planning policy purposes. Most importantly, a further review was undertaken confirming that the proposed numbers are in line with the Western Way Masterplan adopted in 2016.
- Approximately three quarters of these car parking spaces can be provided within SCC/SEBC owned land whilst further alternative measures are being investigated to offset the residual car parking demand including providing off-site car parking provisions (as described in section G2.5) and improving public transport within the area.
- The preferred model aims to provide the majority of car parking within surface car parks, though current car parking numbers currently indicate the potential need for a multi-storey car park (MSCP), which is reflected in the cost model. Providing car parking spaces within a surface car park is far more cost efficient than providing car parking spaces within a MSCP. The ambition is therefore to review and challenge these car parking numbers with all partners with the aim to reduce this number as far as practicable and negate the need to build a MSCP, whilst still meeting the demand.

Baseline model

- 4.18. The first part of this section describes the target model for the WWD, allowing for a larger PSV and the full range of benefits. However, as explained in part C of the OBC, there is also a 'baseline' option which could be considered for the FBC if viability or partner needs change. This is provided as an additional safeguard for councillors in approving the next phase of the project.
- 4.19. The model retains a mixed development consistent with the masterplan and could be seen as the fall-back option if the PSV did not proceed to its full extent. It should be noted however that this option would not meet the stated requirements of partners and therefore is not recommended as the target outcome. It is merely provided to show proof of concept.
- 4.20. As this is a hypothetical option, and not the preferred solution, a concept design has not been prepared for this OBC but, in effect, it would be the core model shown in the simple block design at paragraph D2.9.2 above. Namely, a simple re-use of the existing frame but with a small extension for a swimming pool hall at the western end, and priority inside the frame given to the 'dry-side' of the leisure centre. An internal 'street' is not likely to be provided in this model (in full or even part), and it would require the full height of the frame for the sports hall element of the leisure centre, restricting floor-space further. A bridge to West Suffolk House would also not be provided.
- 4.21. After the leisure centre is allowed for within the frame, around 16,000m² of space is left for other uses (compared to over 22,000m² in the target model).

The final split between public and commercial uses would be a matter for a final business case.

5. Benefits appraisal

5.1. In terms of choosing a preferred technical model for the WWD, the focus needs to be on the 'how' i.e. deliverability and safeguarding the taxpayers' interests as much as possible. By adopting a flexible option, the qualitative outcomes for the community and economy (the 'what') will ultimately be driven by what is put into the WWD. This will be assessed in the final business case in 2019. However, pending that the earlier parts of this OBC, and its appendices, provide an outline appraisal of the possible benefits of the PSV and leisure centre elements to justify their selection as target outcomes.

5.1.1. For completeness, it is also possible to examine how the target model in section 4 above delivers against the objectives for a PSV set out in Part C of this OBC:

5.1.2.

Strengths	Weaknesses
Offers the most effective scheme to deliver service integration and wider benefits	Greater financial commitment and offers lower return compared to pure commercial space options, in some circumstances
Maximisation of OPE benefits.	Accommodation of some Partners is more bespoke than commercial space and may result in higher adaptation costs in the future, should Partners decide to relocate
Offers greater opportunity to reallocate the vacated sites to generate further benefits such as housing and jobs creation	
Offers greatest potential to improve public services within the area including improved life-cycle/running costs	
Generates potential to benefit from Health and Leisure links	

5.2. Similarly, in section 2 above, the three development options were compared in terms of general developer objectives. To supplement that analysis, the same approach can be taken for the PSV concept specifically. This is as follows:

5.3.

	Masterplan (Campus)	Hybrid (Extend WSH)	Preferred (Re-use Frame)
One Public Estate vision			
Partner Requirements			
Adjacencies			

5.4. All three models deliver strong OPE benefits in terms of releasing sites for homes and jobs, but the preferred model offers greater returns in terms of improving the delivery of public services by the ability to co-locate in a single building. It also increases both the chance of delivery and return on investment by being the cheapest to deliver and offering the greatest future flexibility. In terms of partner requirements, all options allow these to be met, but the hybrid option is slightly weaker in terms of the constraints it places on phasing and the inability to co-locate leisure. It is the latter point that means that the preferred option scores highest in terms of 'adjacencies' (the operational need to put certain services next to each other).

6. Risk Assessment

6.1. The final business case will contain a detailed risk register. As an initial risk log for the OBC, the following is provided. More detail on some of the mitigation measures are set out in the Management Case below (section G), which feeds into the recommendations.

Description	Inherent Risk	Impact	Mitigation	Residual Risk
1. Service partners do not sign up to project in anticipated timescales.	Medium	Programme impact and non-delivery of benefits and system integration. Partner sites may also be delivered in piecemeal fashion.	Regular communication with partners. Declaration of Intent to work on business case already obtained from major partners. MoU and Terms of References are under development and close to completion. Work closely with Suffolk County Council and West Suffolk College as neighbouring landowners/joint owners to find a scheme which works for them. Agree date for final sign up.	Low
2. Preferred converted footprint cannot accommodate all of the identified public sector user requirements	Medium	Loss of some benefits and integrated services.	Maximise sharing. The project could also look to accommodate such requirements and associated benefits in subsequent phases. Expansion opportunities have been identified from the outset and could be realised when required.	Low
3. Financial viability of development	High	Development delayed/ unviable	Review value engineering opportunities without losing vision for site. Look at alternative car parking solutions. Review alternative funding options and delivery methods including seeking external funding.	Medium
4. Potential transport issues due to added	High	Programme and potential cost impact	Continue to liaise with SCC Highways. Undertake transport assessment to inform the Bury wide impact	Medium

pressure on existing infrastructure			taking account any potential future developments. Develop and maintain alternative car parking options.	
5. NHS logistics cannot relocate before 2023, or later.	High	Programme and phasing impact	Continue to liaise closely with NHS Logistics and contractor and agree move date/plans for relocation.	Medium
6. Delay or difficulties achieving planning permission	Medium	Programme and potential cost impact	An initial pre-application meeting has been held. Further pre-planning application meeting to be held with the allocated planning officer. Regular consultations with planners to understand possible planning issues early. Public exhibitions to be held to manage expectations of the public.	Low
7. Legal constraints (i.e. rights of way, easements, covenants) on site prevent/delay proposed development.	Medium	Programme and potential cost impact	Searches have been completed to understand legal constraints. Legal constraints to be addressed/closed out prior to final business case and appropriate planning processes.	Low
8. Delay to West Suffolk Operational Hub could delay start on site.	Low	Programme impact	Work closely with WSOH programme team to receive regular updates on progress / changes to programme. Include completion of WSOH in overall project programme.	Low
9. Car parking demand exceeds supply.	Medium	Cost impact	Continue to challenge/review Partner car parking requirements against actual need/car parking policy.	Low
10. Programme duration is extended	Medium	Programme and cost impact	Detailed programme continually reviewed, monitored and communicated.	Low
11. Utility capacities not sufficient to meet development demand	High	Programme and cost impact	Early communications with utility providers have been had and a worst case scenario has been included within the designs, energy strategy and cost plan. Monitor that design meets the maximum capacity of the site and continue	Medium

			engagement with utility suppliers.	
12. Cost overrun	High	Cost impact	Agree a fixed price contract with professional design teams/contractors. Produce realistic estimates from the outset that regularly monitored against the design.	Medium
13. Inability to attract prospective occupiers/users	Medium	Insufficient income and vacant business rates	Secure early pre-lets of facilities.	Low

7. Delivery vehicle considerations

- 7.1. It is envisaged (and assumed for the purposes of the development appraisal and viability work to date) that the Council would act as the developer/financier and would be the owner of any completed facilities and that completed facilities would be leased directly to the occupiers (supported by appropriate rent guarantors/sureties if and as appropriate).
- 7.2. However, in relation to each of the partners and potential occupiers above, specific delivery arrangements will be developed for the FBC around the principles explained in Part C. As well as the option for partners to invest capital of their own, these arrangements would include a model whereby the Council acts as developer/financier in the same way but the individual tenants are responsible for the capital costs for their own fit out works. These areas and the options around them are being developed and captured within:
- The Memoranda of Understanding and formal bi-partite agreements being developed between the council and potential occupiers.
 - The Multi-partite Joint Declaration of Intent to prepare a business case
 - Terms of Reference for the delivery groups for the individual elements of WWD project e.g. Health facility and student accommodation working groups.
- 7.3. Once in occupation, operational facilities management and servicing arrangements would be delivered via formal delivery agreements and service level agreements between the occupiers/WSC/any facilities management contractors.
- 7.4. In terms of the delivery model for the proposed student accommodation, the delivery options will be established and assessed for the FBC as part of a specialist student accommodation feasibility study, jointly commissioned by the Council and West Suffolk College. It is also possible that any on-site crèche may involve an alternative delivery vehicle to the general model otherwise assumed above.

E. The Commercial Case

1. Procurement Strategy

- 1.1. During the next stage, the procurement strategy will be developed and agreed with advice and input from the project's consultant teams. This will be considerate of the council's procurement requirements, OJEU regulations and related thresholds, as well as any requirements of the project's funders.
- 1.2. The procurement strategy will need to consider the procurement options for all of the professional services to support the development of the work streams e.g. consultancy services, commissioning of specialist studies, the undertaking of site searches, the commissioning of planning services, etc. A mixture of options will be used depending on the nature and scale of the roles, including the purchasing of services from frameworks on agreed rates. Some existing roles, previously market-tested, will also be extended due to their close understanding of the project.
- 1.3. It must also consider the procurement approach for the construction phase where there will be a number of options ranging from 'design and build' through to more traditional procurement models. It may well be that different elements and phases of the project may wish to consider and/or adopt different procurement approaches to the construction phase. These works will also need to be considerate of all OJEU requirements.

1.4. Design Services

- 1.4.1. The brief for the next phases of work should set out the SMART objectives and the requirements of any commission. With direct reference to the RIBA Stages, although it is likely that key gateways (FBC and planning application) will come between RIBA stages, as not all elements are required at these points. The scope and brief for this key appointment would be submitted to the officer project team for consideration and approval under normal Council procurement processes and delegations.
- 1.4.2. Such an appointment would be based on the RIBA Standard conditions of appointment. In addition to the architect, the professional/design team may include: Project Manager; Quantity Surveyor; Mechanical and Electrical Engineers; Civil and Structural Design Engineers; Geotechnical specialists; Landscaping designers; CDM (safety supervisor). The appointment of an architect and the remainder of design team could be commissioned under a single procurement/appointment exercise or the services required tendered for and appointed individually. The options should be objectively assessed based on the requirement of the contract and agreed by the officer project team as normal.

1.5. Other Professional Services

- 1.5.1. In addition:
 - Early Specialist advice will be needed (possibly prior to the appointment of any lead consultation) in relation to any key critical areas to the project identified in the early stages which it is felt could have a significant impact of the project's overall deliverability. These may include the appointment of

specialists to consider; Contamination/Remediation issues; Ground Conditions/Settlement; Ecology; Flooding; Highways etc.

- Valuation services – will be needed to support and inform the acquisition/relocation workstreams
- Legal services will be needed in relation to initial site due diligence work finalising any construction related contracts/appointment documentation and associated warranties; finalising any transfers of assets etc.
- Specialist advice will be needed in relation to the leisure centre, as set out in Appendix 1.

1.5.2. Any further requirements for these services and the timing of those requirements will be assessed during the next stages of the project.

1.6. **Building Contractor**

1.6.1. A contractor would be procured to construct the facility to the strict client requirements and designs set out in the Employers Requirements or Works Information suite of documents prepared by the client, the project manager and their architect/design team.

1.6.2. There are a number of different types of procurement routes available to select the building contractor and each option has its own advocates and inherent strengths and weaknesses, which will be appraised in the FBC. It may well be that different elements and phases of the project may wish to consider and/or adopt different procurement approaches to the construction phase. The procurement options are as follows:

- Traditional
- Design and Build
- Construction Management
- Management Contracting.

1.6.3. There are a number of potential frameworks which could be used to deliver the requirements. The type and form of contract will need to be considered for the construction element and the appropriateness of JCT, NEC or other and fixed price, target price etc. The terms and conditions for the Design Team will need to be considered separately.

2. **Contractual arrangements**

2.1. A number of contractual arrangements will be required throughout the project. These include:

- Arrangements between the Council and occupiers: covering leases, service level agreements covering facilities management, service charges, car parking and catering;
- Arrangements between the Council and suppliers of services and utilities: covering IT support, catering, security and cleaning etc.; and
- Arrangements between the Council and consultants/contractors (design and delivery phases): covering consultants, building contractor and sub-contractors (as above).

3. Risk transfer and sharing

- 3.1. Key to managing risk within the project is to implement appropriate contractual *arrangements* to capture key risks with other Parties including occupiers, suppliers of services/utilities and consultants/contractors.
- 3.2. An open and transparent approach between all parties will ensure early identification of risks and provide a productive dialogue to support their resolution.
- 3.3. See also risks and mitigation measures identified in Part D above.

F. The Financial Case

1. Expenditure by Council to Date

- 1.1. Since the Western Way Development was adopted by the Cabinet Office and Local Government Association in their national One Public Estate (OPE) Programme in 2014, there has been a significant amount of expenditure incurred to get to this OBC stage. The nature of this work has changed throughout this period as the project has moved from initial options appraisal and master planning, to site layout option designs, to this Outline Business Case.
- 1.2. Funding for initial feasibility, master planning and option appraisal work was approved by SEBC Council on 16 December 2014 (£100,000), met from SEBC reserves. A further £100,000 was approved by SEBC Council on 19 April 2016, funded from SEBC reserves, to support project management and other specialist support including architectural expertise. £20,000 was allocated from OPE funds to help support the work being undertaken on Western Way. There has also been another £265,000 allocated to this project, funded from SEBC reserves, agreed by Section 151 Officer in consultation with Cabinet members in order to arrive at the Outline Business Case.
- 1.3. Excluding costs met by partners, there has therefore been a total of £465,000 funding approved and spent on the project to date from SEBC, along with £20,000 from OPE funds. This would represent less than 0.5% of the likely project value.

2. Funding Requirement

- 2.1. In order to be able to prepare a Final Business Case for the full PSV model, including the leisure centre, there is a significant financial investment required reflecting the scale and complexity of the project. This has been identified as being *up to* £1.5m (or up to 1.5% of the potential project value), and will cover all work required to prepare the Final Business Case, including but not limited to:
 - Architectural and professional services for all buildings
 - Specialist advisors including legal
 - Site surveys, including transport, ecology, site investigations
 - Development of required strategies, including sustainability, environmental, construction
 - Project Management and cost consultancy services
 - Match-funding of specialist advice for specific partner requirements, and coordination of work with partners, in order to reach target public sector operating model and support funding bids
 - The cost of the initial mitigation actions outlined in Part G.
- 2.2. A large proportion of this work fits into the developer role of the Council, and is mostly transferrable to any outcome of re-using and developing the existing frame/site. There is also a marginal cost to the scheme associated with specific works relating to the inclusion of a leisure centre. The Council as leisure centre owner, as well as developer, would also fund this.

- 2.3. Given the benefits of the scheme, not least new employment, it is anticipated that, subject to the necessary approvals required to access these funds, a significant proportion of this total amount (over £500,000) could be covered from external funding available at a Suffolk, regional or national level, for instance the Business Rate Pilot Place Fund.
- 2.4. Furthermore, where there is a cost specifically associated with bespoke partner requirements to enable the PSV model, the Council would also require partner match-funding to enable this, either upfront or recovered later through agreed operational models. These contributions are likely to be well over £100,000, depending on which partners commit to the phase 1 development.
- 2.5. Taking the above into account, the *maximum* budget authority sought through this OBC is a total of £1.5m, to be funded from the Strategic Priorities and MTFS Reserve, Business Rates Pilot Place Funding, partner contributions and, if successful, other external funding. However, as a safeguard to the local taxpayer, it is proposed that, as a *worst-case scenario*, the balance of funding to be met from West Suffolk councils' Strategic Priorities and MTFS Reserve should be capped at £900,000.
- 2.6. Should the scheme not progress as envisaged above, the costs incurred to this point would be abortive, albeit some of the intellectual property and survey work would be transferable to alternative options.

3. Financial implications of baseline model

3.1. The table below details the estimated capital requirements of the baseline and target models. These costs have been produced by an independent Quantity Surveyor, however are very early cost estimates. These figures will continue to be refined as we move through the project design and further information is known. Their main purpose at this point is mainly to show that there is a funding gap to close before the FBC and that the target PSV model has a higher cost than the baseline model (albeit far greater benefits, as explained in parts B and C above).

3.2.

Estimated Capital Required	Baseline Model £m	Target Model £m	Variance £m	Notes
Car Parking	18.50	19.03	0.53	Both models require a small multi-storey car park but the baseline allows slightly more surface car parking
Leisure Centre	19.29	25.43	6.14	Baseline model has over 4000m ² of leisure centre ("dry-side") inside the main frame, whereas target model requires virtually all of the space as new build outside the frame.
Commercial	15.00	11.61	(3.39)	Target model has just over 5,000m ² compared to nearly 7,000m ² in baseline model
Student Accommodation	11.79	11.79	0.00	150 units on existing leisure centre site in both models
Residual Space for PSV	26.11	42.76	16.65	Around 7000m ² more space in target model due to leisure centre treatment
External Works	11.69	11.69	0.00	Off-site highways, external services, demolition costs, external landscaping and works
Total	102.38	122.31	19.93	

- 3.3. There is a significant increase in the capital required (£20m) for the preferred target model, which is mainly due to two key factors:
- **Accommodating Public Sector Requirements** – Achieving the target public sector model requires additional space requirements and facilities inside the frame that are not in the baseline model. The concept of ‘The Street’ detailed above also requires space inside the frame that does not directly relate to any specific partner, or generate significant income levels. In the scheme overall, there is an additional space requirement of around 6,000m². Some of the space requirements are also of a more costly nature than generic office accommodation, i.e. clinical health facilities.
 - **Moving Leisure Centre outside of the frame** – As a result of the additional space requirements detailed above, the majority of the leisure centre has to be pushed outside of the current frame, meaning a larger new build requirement. The cost per m² for a new build leisure centre is more expensive than that of it being inside the frame (£2,583 per m² vs £1,662 per m²). However, this has some compensating benefits in terms of income since rentable floor space is significantly increased.
- 3.4. The revenue implications are detailed in the table below. These include the assumed rental income from tenants, annual expenditure associated with owning facilities (i.e. maintenance liabilities) and the annual costs of prudential borrowing. As with the capital estimates these are simply for comparative purposes at this stage, as the final figures in 2019 will reflect the eventual scale of and balance between different uses. The current assumptions used in the figures below are that the Council borrows all the required capital (detailed in table above), and receives rental income from all the tenants occupying the building. An annual expenditure allowance has been made for maintenance and other landlord costs. All other running costs are assumed to be paid by the occupiers.

3.5.

Annual Revenue Implications Before Mitigating Factors	Baseline Model £m	Target Model £m	Variance £m
Annual Rental Income	4.79	4.96	0.17
Annual Expenditure before Borrowing Costs	(0.82)	(0.69)	0.13
Borrowing Costs	(5.62)	(6.68)	(1.06)
Surplus/(Deficit) after Borrowing Costs	(1.65)	(2.41)	(0.76)

- 3.6. The slightly higher rental income in the target model is explained by the ability to increase public sector space by moving more of the leisure centre out of the frame, but it should be noted that the amount of commercial office space in this model is lower than in the baseline model. There will always be a trade-off between the two elements in any final scheme because the highways and parking capacity of the site is finite. The target model also includes the concept of “The Street” which isn’t in the baseline model. Although this space has some income generating potential, it is not equivalent to what could be achieved by renting it out on a commercial basis.

4. Closing the funding gap before the FBC

- 4.1. Both models clearly have a funding gap to close before the FBC stage if the financial objectives set out in Part C are to be met. This is common at the OBC stage, and the key issue for councillors is whether this gap can be closed?
- 4.2. In addition, the target PSV model clearly has a larger funding gap to close than the baseline model (£750k), reflecting the larger capital investment on behalf of the community it represents. This is not a reason not to pursue it, simply a recognition that the challenge and reward of doing so will be greater.
- 4.3. Finally, it is important to understand the proper context of the funding gap that current exists. The financial modelling to date shows that the rentable spaces are capable of covering their own direct costs, on a cost/income per m² basis. However, indirectly, there is currently a significant annual cost attached to four specific parts of the WWD:
 - (a) **Car Parking** – As detailed at D4.17 above, the majority of the car parking requirements for the base model are provided as surface car parking on-site. However, there is currently still a provision for a multi-storey car park as part of the development. This has a significantly higher capital cost compared to surface parking, resulting in a higher annual revenue cost for the development. The aim is to review and challenge parking numbers in order to erase the need to have a multi-storey car park. This would save over £8m in capital costs, and have a beneficial impact of over £320,000 on the annual revenue position.
 - (b) **Leisure Centre** – The leisure centre constitutes £582,000 of the overall annual budget deficit in the baseline model, and £910,000 in the target model - refer to Appendix 1 for details. However, it is shown in Appendix 1 that, on a whole-life basis, investing in a new leisure centre is not only the most affordable way of delivering a high quality leisure offer but also will involve money the Council must find and spend in any event in the coming decades. If the impact of the leisure centre is removed from financial analysis, then the funding gap reduces to £1.07m per annum in the baseline model and £1.5m in the target model.
 - (c) **External Works** – There is a large requirement for external works to enable the development to proceed such as highway improvements, external public realm and landscaping. Current estimates suggest that these works produce a deficit of £660,000 per annum. The significant cost associated with these works play a significant role in the current funding gap. External funding would be sought to address this funding gap (or for other elements of the project (e.g. the commercial space) to create headroom in the financial model elsewhere). Also, it is worth noting that a large proportion of these costs would apply to any redevelopment model, and are not specific to the PSV.
 - (d) **Shared Spaces** – in any hub project, the dynamics and success of the building depend upon shared areas that form part of the overhead of the building. Principally in the case of the target PSV model: 'The Street'; the public reception area; the public plaza; and the bridge that links West Suffolk House to the new building. This issue applies less to the baseline PSV model, for obvious reasons.

- 4.4. Ways to mitigate these costs have already been identified and will be further defined and progressed during the next stages of the project. To a large degree, they apply to both models. These include:
- (a) **Car parking** – as explained above, the objective of removing the need for a multi-storey car park is a critical part of closing the funding gap.
 - (b) **Partner funding** - the model could change significantly if partners are able to invest higher amounts of capital, or attract external grants.
 - (c) **External funding** - Delivering the full potential of the WWD will require some form of enabling funding and/or land release to address the funding gap. Implicit in approval of this OBC is an authority to officers to make funding bids individually or with external partners, for instance to the LEPs, or national schemes.
 - (d) **Value Engineering** – This is part of an ongoing process that will run throughout the project and will be further explored during the next stages to produce the most cost effective technical solutions for the delivery of this scheme.
 - (e) **Benefiting from shared facilities** - Ongoing design work with relevant specialist advisors and partners will drive spatial efficiencies and cost savings, which will help inform the refinement of the architectural design and cost planning.
 - (f) **Maximising the amount of commercial occupation** – by minimising the amount of public space required, as per the principles in Parts C and D.
 - (e) **Contribution of renewables** – The project seeks to maximise sustainable and renewable technologies, which in turn will generate a potential financial benefit to the project. These are yet to be fully explored and therefore no allowance for this has been made in the financial analysis. As a comparison, the estimated net benefit of renewables on the Mildenhall Hub project is over £100,000 a year.
 - (f) **Income from shared areas** – The provision of multi-functional areas offers the opportunity to generate an income from these spaces by leasing these out to third parties for events, exhibitions, etc. This has not been included in the revenue calculations but will be explored further during the next stage.
 - (g) **Financing options** – During the next stage, the Council will seek advice on the most advantageous mechanisms to fund delivery of this project. These may include including PWLB borrowing or other options.

5. Wider Financial Benefits

- 5.1. This financial appraisal explains the business case for the Council as developer. Each partner joining the project will need to make their own business case before signing up formally to the project in 2019, comparing the cost of staying at their current facilities with the cost of moving to the PSV. The experience of other hub projects, not least West Suffolk House, shows that the capital and revenue savings to taxpayers of moving to modern shared building can be significant, both immediately and in the long-term. Also, as explained in Section C, the potential benefits in non-property terms could also be large if partners embrace the opportunity to work differently. As such, a strong business case for moving to the PSV could be made even if property costs remained the same for partners.
- 5.2. In addition, there are a number of indirect financial benefits which could be generated by developing out the Western Way Site. The most obvious is the potential for additional business rates from any new commercial occupiers, however this would only be a benefit if they were new businesses to the local authority area, rather than business that have relocated from other premises within the area.
- 5.3. If there are vacated sites within the local authority area as a result of organisations moving onto the Western Way Development, there is the possibility they could be developed into housing sites which would result in additional Council Tax receipts, as well as additional New Homes Bonus.

6. Summary of Financial Case

- 6.1. As a proof of concept, this OBC shows that the next phase of the WWD is an investable proposition insofar as there are currently models that have a revenue funding gap of £1.65m to £2.4m per annum, but a wide range of mitigation measures with which to close it before the final business case is presented. Not least, third party funding. It is therefore considered that there is enough scope in these measures to justify adopting the PSV as the preferred model in view of the significant additional benefits it offers to the community and economic wellbeing of West Suffolk.
- 6.2. Under either option, the project will be a huge strategic investment in West Suffolk. As explained, the baseline model is a fall-back position and not the target outcome for the PSV. However, by showing that there is a core scheme alongside the target model, this OBC provides a platform to meet the marginal cost of adding more public facilities to the site, and increasing the benefits accordingly.

G. The Management Case

1. Project Management Plans

- 1.1. If the final business case (FBC) is approved, then a new and shared governance structure will be created to oversee delivery, along conventional project management lines. However, at this stage, governance is focused entirely on supporting preparation of the final business case.
- 1.2. To ensure that momentum is maintained on preparing the FBC, the following project governance arrangements, which have been agreed with partners through a joint Declaration of Intent, will be put in place to take the project to the final business case stage:
 - (a) Ultimately, each partner will take their own decisions through their own governance mechanisms. For the Council, as an example, the final business case will need to be agreed by Council following consideration by Cabinet.
 - (b) To support that, and to manage the Council's input to the overall WWD project, there will continue to be a project sponsor from leadership team, and an officer project group, following the Council's normal project management systems;
 - (c) However, there will also be joint mechanisms to manage the PSV element of the project: firstly, oversight by the partnership board which manages the local One Public Estate programme and includes Cabinet members; secondly a group of Senior Representing Officers (one per partner) reporting to that board; and thirdly, specific joint groups to oversee technical elements e.g. shared health and care facilities, student accommodation and customer access elements. The project will also be discussed at chief executive level between the partners.
- 1.3. Central to all of the above will be a designated project manager and cost consultant for the next stage of the project. The cost of this is included in the estimated budget being sought at this meeting. Appropriate project management expertise will be employed across the project and appropriate project management mechanisms and tools will be developed and implemented, which will include refinement of the project programme, development of the risk register and working with emerging governance structures.

- 1.4. Although it is subject to change, the current indicative project timetable is as below. There will be two main Council reporting stages (this report and provisionally July 2019), which will provide authority to carry out the following stages under normal constitutional arrangements.

Date	Stage	Key elements	Authority or Criteria for moving to next stage
August-September 2018	RIBA Stage 0/1	Brief Definition and Outline Business Case	Council Approval (Oct 2018)
October 2018	Cabinet/Council Approval	Approval of Outline Business Case to proceed to next stage	Council Approval (Oct 2018)
Phase 1: Highways Improvement Works (Beetons Way/Western Way Junction)			
November 2018 – June 2020	RIBA Stages 2-5	Junction improvement works in joint partnership with ESFA	Council Approval (Oct 2018). ESFA receive planning consent. Negotiations with ESFA are successful
Phase 2: Shared Facility, Leisure Centre, Student Accommodation & Athletics Pavilion including Highways works (Olding Road/Western Way junction) and bus drop off area			
November 2018	RIBA Stage 2	Appointment of Consultant Team	Council Approval (Oct 2018)
December 2018 - July 2019	RIBA Stage 2	Concept Design	Council Approval (Oct 2018)
From November 2018	RIBA Stage 2	Preparation of external funding bids	Council Approval (Oct 2018)
July 2019	Cabinet/Council	Approval of Detailed Business Case to proceed to project completion	Partner Sign-up. Council Approval (July 2019)
August 2019 – February 2020	RIBA Stage 3	Developed Design	Council Approval (July 2019)
November 2019	RIBA Stage 3	Contractor Appointment (First Stage Tender Design and Build (D&B))	Council Approval (July 2019)
November 2019	RIBA Stage 3	Submit planning application	Council Approval (July 2019) DC Committee Approval (2020)
February 2020	RIBA Stage 4	Contractor Appointment (Second Stage Tender D&B)	Council Approval (July 2019)

February – September 2020	RIBA Stage 4	Produce Technical Design	Council Approval (July 2019)
October 2020 – October 2022	RIBA Stage 5	Site Mobilisation and Construction	Council Approval (July 2019)
October 2022	RIBA Stage 5	Completion (Phase 2)	Council Approval (July 2019)
Phase 3: West Suffolk House Alterations (If Required)			
July 2021 – February 2023	RIBA Stages 2-5	Completion (Phase 3)	Council Approval (July 2019)
Phase 4: MSCP (If Required)			
July 2021 - December 2023	RIBA Stages 2-5	Completion (Phase 4)	Council Approval (July 2019)

- 1.5. The programme above assumes a two stage Design and Build approach with completion of the first main phase in October 2022. The programme also makes the assumption that NHS Logistics will be able to vacate the warehouse building by October 2021, which presents the most effective programme duration. Though not as advantageous to the development, there is the option of an alternative programme that would allow a phased remodelling and construction period of the warehouse building, allowing NHS Logistics to remain in the warehouse building until October 2023.
- 1.6. The programme and its assumptions will be further reviewed during the next stage of the project as well as making allowances for external funding bids, which will be included in the Final Business Case.

2. Risk Management and Contingency Arrangements

- 2.1. Specific risks for the overall WWD project and the specific PSV and leisure centre elements are identified elsewhere in this OBC. As the project progresses, these risks will be managed through a conventional scored risk register approach, with mitigation actions identified and progress in removing or reducing the risks monitored by the project team.
- 2.2. In addition, the project will continue to maintain contingency arrangements in the form of:
- (a) A flexible design and scheme which is not dependent upon any single element or partner, with alternative uses for all areas of the preferred model;
 - (b) Different phasing models to allow for changes which are beyond the control of the project;
 - (c) Different funding approaches;
 - (d) Close working with other partners to ensure that plans evolve in line with their own (formalised through a joint Declaration of Intent); and
 - (e) Exit strategies for the project if it is undeliverable in its target model so that the Council's investment to date is protected.
- 2.3. Referred to in earlier in this report are also some specific transport and parking risks to deliverability that will apply under any delivery mechanism, and can start to be mitigated immediately if Cabinet and/or Council agree. These are as follows:

2.4. Beetons Way/Western Way Junction

- 2.4.1. A key dependency for the WWD is preparing a successful transport scheme. The 2016 masterplan and advice for this OBC indicates this is feasible on the existing road network if the right mitigation is put in place. However, since 2016, there has been other development in the area and also new proposals, notably the Abbeygate Sixth Form. To be approved, the school's planning application will have to demonstrate that it does not fetter the WWD masterplan and other approved development and also be subject to a significant remodelling of the junction outside West Suffolk House.
- 2.4.2. The WWD masterplan also indicated works at this particular junction would be needed for WWD. Therefore, the councils have been in discussion with the education partners regarding the potential to carry out a joint scheme in 2019 which, *if the planning application is approved*, will put in place the long-term capacity needed by both schemes, and reduce cost and disruption to the taxpayer. Therefore, it is proposed through this report that, subject to planning consent, the Council agrees in principle to a joint scheme to upgrade this junction, releasing any required land which is jointly owned by SEBC and SCC and also contributing a fair share of any marginal capital costs over and above what the education partners might otherwise have paid for their own scheme. Since a scheme has yet to be designed and costed, it is not possible to estimate the marginal cost the Council would need to contribute. However, taking part in such a scheme should offer a good outcome to the taxpayer and, in terms of it being speculative expenditure ahead of the final business case for WWD, it is worth noting that some works at this junction will be needed whatever the future plan for the site.
- 2.4.3. It is proposed that the officers are authorised to negotiate and approve a joint scheme, to be funded from within the next stage project budget set out in Part F.

2.5. Off-site parking options

- 2.5.1. Whilst the majority of the car parking spaces required for the development are provided within the Western Way site as described in Part D above, there are also alternative off-site parking options that would help to negate the need for a multi-story car park. Not least use of existing council-owned assets, including town centre car parks, and working with West Suffolk College on an integrated strategy across both sites. The FBC will therefore outline a detailed car parking strategy, on and off-site, with the aim of minimising the need for a MSCP and also to reduce car journeys directly onto the site.
- 2.5.2. In addition, the Council will use the period to seek further opportunities to lease parking space from third parties within easy walking distance of the site. This may be required to manage the build process under some of the phasing options. Equally, if medium to long-term leases can be obtained, then this may assist in the phasing of the provision of new car parking spaces on the site, assisting with project cash-flow and, ideally, allowing time to completely mitigate the need for a MSCP with travel plans.
- 2.5.3. The cost of taking leases could be regarded as a transitional cost of the capital project. However, it will also be possible to recover all or part of the cost through staff car parking charges, as at Olding Road. Similarly, the lease might be shared with other public partners, such as West Suffolk College, and used for other events such as the Christmas Fair.

- 2.5.4. At the time of writing this OBC, work to identify these off-site opportunities is still underway and negotiations would be commercially sensitive in any event. Therefore, approval is sought through the recommendations to enter into leases for off-site car parking spaces within a mile of the site for up to 10 years (but with appropriate break periods and the ability to sub-let for flexibility), with this option being taken up with suitable safeguards if an opportunity needs to be secured before the FBC is approved. Such an authority would be subject to the estimated net cost (i.e. after all estimated expenses and income) being no greater than £50,000 per annum up until the end of the design and construction phase and, if required once the WWD is operational, it being demonstrated in the FBC that this option is at least cost-neutral thereafter. On this basis, the cost of such an arrangement would be presented as part of the FBC as part of the core WWD financial model, and any costs before that time would be absorbed in the main project budget being proposed at this time.

3. Use of Specialist Advisers

- 3.1. To date, as well as the in-house support of officers, the project has been advised by the local office of Pick Everard in terms of costs and design, following on from their work on the masterplan. Commercial property advice to the project has been provided by Carter Jonas. Through the One Public Estate Programme, the Council has also engaged external assistance to coordinate the partnership elements, and also contributed to the cost of a specialist health planner. This advice has been provided within the agreed budgets.
- 3.2. As noted above, a Professional Health Planner has also been appointed by the Council to undertake initial work with partners to establish a schedule of accommodation and operational model for the proposed health facility. This work is close to completion and was jointly funded by members of the Health Facility Operating Group (HFOG) from existing budgets. A Professional Health Planner will be required by the NHS going forward to assist HFOG Partners to support the development of specialist business case(s), which they will require to support their involvement and investment in the WWD project.
- 3.3. Other specialist advice, for instance for student accommodation, will also be required.
- 3.4. If this OBC is approved, each role will be procured to ensure best value for money. Some of the cost will also be shared with partners.

4. Change and Contract Management Arrangements

- 4.1. As the next stage is about preparing the final business case, this would relate to managing that process. Contracts with consultants will define specifications and change processes. The existing governance process for the PSV element of the project also ensures that partners will work together as the project evolves, and are not able to commit other partners to expenditure without their agreement.

5. Monitoring during implementation

- 5.1. As up until and including this report, the Council's work on the project will be managed from a councillor point of view in accordance with the normal constitutional processes and, from the officer point of view, via the Council's normal programme and project management arrangements.

- 5.2. Therefore, the FBC will be presented to Cabinet and Council for approval. Prior to that an officer project team will be overseen by the Council's leadership team and the relevant portfolio holder(s). Clearly, this would be subject to change after May 2019 depending on the decisions of the new West Suffolk Council on its governance arrangements.
- 5.3. Governance arrangements for the PSV element of the project are explained in section 1 above.
- 5.4. In addition to the due diligence of the Council and its partners, and any external funders, it is also suggested that, given the magnitude of the project, an independent expert assessment is sought on the FBC, and reported to the Council when it receives that proposal. The cost of this would be included in the project budget sought.

6. Equality Impact Assessment (EQIA)

- 6.1. An initial EQIA has been carried out for the OBC. The overall picture is that WWD is beneficial for communities, local businesses, jobseekers and most local residents.
- 6.2. Similar to the Mildenhall hub, there may be a few local residents who currently live close to the public services due to relocate to Western Way. However, actions will be taken to counteract these implications (e.g. travel plan) so it is not envisaged that a full impact assessment is required in this regard. It is also important to note that the services involved serve a large catchment, in many cases district-wide, and are currently spread across several sites.
- 6.3. Other benefits of WWD include:
 - Co-location of services would be expected to reduce customer journeys overall and all groups would be likely to benefit from associated focus on channel shift for customer services
 - All groups may benefit from improved transport links to the area that are being considered as part of the project. Both the development on Western Way and redevelopment of existing public service sites would create employment opportunities, as well as new enterprise space for local businesses.
 - Expected savings to the public purse in the long term.
 - The inclusion of student accommodation for West Suffolk College and strong links with other academic institutions means the project is likely to have a positive impact on skills and innovation development in the area
 - New community spaces such as a café, closely linked to the health hub, leisure centre and other key public services.

H. Next Steps and Recommendations

1. Next steps are as explained in the project programme in Part G. Alongside preparation of the final business case and more advanced designs, there will be a focus on getting partner sign-up for any phase 1 scheme and making external funding bids. Proceeding with work on the target PSV model, to the proposed timetable, will also be dependent upon: partners agreeing to match-fund the cost of the advice needed to deliver their own specific requirements; and the necessary approvals to release monies from the Business Rate Pilot Place Fund.
2. It is therefore **RECOMMENDED** that:
 - (1) the Outline Business Cases for the Western Way Development, Bury St Edmunds and, as part of that scheme, the replacement of the Bury St Edmunds Leisure Centre be approved;
 - (2) subject to match-funding being received from partners and the Business Rates Pilot Place Fund, further project funding to allow the preparation of Final Business Cases of up to £1,500,000 be approved on the basis set out in Section 2 of Part F of the main Outline Business Case; the Council's own direct contribution of up to £900,000 to be funded from the Strategic Priorities and MTFS Reserve;
 - (3) funding bids be made to regional and national funding schemes to offset the project funding and support delivery of the actual scheme;
 - (4) the Council's Section 151 Officer makes the necessary changes to the Council's prudential indicators to reflect the direct cost to the Council of funding the project budget;
 - (5) an external expert adviser be appointed to carry out an independent gateway review of the Final Business Case for the Western Way Development before it is presented to Council;
 - (6) subject to planning consent being received by the ESFA, the Council approves the principle of funding the *marginal* cost of upgrading the Beetons Way/Western Way junction so that it can meet the requirements of the Western Way Development as well as the Abbeygate Sixth Form; officers being authorised to approve these works and meet any capital expenditure from within the project funding approved under (2) above; and
 - (7) the officers be authorised to enter into leases with third parties for temporary off-site parking options within one mile of the site to facilitate the delivery of the project, on the basis set out in section 2.5 of Part G of the main Outline Business Case; any cost incurred before approval of the Final Business Case also being met from within the approved project budget.

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**Outline Business Case
Western Way Development
Appendix 1 – Replacement of
BSE Leisure Centre**



October 2018

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A. Executive Summary

The Western Way proposals would create an exciting new public and business offer for the town, and the opportunity to build a new Leisure Centre as part of that to provide a 21st century leisure offer for the people of Bury St Edmunds and surrounding area is a fantastic prospect.

This outline business case sets out the potential case for investment to incorporate a replacement leisure centre as part of the Western Way development. It provides the high level opportunity, benefit and cost information for this element of the scheme but should be considered alongside the wider strategic vision and business case for the whole development.

West Suffolk's Strategic Plan includes a priority of "Resilient families and communities that are healthy and active". We are committed to using our community, leisure, open space and heritage assets to support wellbeing and education and create behavioural change as further detailed in the "Promoting Physical Activity Framework"¹. This business case will show how this development will deliver benefits which will meet the objectives in the Framework including:

- Social and community
- Economic
- Personal experience
- Health and wellbeing

The Western Way development provides an opportunity to provide a replacement leisure centre in a multi-functional space enabling co-location with key public sector partners including health. By re-visioning how public services can work together and interact with communities we have an opportunity to offer benefits both to residents of West Suffolk and partners on the site ranging from shared/reduced building and facilities maintenance costs through to opportunities to create referrals routes and to enhance customer journeys.

The existing Bury Leisure Centre is located at the end of Beeton's Way and is now 43 years old. The building has been refurbished twice in its lifetime due to two fires and therefore the fabric of building itself is generally in good condition. However, there are practical issues such as the age of plant that mean that reactive and planned maintenance costs are increasing and will continue to do so.

There have also been developments in terms of leisure demand and customer expectations which mean that the current centre layout could be improved including:

- The position of the entrance in relation to the car park
- Ease of access
- Facilities spread over three floors
- Standard of sport/leisure facilities
- Mix of facilities/leisure offer

This outline business case evaluates the options for the future of leisure provision in the locality, including the possibility of refurbishing the existing facility.

¹ Indoor Facilities and Playing Pitch Strategy delivered by 4Global on behalf of West Suffolk Councils. https://www.westsuffolk.gov.uk/leisure/Sport_and_Healthy_Living/activity/physicalactivitywssportsfacilitiesassessment.cfm

The Proposal: to build a new leisure centre as part of the Western Way development at an estimated cost of up to £23m and will include:

- 8 Lane 25m deck level pool with boom and moveable floor
- Combined Leisure and Teaching Pool
- Spectator seating for 200 people
- 4 Court Sports Hall
- Fitness facility
- 3 studios/multi-purpose rooms

This initial proposal has been developed on the basis of providing the optimum facility mix for the centre having regard to: the leisure market; catchment area; activities to encourage physical activity; and facilities in the wider area. It should be noted that further work will need to be undertaken in the next phase to determine a more detailed specification if the proposal to deliver a replacement leisure centre is agreed.

We will work with the Council's leisure partner, Abbeycroft Leisure, to ensure that the centre will be capable of delivering the Council's ambition for Council leisure facilities to be self-supporting, capable of meeting their own day-to-day running costs and potentially to deliver a wider return to support other community activities.

B. The Strategic Case

(Why are we doing it and what are we trying to achieve?)

1. The Opportunities of a new leisure centre as part of the Western Way development

The Council's role in providing Leisure Facilities

- 1.1. In the report "**Active people, healthy places: Councils and their partners leading sport and physical activity in their place**"², the LGA and partners identified that:

"Local sport, leisure and physical activity services can help people to live longer, healthier and happier lives. This makes them fundamental to achieving councils' aspirations for the wellbeing of their communities. Councils have a critical local leadership role for sport and physical activity in their places".

- 1.2. Despite leisure, sport and physical activity being non-statutory services, the evidence of their public value and the preventative health impacts is stronger than ever before. These services can contribute to multiple public policy objectives. These include reducing health inequalities, upskilling and employing local people and being community spaces for social engagement and interaction.

Supporting the Physical Activity & Health Agenda

- 1.3. The Suffolk Physical Activity Needs³ assessment summarised the burden of physical inactivity:
- Physical Inactivity is one of the top 10 causes of disease and disability in England and is attributed to 6% of deaths globally.
 - Inactivity causes 1 in 6 deaths in the UK.
 - Inactivity is the principal cause for 21-25% of breast and colon cancer, 27% of diabetes burden and 30% of ischaemic heart disease.
 - It is estimated that 1,368 years of poor health are being lived by the Suffolk population each year as a direct result of physical inactivity
 - It is estimated that within Suffolk, there are 244.6 premature deaths per 100,000 people per year attributed to physical inactivity and that the cost of inactivity per year to Suffolk per 100,000 people is £17,718,700 (UK Active, 2014).
 - Inactivity costs an estimated £7.4 billion a year to the UK.
- 1.4. The Council is committed to "Promoting Physical Activity" and its framework sets out its objectives and intent.⁴ The benefit of co-locating health and leisure facilities is already being tested out in places such as Warrington and West Norwood and it is a fundamental pillar of our own Mildenhall Hub development. Sport England (in their guidance on strategic facilities funding) recognises that some of the biggest increases in activity have been where sport is located alongside other services such as schools, libraries or doctors surgeries.

²https://www.local.gov.uk/sites/default/files/documents/12.8%20-%20Active%20people%2C%20healthy%20places_WEB.pdf

³https://www.healthysuffolk.org.uk/uploads/2017-10-12_Needs_assessment_Final_short_version.pdf

⁴ https://www.westsuffolk.gov.uk/leisure/sport_and_healthy_living/activity/index.cfm

- 1.5. The Needs Assessment also identifies the challenge of reaching those who are currently not active, and here local authority provided facilities have a key role to play as they look not only at the immediate financial position of the centre but of the wider economic, social and health contribution it can make.
- 1.6. The final business case will be developed to show how this development will meet the Council's objectives as laid out in its Promoting Physical Activity Framework, namely to:

Social and community

- Create an environment that provides the opportunity for physical activity for all;
- Encourage personal responsibility for wellbeing through education and the development of life skills and healthy habits;
- Improve the quality of life and the health and wellbeing of all our communities;
- Ensure that physical activity is inclusive by understanding and addressing barriers to participation;
- Maximise use of local assets including sharing assets where appropriate; and
- Make connections between different communities through shared activities.

Economic

- Ensure we are financially efficient and responsible in a changing financial environment, in line with the councils' Medium-Term Financial Strategy;
- Understand how our impact on health and wellbeing will financially benefit the whole public sector;
- Target our financial support and subsidies to improve outcomes that support our strategic priorities; and
- Create wider value for money.

Personal experience

- Provide opportunities for physical activity that are accessible, inclusive, welcoming, nurturing and convenient;
- Acknowledge that there are a range of motivations to participating in physical activity and that some people want to be competitive, whilst others don't; and
- Support the provision of facilities (including shared facilities) and opportunities in locations that encourage participation and keep active people active.

Health and wellbeing

- Promote initiatives that will support the Suffolk Health and Wellbeing Strategy;
- Focus on activity to address preventable health issues by creating local opportunities that address local health needs, using the health data at Appendix A to this framework;
- Ensure that active people remain active and that more people become active; and
- Encourage natural exercise as a part of daily lives and acknowledge that this may not include traditional sport.

Providing a flagship occupier for the Western Way Development

- 1.7. The Western Way Development is about re-visioning public services and creating not just new buildings but new ways of working together, and interacting with communities. The RSA recognised in their study of Wiltshire Community

Campuses⁵ that "*campuses are about more than new buildings. They are catalysts for new ideas, partnerships and relationships, particularly at the local level*". The inclusion of a new leisure facility, a facility that people of all ages can use and help shape can act as another beacon for the site. It will bring a range of people to the site, as well as benefiting from the attendance of those who already use the site. Being part of this new site offers a number of benefits to all occupiers:

- a. Shared/reduced facilities maintenance costs
- b. Shared Plant and Building Management Systems
- c. Shared reception arrangements
- d. Shared catering facilities (but note this will impact upon the financial performance of the Leisure Centre)
- e. Shared car parking provision
- f. Opportunities to create referrals routes and enhanced customer journey
- g. Joint marketing opportunities
- h. Opportunity to create a half day destination that complements other facilities on the site
- i. Shared benefit from energy centre and renewables
- j. Reduction in overall footprint due to shared facilities

Not including a leisure centre could therefore increase the cost of the site for other partners.

- 1.8. It should be noted that the Mildenhall Hub creates a reduced footprint for the leisure centre (7%) when compared to a stand-alone similar facility, despite having larger activity spaces (pool capacity doubled, for instance). This in turn creates a capital cost saving of 7% against industry benchmarks. Further analysis shows that the joint procurement is also set to achieve a further cost saving
- 1.9. Finally, relocation of the leisure centre will release land for other uses that will be a key part of the wider development. Specifically, it will create opportunities for an improved student accommodation scheme, which is a key outcome and consistent with the existing covenants on the land, and on-site parking provision.

Existing Building Layout, Condition and Challenges

- 1.10. The building has been refurbished twice in its lifetime due to two fires and therefore the general condition of the building is good. As an asset the building has no real structural concerns, although plant is starting to age and both reactive and planned maintenance costs increasing and will continue to do so. In addition to this there is a strong likelihood that a new facility would be far more efficient than the existing building and any new facility would benefit from the most recent advances in technology to reduce the cost of utilities. The potential impact of this has been included in the business case utilising Sport England Benchmarking data (2016), which estimates that the best performing facilities nationally are achieving a cost of £25 per square metre. The business case for a new facility therefore suggests that there could be a saving of the circa £120k against the current cost base. Clearly this would need validating in the context of the overall design and build at Western Way, but should be part of the specification.

⁵ <https://www.thersa.org/action-and-research/rsa-projects/public-services-and-communities-folder/people-shaped-localism/what-we-did>

- 1.11. Whilst the building is sound the age and layout of the building are no longer in line with current industry/consumer expectations. Examples of this include:
- The position of the Entrance in relation to the car park
 - Ease of access
 - Facilities spread over three floors
 - Décor/Style of the building
 - Standard of Sports & Leisure Facilities
 - Facility Mix
- 1.12. The Centre is also limited by poorly located car parking for peak demand. This has limited the facility's growth potential and needs to be addressed as part of any future development. The travel distance between the car park and facility is a major cause of complaint and influences both visiting rates and the retention of customers.
- 1.13. The Centre also acts (and is likely to continue to act) as West Suffolk College's sports provision to meets its course and curriculum requirements and this is a key issue linked to the choice of a refurbished or new build facility. The college uses the following:
1. Sports Hall – WSC use the hall for 40 plus hours per week
 2. Fitness Centre – The College made a capital investment into a 20 station facility that enables them free use but also provides access to the general public in the evenings and weekends.
- 1.14. The 2015 Sports Facilities Assessment also recommended that:
- Based on the quality audits and assessments, age and condition, the priorities for future investment in facility provision are Swimming Pools and Sports Hall due to age (by 2025)
 - The existing leisure centre is ageing and in the medium term there will need to be consideration to its replacement. Replace ageing facilities where new provision is needed; all new provision should be designed and developed based on Sport England and NGB guidance, and be fully inclusive
 - Rationalise existing provision where new facilities can replace/improve facilities
 - Current car parking provision is inadequate.
 - Invest in existing provision to improve quality
 - Invest strategically to ensure economic viability and sustainability of provision
 - Where possible, provide facilities (formal and informal) closer to where people live; access to informal provision is critical in the rural areas
 - Aim to ensure that more facilities on education sites provide opportunities (on a formal basis) for community access

Replacing the leisure centre could create an opportunity to review the scale and nature of provision for swimming in St Edmundsbury, plus develop a purpose-built fitness suite, potentially a larger sports hall i.e. 8 court and studios.

Population changes

- 1.15. The other dynamic to consider is the growth of the town. The Core Strategy and Vision 2031⁶ has established that in the period 2012 – 2031 Bury St Edmunds

⁶ Vision 2031: https://www.westsuffolk.gov.uk/planning/Planning_Policies/local_plans/upload/BSE-vision-2015v6-hi-res-compressed.pdf

will grow by 5740 new homes with most new housing being located in five strategic areas of growth located around the town. It provides that “the town centre will be the main focus for new retail, leisure and office development”.

- 1.16. Whilst it is extremely difficult to examine the impact of local economic development on facility provision but consumer research ⁷ identifies that 62% of people will use the services that are most easily accessible to them. Therefore location and convenience of access is key to attract the market and the developments highlighted above are likely to have a significant impact on leisure provision in Bury St Edmunds and any new facility development will need to take account of this.

C. The Economic Case **(How and why will it work?)**

1. Benefits Overview

- 1.1. Building a new leisure centre now as part of the Western Way Development offers a number of benefits:
- a. Improve the quality and range of offer resulting in increases membership and visits to the centre
 - b. Reduce the maintenance and repairs liability the current 43 year old building
 - c. Reduce operating costs, in particular energy and use of renewables
 - d. Remove the need to rebuild / significant refurbishment of the existing leisure on the existing footprint that would result in closure of the centre for at least one year, losing both income and footfall.
 - e. Utilise the opportunity of the broader Western Way Development to replace the leisure centre rather than at a later stage when capital costs could higher.
 - f. Release land for other uses

Quality and range of offer

- 1.2. Bury St Edmunds has been a high performing facility from both a financial and participation perspective. Alternative provision has increased in Bury St Edmunds with Bury Leisure Centre continuing to provide the town’s only public swimming facilities. Most recently in 2018, the Council opened the Skyliner Sports Centre as part of the Council’s own strategy to decentralise ‘dry-side’ provision if this improves accessibility and capacity. Any new entrants to the market would impact on the performance of Bury St Edmunds Leisure Centre, to which there would normally be two reactions:
1. Invest in the product/service to maintain or grow market position
 2. Reduce the overhead in line with reductions in income
- 1.3. The second strategy is generally only a short term measure and if sustained over any period just sees performance continue to deteriorate as income continues to fall in line with reductions in expenditure. Furthermore, the Council’s specific role in the market does not support this, since the ability of Abbeycroft to generate income is essential to cross-subsiding costly public-access facilities, in particular the swimming pool and track. This is the important context for discussion of

⁷ <http://www.healthclubmanagement.co.uk/health-club-management-features/Findings-from-the-Health-and-Fitness-Omnibus-Survey-report-2017/32021>

commercial considerations in this business case: the Council's commercial strategy is required to maintain provision of key public facilities at a time of reducing public sector funding.

- 1.4. The development of new facility is likely to produce a step change in performance or at a minimum protect its current position as the core provider in the town. Following the last refurbishment at the Centre, it is understood that membership increased significantly, although records are no longer available to confirm this.
- 1.5. Feedback from users and management experience is that whilst the building is sound, the age and layout are no longer in line with industry and consumer expectations. Examples of this include:
 - The position of the entrance in relation to the car park and road access
 - Insufficient car parking adjacent to centre
 - Ease of access
 - Facilities spread over three floors
 - Décor and style of building
 - Standard of facilities
 - Facility Mix.
- 1.6. Location of the car parking in particular has limited the site's growth potential and has been a cause of complaint, influencing both visiting rates and retention of customers. The location and layout proposed as part of Western Way will address this.
- 1.7. There is also anecdotal evidence, through planning applications and industry knowledge that other private health and fitness operators are proactively looking at Bury St Edmunds as a potential venue for other health and fitness facilities.
- 1.8. In addition to the above competition in other key markets continues to grow and operations compete for the "leisure pound". It is important that these are considered within the final business case to ensure an optimum solution that builds on the opportunity a co-located facility brings. Other developments within the West Suffolk leisure portfolio should also be considered when finalising the case to ensure that each facility provides the optimum solution for each of the catchment populations they serve. For the final business case, an updated independent market analysis will be undertaken.

Reduce the maintenance and repairs liability

- 1.9. St Edmundsbury Borough Council lease the leisure centre buildings to Abbeycroft and the Council retains responsibility for forward planned maintenance, preventative and re-active maintenance. In 2017 the Councils' property team undertook a condition survey and found routine maintenance and renewals would be required that would provide the building with at least another 6 years life, with costs of those repairs being around £350,000. Extending beyond that is likely to require spend of approximately £5m to renew plant in 8 years' time. This essential investment represents approximate value of 20% - 25% of a centre rebuild cost. Whilst there is an argument that the existing leisure centre could have a functional life beyond 10 years, it is clear that additional investment to keep the centre attractive and relevant to users would be required on top of this, and ultimately a new centre would be required.

Reduce operating costs

- 1.10. Energy costs for Bury Leisure Centre account for 11.5% of the Bury Leisure Centre budget and are forecast to increase as wholesale energy prices increase. The Western Way Development could potentially have renewable energy solutions which may reduce this cost.
- 1.11. **Utilise the opportunity of the broader Western Way Development**

Analysis of Sport England cost estimates show that construction costs have increased by 13% since 2015 and are forecast to raise further. The Bank of England inflation target is 2%, although the August Inflation report shows inflation remaining over that forecast. Assuming just 2% inflation, the estimated cost of £25.4m to build a leisure centre will have increased to £29.2m in 10 years' time, a 22% increase. In 20 years that cost increases to £37.8m. In addition the learning through the Mildenhall Hub has indicated that providing a leisure centre as part of a shared facility reduces overall costs by 7%.

2. Evaluation of Location

- 2.1. The need for a central location for the leisure centre has been proved over the years and is a planning policy. This business case address the opportunity of a new Centre as part of the Western Way development and as such the Council needs to assure itself that it is a location that will work for a leisure centre, and there is not a better location having regard to the growth in the town. The table below provides an overview of location criteria.

Pedestrian Access	The site is within 2km of housing estates to the North and South and the main town centre. It is already well served with footpath linkages to Newmarket Road as well as Beetons Way connecting to Tollgate Lane.
Cycling Access	Existing footpath/cycle path that links the site to Newmarket Road, linking to cycle route into town. Site within a reasonable cycle ride (up to 5km/15 mins) of the majority of the built up area of Bury St Edmunds. The site links to the Suffolk County Council Cycle Map, 2018. ⁸
Public Transport	The Western Way development includes plans for a new bus stop adjacent to the site. Currently bus services run to the location from Haverhill, Newmarket, Mildenhall, Brandon, Thetford, Diss and Thurston and surrounding villages.
Car Parking	The wider development of the site will include new car parking. The proposed location adjacent to the leisure centre addresses existing user concerns.
Proximity to Education	Tollgate Lane and Beetons Way are home to County Upper School, King Edward VI School, St Benedicts Catholic School, West Suffolk College and will be home to the Abbeygate VI form. The proximity of leisure to this "education corridor" is a key benefit of the site.
Other facilities	The current running track and pitch is owned by King Edward VI School and is used under a community use facility
Business	The site is under 2km from the town centre and will itself be home to a number of private and public sector operations. This provides the opportunity to engage with businesses as part of Suffolk's Health and Wellbeing Board's ambition to "support employers to incorporate physical activity as part of the working day". ⁹

- 2.2. There are a number of projects that are now being developed with other agencies that follow a co-location or hub principle. Anecdotal evidence suggest that use of these facilities far exceeds the indications provided by latent demand studies due to the convenience of the facility.

3. Alternative options

- 3.1. There are two long term alternatives to the provision of a new centre, both of which are major refurbishments of the existing centre. It must be noted that whilst these could extend the life of the centre, they will not address the fundamental issues of proximity of car parking and will not provide a flagship community use building for the new Western Way development. Ultimately both would mean that the Council would still need to consider a replacement leisure centre ultimately, all be it deferring that for around 20 - 30 years.

⁸ <https://www.suffolk.gov.uk/assets/Roads-and-transport/cycling/Bury-St-Edmunds-Cycle-Map.pdf>

⁹ www.healthysuffolk.org.uk/projects/workplace-wellbeing

3.2. The table below gives details of these two alternative options.

	1. Refurbishment on existing footprint	2. Refurbishment + extension
Estimated cost	£8m	£9.5m
Estimated improvement to leisure centre running costs	£67,000 per annum	£340,000 per annum
Overall Scheme financial performance	Council borrowing costs circa £440,000 per annum. Therefore annual deficit after borrowing of circa £373,000 per annum.	Council borrowing costs circa £525,000 per annum. Therefore annual deficit after borrowing of circa £185,000 per annum.
Advantages	<ul style="list-style-type: none"> - Reduced Capital Cost compared to a new build - Improved revenue position from existing centre - Enhanced alternative provision from existing centre - Creates a family orientated leisure environment - Retains position to oversee the management of the athletics track 	<ul style="list-style-type: none"> - Reduced Capital Cost compared to a new build - Improved revenue position on refurbishment option - Enhanced alternative provision from existing centre - Creates a family orientated leisure environment - Retain position to oversee the management of the athletics track - Retains Sports Hall provision & income stream
Disadvantages	<ul style="list-style-type: none"> - Still a long term requirement to replace the leisure centre. - No improvement in the positioning of the site and entrance within the overall project. - Potential requirement to continue to support the same level of maintenance costs from a structural/plant perspective. - Phasing of the development has the potential to disrupt use and cash flow causing business instability. - No sports hall provision for Education or Community Use. - No improvement to the quality of provision of the competition pool. 	<ul style="list-style-type: none"> - Still a long term requirement to replace the leisure centre. - No improvement in the positioning of the site and entrance within the overall project. - Potential requirement to continue to support the same level of maintenance costs from a structural/plant perspective. - Phasing of the development has the potential to disrupt use and cash flow causing business instability. - No improvement to the quality of provision of the competition pool. - Availability of land for extension.

- 3.3 These are alternative options to refurbish the centre and to extend its useful life, however there will be an impact on existing revenue and membership as sections of the centre will be closed. There is a risk that members could transfer to other facilities in the town and they do not return to the centre when reopened, or they just stop accessing leisure facilities all together. Whilst it is possible to estimate the loss of income through a closure period, the longer term impact is more difficult to quantify and a high risk for the centre, and also the community (for instance, in terms of a loss of wide access to swimming programmes for those unable to travel).
- 3.4 A full detailed phased plan would need to be created to examine how this could be managed in the most efficient way possible. The worst scenario would be a 12 month closure creating a complete loss of one years' total income.

D. The Commercial Case

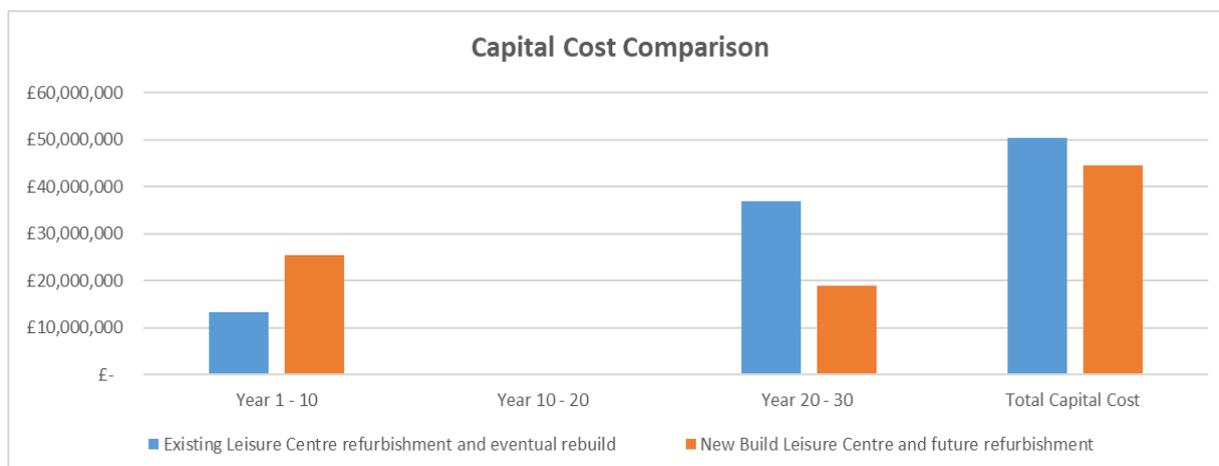
- 1.1. This case is already covered in Section E of the main OBC Document and is not repeated here.

E. The Financial Case

1. Capital Implications of new leisure centre

- 1.1. A new leisure centre integrated as part of the overall Western Way Development, as described in the main Outline Business Case, could cost between £19m - £25m depending on how much of the centre was integrated within the existing frame and how much was a new build extension - see main business case for details.
- 1.2. As has previously been mentioned, the existing leisure centre will have significant capital requirements in the medium term that are currently unfunded. These are detailed below:
- Over the next 5 years an amount of around £350,000 required – this would be funded from the Council's Building Maintenance Reserve
 - Renewal of plant and machinery required in the next 10 years at an estimated cost of £5m – this is currently unfunded
 - Refurbishment of the existing facilities will be required in the next 10 years to continue to provide an attractive facility and maintain market share. This will have an estimated cost of £8m as outlined above, and is also currently unfunded.
- 1.3. Therefore over the next 10 years, the Council would need to spend £13.35m on the current facility in order to increase its useful life by an estimated 20 - 30 years, at which point a full rebuild will be required, either on the current site or at another location. At this point, the cost of providing a new leisure will have increased significantly and the opportunity for integration with the Western Way Development would be lost.

- 1.4. The graph below provides a simple comparison between the capital costs of building a new leisure centre now with a refurbishment in 20-30 years, and retaining the existing leisure centre with maintenance investment, refurbishment now and a new build for another 20 - 30 years. It assumes a 2% per annum increase in new build costs, meaning in 20 - 30 years' time an equivalent new centre would cost at least £37.8m, ignoring increases in costs of delivering a standalone centre.



- 1.5. This shows that whilst in the short term the capital cost of providing a new leisure centre is higher, in the longer term there is actually likely to be a lower overall capital requirement even if an full refurbishment of this new facility is accounted for in 20 - 30 years.

2. Revenue Implications of new leisure centre

- 2.1. It is estimated that the centre would deliver an improved return of approximately £465,000. This benefit would then come back to the council via either a direct payment from Abbeycroft, or through Abbeycroft taking on more of the maintenance responsibilities of the leisure facilities they run.
- 2.2. The table below details the revenue implications of both the base case and target model, as described in the main business case for the Western Way Development.

Annual Revenue Implications of rebuilding leisure centre	Base Case £	Preferred Target Model £	Variance - Positive / (Negative) £
Annual Benefit from Abbeycroft	(465,000)	(465,000)	-
Annual Borrowing Costs	1,047,000	1,375,000	(328,000)
(Surplus) / Deficit after Borrowing Costs	582,000	910,000	(328,000)

- 2.3. There is an annual cost associated with either of the models put forward for a new leisure centre as part of the Western Way Development. However, there would also be borrowing costs associated with the capital amount that would need to be spent on the existing leisure centre. Note the revenue implication detailed above does not account for the benefit of being able to maintain a continual leisure offer i.e. the existing leisure centre would remain open whilst the new one was being built. If a significant refurbishment were to take place on the existing leisure centre, there would be a significant disruption in the leisure offer able to be provided and a potential loss of income to Abbeycroft.

- 2.4. The assumptions used, and mitigation measures described in the main business case equally apply to the leisure centre, and therefore will not be repeated here.

3. External Funding

- 3.1. External funding will be sought from a variety of sources, in order to try and reduce the overall capital requirement for the scheme the council has to fund. This would in turn reduce the annual borrowing costs the council would have to pay. Sport England have already offered to sit on the steering board for this project, and are interested in potentially using it as a case study. Their design input will be a key safeguard for the project in due diligence terms. Sport England has allocated a budget of c £40m to award through 2017 – 2021 and applications will be invited on a solicited only basis, previously with upper limits to grants of £2m. This OBC and the forthcoming full Business case reflect Sport England’s Strategic Facilities Fund guidance. However, there can be no guarantee of Sport England funding being received.

F. The Management Case

The main outline business case for the Western Way Development provides the main management case for this scheme at this stage, as it is part of the wider project. However, below are elements specifically relevant to the leisure centre.

1. Key Risks & Dependencies

- 1.1. The key risks and dependencies specifically related to the provision of a new build leisure centre as part of the Western Way Development are detailed in the table below. The will be developed further as part of the final business case.

	Risk Description	Inherent Risk	Impact	Mitigation	Residual Risk
R1	Financial viability of development	High	Development delayed/ unviable	Explore value engineering opportunities without losing vision for centre and wider site. Looking at facility mix to drive income (nearer build date). Reviewing alternative funding options and delivery methods, including seeking external funding.	Medium
R2	Competition in the leisure sector and soft play	Medium	Reduction in use of centre meaning that business case targets for increased membership/ revenue not met	Design facility in flexible way so space can meet changing leisure trends; continue to monitor market and other alternative leisure provision being developed within a radius	Medium

	Risk Description	Inherent Risk	Impact	Mitigation	Residual Risk
				that could impact on the proposed facility mix	
R3	Change in consumer trends mean that the proposed development mix is no longer relevant	Medium	Reduction in use of centre meaning that business case targets for increased membership/ revenue not met	Design space flexibly so that the fit out can be changed; monitor the market place during the development to ensure that the facility mix is correct.	Low
R4	The scheme does not deliver a new energy solution for the campus	Medium	Increased energy costs for the Leisure Centre impacting on viability of wider scheme	Retain focus on energy solution as part of WWD; work with partners and explore externally funded projects through Interreg	Low

Ref	Dependency	Level of dependency	Give/ Get	Impact	Impact date	Mitigation (if required)
D1	Agreement to wider Western Way Business case	High	Get	The business case for building a new leisure centre as part of the development fails	2019	Refurbishment of existing centre/ new business case for new leisure centre
D2	Continuation of Partnering Agreement with Abbeycroft Leisure	High	Get	Potentially no leisure operator for the new facility/ new operator requires different contract		A new operator for the site (and other leisure centre facilities) would be required
D3	Negotiation with Suffolk County Council re leisure centre land	High	Get	No change of use/additional costs driven into project		

2. Assumptions

Catering Facilities

- 1.1. Currently Abbeycroft has its own café provision and it is this could continue in the new development and complement the wider offer, or be replaced by an alternative provision that provides a better overall solution for all parties.

Accessibility

- 1.2. There have been a number of versions of the masterplan for the whole development. It should be noted that the optimum position for the entrance to the leisure centre would be to link directly with the Public Sector Village/Car Park to provide better line of site and access to capture consumer interest, and also have high visibility from Western Way. This is a specific reason for the target model design in the main business case.

G. Next Steps

1.1. Final Business Case

At this stage it is not necessary to specify the internal fit out of the centre as leisure trends will continue to evolve, but rather create the space that can be used flexibly and improve the financial performance of the facility. The following work will be required to be undertaken in order to produce the Final Business Case:

- Revisit the market analysis to ensure it takes into account changes and trends in the market place along with changes in demographics in.
- Review the facility mix following the market analysis to ensure that market changes can be reflected in the facilities and services provided in any new facility.
- Use the market analysis and facility mix review to inform revised budget projections, ensuring that these are achievable.
- Review of the projections linked to the environmental management of the facility to ensure they remain achievable as well as considering how this can form part of the Council's broader approach to this area.
- Review capital costs to ensure they remain in line with the high level estimates provided and aligned with the final facility mix.
- Undertake stakeholder engagement with users, non-users, sports governing bodies and Sport England.
- Develop a set of Key Performance Indicators for the scheme.

Appendix 2

Strategic Case: Organisational Overview of PSV Proposal – West Suffolk council(s)

Pursuing the PSV as the target outcome for the WWD is consistent with the following:

1. **West Suffolk Strategic Framework:** consistent with key themes of partnership working, embedding commercial behaviours, adapting to the changing demands of customer service and responding to the needs of the growing town of Bury St Edmunds. The development also directly or indirectly supports all three priorities for West Suffolk:
 - i. Growth in West Suffolk's economy for the benefit of all our residents and UK plc.
 - (in particular) Investing in our local workforce, by supporting skills development programmes and new employment opportunities
 - ii. Resilient families and communities that are healthy and active.
 - Collaboration with public sector partners in our shared endeavour of improving the health, wellbeing and safety of families and communities.
 - iii. Increased and improved provision of appropriate housing in West Suffolk in both our towns and rural areas.

The envisaged ways of working to achieve them are:

- Distinctively local, not generic solutions that are shaped and delivered locally and reflect the different challenges and opportunities of West Suffolk's towns, villages and countryside areas.
 - Ambitious and comprehensive cross-system partnerships that join up resources around communities and individuals.
 - A shift from reliance on grants to self-generated income, returns on investment, and business rates growth.
 - Taking a business approach to our operations, within our public service remit.
2. **Strategic Plan: Medium-Term Financial Strategy:** Responds to the challenges facing local government finance by taking the opportunity to act more commercially and work with public sector partners to deliver estate savings for all, including through sharing physical assets.
 3. **West Suffolk Growth and Investment Strategy:** supports our ambition to ensure West Suffolk stays a place where people choose to invest and create a lasting legacy for the future. Through providing commercial space for

businesses, supporting existing and proposed programmes for skills development and unlock the potential of the new attractive business sites in Bury St Edmunds the development supports the development and growth of the local workforce.

4. **Asset Management Strategy:** exemplifies our ambition to behave more commercially and invest to generate income whilst also delivering savings in our estates.
5. **West Suffolk Investment Energy Framework:** Western Way is specifically named as a strategic project supported by the framework and as such exemplifies some of its key aims. The project is an example of how we follow this framework by working with partners, for example to support current and future energy requirements and directly support businesses and the local community to become more energy efficient.
6. **Office Accommodation Plan:** alongside the Mildenhall Hub development, it ensures we make the most of the opportunities available to us without prejudicing future needs or developments and making the most the potential opportunities to maximise income, reduce costs and improve service delivery.
5. **Customer Access Strategy:** The development will integrate a number of customer facing services and therefore reducing the number of customer journeys. Combined with increased digital access to customer services, the development will help us respond to the changing nature of demand.
6. **Families & Communities Strategy:** consistent with our understanding that the role of local government is changing in response to reduced funding and new models of how to maximise councils' effectiveness. The Public Service Village is an ambitious way of responding to this need through collaboration with our partners who also are also committed to different aspects of supporting families and strengthening communities. The new leisure and community spaces created through the development will support wellbeing and education. Most importantly, the PSV itself will be designed to encourage families and communities to shape how it is used, and what is achieved in it.
7. **Joint Health & Wellbeing Strategy for Suffolk:** the development will support the Health and Wellbeing Board's ambition that people in Suffolk live healthier, happier lives by advocating and providing leisure facilities and integrating a range of health facilities. The development aims to maximise the benefits having a number of health and wellbeing services under one roof, enabling innovative new models of care and ways of working.
11. **Adopted and emerging planning policy:** consistent with the concept for West Bury, the Western Way Development delivers additional community and leisure facilities to meet the needs of surrounding development and the additional homes that will be built in the Bury St Edmunds area and beyond by 2031. The masterplan has been prepared to meet the requirements of the St Edmundsbury Borough Local Plan Core Strategy, The Bury St Edmunds Vision 2031 and Joint Development Management Policies document.
12. **West Suffolk Framework for Promoting Physical Activity:** consistent with the aim of our councils to work with our partners to enable and encourage people to lead active lives. This in turn, realises the overall ambitions of Sports England

to foster relationships and understanding between sport and leisure services and commissioners of health, social care and children's services, among others, so that local strategic outcomes can be better achieved.

13. **Vision 2031:** The Western Way Development programme encompasses the theme of the various visions to work with partner organisations and local communities where there are areas of common interest. The Public Sector Village also directly links with the social role of sustainable growth to support strong, vibrant and healthy communities.
14. **West Suffolk Homelessness Reduction Strategy:** supports our ambitious plans for homelessness reduction by addressing the need for agencies to work even more closely than they have ever done before. Specifically this will help us use data and predictive analysis to help target resources to prevent homelessness and identify and interact with people in need of support and advice, in order to prevent homelessness from occurring. This will include developing local community based responses offering specialist advice and signposting to services in those geographical areas identified as having higher levels of homelessness. Directly, there is also scope to look at adapting a space in the public areas to work as a bespoke and dignified emergency winter shelter when this need is activated.
15. **West Suffolk Housing Strategy:** Through student accommodation and the re-use of vacated sites, supports the ambition for the building more homes, and increasing access to suitable homes by bringing a lot of the public sector services that support them closer together, both physically and culturally. Closer working with our partners will help support the action to ensure that information is available to help inform people about their housing choices.
16. **New Anglia Skills Manifesto:** Aligns with the recognition that the region has a great opportunity for business, the public sector and voluntary organisations to work with the Government to invest in the future of New Anglia. The public sector village responds to the corresponding call to action to focus the effort already put into public and private sector skills development and to encourage even greater collaborations.
17. **Single Council - government ambitions for local government transformation:** In line with the creation of West Suffolk Council, the Western Way Development also fulfils the following criteria set out by government:
 - better local/public services;
 - significant cost savings; and
 - greater value for money.

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Appendix 3

Benefits Criteria for PSV Model

In general, drawing on the strategic objectives and business needs listed in Part C of the main outline business case, the WWD would help to achieve the following benefits which align strongly with the above objectives of the One Public Estate Programme:

(a) Improved accessibility to services

Clearly, in any hub project, the relocation of constituent services to one site moves some nearer to or further away from specific residents. However, none of the facilities being proposed for inclusion in the PSV are provided exclusively for residents of one part of Bury St Edmunds. Most have a catchment of the whole of West Suffolk. In that context, what is more important about the proposal is that the PSV improves accessibility for the greatest number of people. Accessibility here can be measured in two ways.

Firstly, the planning application will need to show that the PSV is easy to reach for the majority of users, and also remains well connected to the centre of Bury St Edmunds, via all modes of transport.

Secondly, and more importantly, the PSV will improve accessibility insofar as visitors will be able to access multiple services in one trip, and new opportunities and synergies will open up.

As an indirect benefit of this, any transport assessment will be able to analyse how existing journeys in and around the town are affected by the PSV; the need for multiple separate journeys to different locations will be reduced, or avoided altogether, and some journeys will be redirected, shifting traffic patterns in the town.

(b) The standard of facilities has improved but the comparative cost of running them has at least stayed the same i.e. taxpayers get more for their money

In terms of the Council's own services, Appendix 1 provides this analysis for the leisure centre and shows that providing a new leisure centre as part of the WWD results in a better building which costs less to the taxpayer in the long-term.

In more general terms, ahead of technical designs, it is hard to calculate actual property costs for the new PSV scheme. However, there is a wealth of evidence, national and local, that co-locating services from older, separate premises to shared, modern buildings will reduce not only day-to-day running costs, but also long-term maintenance bills, if a whole-life cost is assessed. In fact, even if running costs were the same by floorspace, by sharing a building the area partners occupy will reduce, since they can share infrastructure like staff facilities, parking, reception areas, plant rooms, etc.

West Suffolk House (WSH) is the proof of this, with several buildings being replaced by one shared building which is very efficient in terms of space and running costs, and saving over £1m p.a. since opening. WSH also makes extensive use of renewable energy, and the WWD scheme offers the chance to take that further through district heating initiatives. Adding to public services on the site also allows greater economies of scale for facilities management, etc.

(c) Improved public services, measured through the performance of the partners in tackling their individual and shared priorities, and also through general indicators of economic and community wellbeing

Proving a causal link between new service hubs and performance measures is hard, particularly in terms of office-based functions. However, the PSV should not only improve the way services work together (see (d) below), but also have a measurable impact of its own due to the direct services which will be provided on the site. Specifically, in terms of leisure, health and education. The benefits of the leisure centre are set out in Appendix 2. For education, the planned provision of student accommodation should assist West Suffolk College to develop its post-18 offer. As the health partners make their own business cases to join the PSV in the next stage, they will similarly need to show the expected impact on their clinical services.

(d) More integrated and better coordinated public, voluntary and private services, demonstrated not just by reduced operational costs but by the implementation of new ways of working, and better outcomes for local people and businesses

This benefit is perhaps the real added value of the PSV or hub concept, with the largest potential impact on families and communities and the way the services they use are organised.

Like its sister projects in our other market towns, providing multiple services in one location also allows for more innovative ways of working together. The PSV is a manifestation of a new way of working collectively as partners and collaboratively with communities – not just cheaper but better. Also like the other hubs, it is defined not by buildings and organisations but by possibilities and outcomes and, if it is to have any chance of succeeding, it will require partners and central government to think and act differently about how things are done, and adapt existing rules around funding, ownership and occupation. Above all, local people will feel the PSV is their space, and that services are at the heart of their community.

The PSV concept is for a huge range of 'customer journeys' to converge at one point, offering not only convenience but creating the chance for entirely new journeys to be started. The more journeys that converge at the PSV, the stronger the community ownership of it will be, and the greater the potential for co-production with local people and organisations. The PSV will mean something different to everyone, and be part of their whole life in West Suffolk. Another key point is that the journeys are about outcomes, not inputs; there is no presumption about how services will be delivered or, in many instances, by whom. The PSV is a blank canvass for different models of service provision.

In simple terms, the PSV will just be a better way to provide skills, learning, health, community support and business to benefit all. Our own experience shows that where complementary services and facilities are placed just a few steps from each other it multiplies their effect. Ideas and skills can grow and flourish at the College, be tested in real environments through work experience and apprenticeships and into practice and real start-up businesses, all on the same site. Leisure facilities, including the skatepark, complement the local health services who, as well linking with each other, can also work much closer with public service colleagues in the councils or police to achieve better outcomes for those in the most need.

The leaders of other organisations joining the PSV will therefore be asked to pledge to look at new ways of working enabled by co-location. The experience of other projects shows that co-location alone is not enough to result in integration; partners must actively look at joining up with each other. This is consistent with existing work in Suffolk on system reform. If the target model for the PSV is delivered there could be considerable scope for further change and reform; either through sharing resources or multi-agency initiatives. As only a few examples: police working with mental health services; health working with adult care services; an integrated advice centre; health working with leisure; etc. All partners could share support services and start to look at sharing ICT systems and integrating processes. As in Mildenhall, a shared team of 'hosts' would provide not just traditional reception services but also guide visitors to the various services and help them to both take and join up the opportunities. For example, if a visitor is referred by a health practitioner to Abbeycroft, this can be followed up by Abbeycroft as part of the same visit with a welcome tour.

The initial 'edges' of customer enquiries could be more permeable, building on what we already observe by having co-located multiple advice teams in single reception areas in our council offices. The cross-over between housing, benefits, citizens' advice and care services is already significant for many families, but this could be extended in the PSV to NHS services, leisure, the police and government services.

To ensure that this happens, there will need to be a commitment from the leadership of PSV organisations to change the way we work together and with communities. Moving services to the PSV cannot be a straight lift and shift, maintaining traditional ways of doing things and making the public come to us on our terms, service by service. Services must be truly integrated and user-centric, and the point of entry should not matter on a 'no wrong front door' principle. A new shared customer charter, or equivalent, will be needed, with a focus on working collectively to respond to what communities bring to them as priorities¹. Behind the scenes, services will need to organise along similar lines, with multi-agency teams sharing resources, expertise and intelligence. The final layout of the building, in both public and staff areas, should be based entirely on making this easy to do.

In terms of measurable results, as well as better service outcomes, there should be evidence of partners achieving savings from new shared structures. The aim

¹ As an example of good practice elsewhere, Nottingham City Council has a model for its customer charter of 'Make it Happen, Make it Easy, Make it Better'.

would also be to reduce the cost to taxpayers of welfare, education crime and health provision.

(e) Supports Families and Communities

The public spaces in the PSV should therefore feel that they belong to the community, and people should feel 'at home' in them to the extent that they can actually shape how they are used. Simply designing the building to provide services along traditional lines will be a missed opportunity.

Furthermore, a key element of the West Suffolk Families and Communities Approach is the importance of preventing situations in families and communities from reaching crisis point. This is often achieved by supporting families and communities to help themselves, rather than creating a culture of dependence on public services to sort problems out. We are working to embed preventative and community-led approaches in public services across West Suffolk and are championing this in our partnership working relationships. The co-location of more public sector agencies in the Western Way Development will enable the Council and even more of its partners to work together with local people on finding integrated preventative approaches, reducing the risk of duplication, and promoting a families and communities approach in general.

(f) Supports the Skills Agenda in West Suffolk

Although physically separate, West Suffolk College, the new Abbeygate sixth form and the local upper schools would also be a key part of the vision, with access to sports facilities during the school day, vocational training opportunities for students and the ability for students and their families to participate easily in everything else happening at the PSV outside of school hours.

The parties have therefore identified real opportunities to develop a wider and deeper relationship between the WWD and the Council and College's shared broader aims and objectives. These areas of opportunity include:

- Forming links with all schools in the area, including the new Abbeygate Sixth Form.
- Creating a combined estates plan for the two sites, to realise their full potential and seeking to blur the edges.
- Joint work to capture the wider innovation and skills agenda, for instance by linking any enterprise space to the College, in terms of training support, research and development and nurturing entrepreneurship.
- There is also an opportunity to offer direct vocational training on site, by giving PSV facilities a teaching capacity. Health and leisure in particular, but also through the ancillary childcare, catering and facilities management functions. Similarly, the leisure centre, other public and private sector employers and voluntary sector occupiers and hirers can offer work experience opportunities, as well as directly linking to the College and schools' programmes to prepare students for the world of work.

- Increasing apprenticeships (see (g) below).
- The target model also provides for 150 new specialist units of student accommodation to support West Suffolk College's future development of further and higher education. This would not only attract new students to the town, with associated economic benefits, but also relieve pressure on other private rented accommodation.

(g) The creation of new jobs and apprenticeships on the site itself, but also on any sites vacated by partners moving to the WWD;

and

(h) The creation of new homes on any sites vacated by partners moving to the WWD (as well the creation of new student accommodation on the site);

A key part of the scheme is around boosting the local economy and freeing land for new homes.

Even if the public partners were assumed only to be relocating existing staff, the PSV could generate up to 6000m² of new commercial office space over time. At a conservative 10m² of net internal area (NIA) per employee, this could result in 100 new jobs per 1000m² of new space. If some companies were only relocating jobs from other sites, then these locations could still be backfilled with new jobs, so there would be a similar net gain. The jobs themselves would also be high quality jobs, and have the scope to link to the neighbouring College, as well as the public services themselves.

In addition, the planned catering, facilities management and child care facilities would also require additional employees.

The One Public Estate Programme aspects of the PSV would also generate new jobs over and above those in the scheme's own commercial spaces. This is because partners would vacate sites in the town, leaving them available for regeneration or re-letting. Some will remain in employment use, whilst others are sites identified in the local plan as being suitable for housing. The government also estimates nationally that each new house built generates 1.5 new jobs in its own right, which is also recorded in monitoring. The final business case will be able to put detail to this, when specific sites are known, but in terms of the sites which are publicly owned then the target model for the PSV could generate more than 100 new homes and over 200 new jobs. This excludes the two government buildings on St Andrew's Street North which are privately owned. The 150 student accommodation units are also counted by government as new homes for OPE purposes.

All of these areas of jobs growth should create apprenticeships and vocational training opportunities. In terms of the WWD itself, by placing all of these services and facilities together at one site, the opportunity to provide apprenticeships is much greater, in the public and private sector organisations alike. In order to ensure apprenticeships are widely available, a pledge could be signed by all partners encouraging them to employing apprentices as part of their occupancy

obligations in the PSV. With the College and schools next door, this would provide an excellent opportunity for young people to move into apprenticeships as soon as they finish education, but also to continue to use the College for their vocational training needs.

There would also be scope to support start-ups. Subject to a separate business case, the PSV also provides the opportunity to offer, within its planned commercial office space, enterprise space for local start-up businesses and entrepreneurs, with a direct link to the College and support and training. On top of this, business support services could be offered to businesses who do not have any/appropriate premises and wish to use a serviced meeting room or hot-desks on an ad-hoc basis, or have a 'virtual office' (with the PSV providing them with a mailing address and post room, telephone answering and other support for a small fee). Irrespective of whether they occupied the PSV or not, all local businesses (new or established) would be able to access economic development support from the councils and their partners, within a wider West Suffolk network, and hire facilities in the PSV.

(i) Generates inward investment to West Suffolk

The OPE programme also asks councils to measure the inward investment generated by new schemes, which is taken to include:

- private/external capital investment in partnership projects but not grants from other parts of government e.g. joint ventures; and
- new revenue and income streams, which might include:
 - Additional council tax income
 - Rental income
 - Revenue from new business rates
 - Leisure facilities
 - Increased tourism
 - Car park tolls.

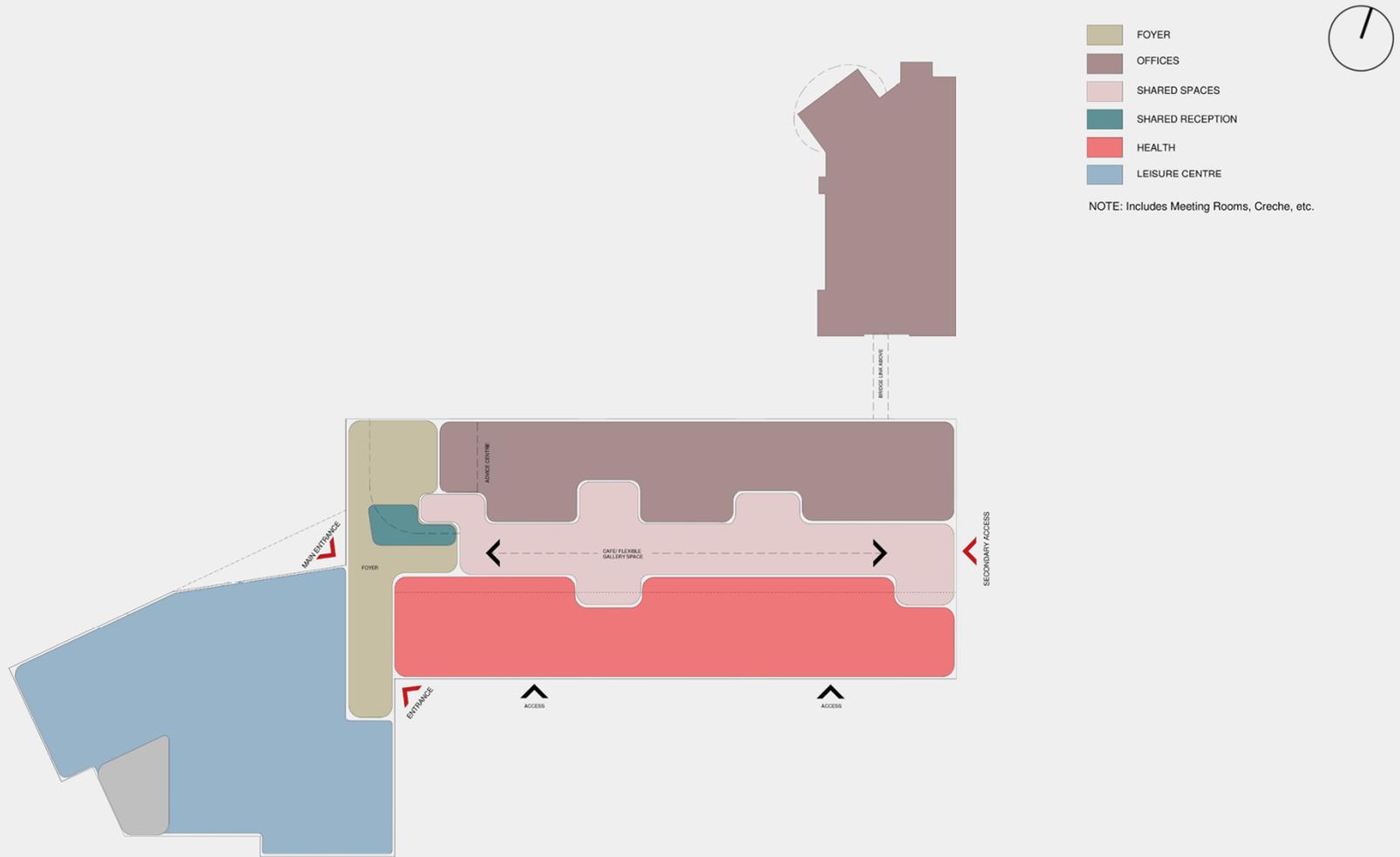
To greater or lesser degrees, the WWD scheme could contribute significantly under all of these categories, if the re-use of vacated sites is taken into account. The choice of delivery vehicle would also have a large bearing. Some allowance is already made in the OBC for rental income, but no attempt has been made to factor in indirect benefits such as NNDR at this stage. The final business case will therefore need to look in detail at these matters.

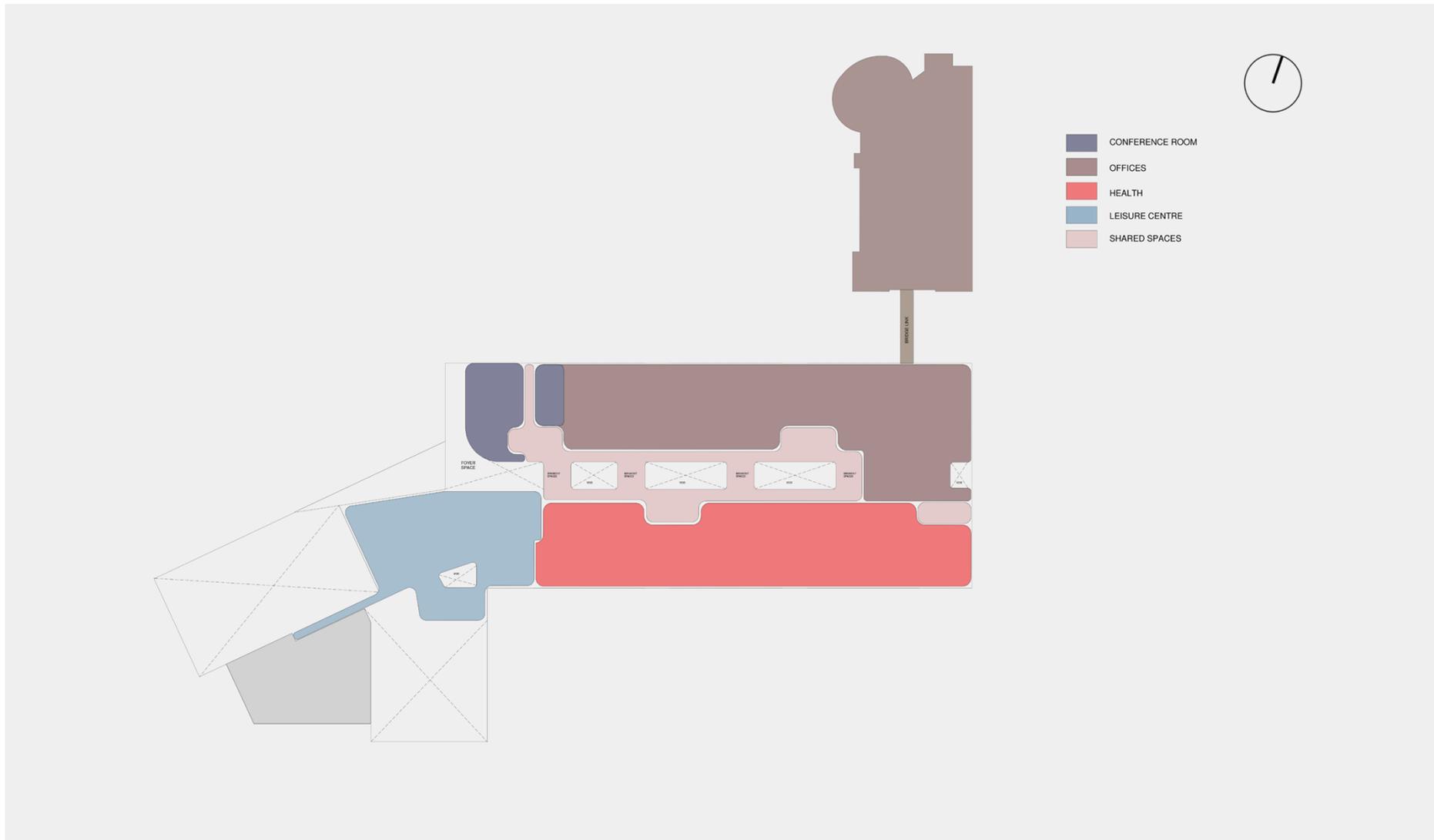
(j) Provides Capital Receipts for the Taxpayer

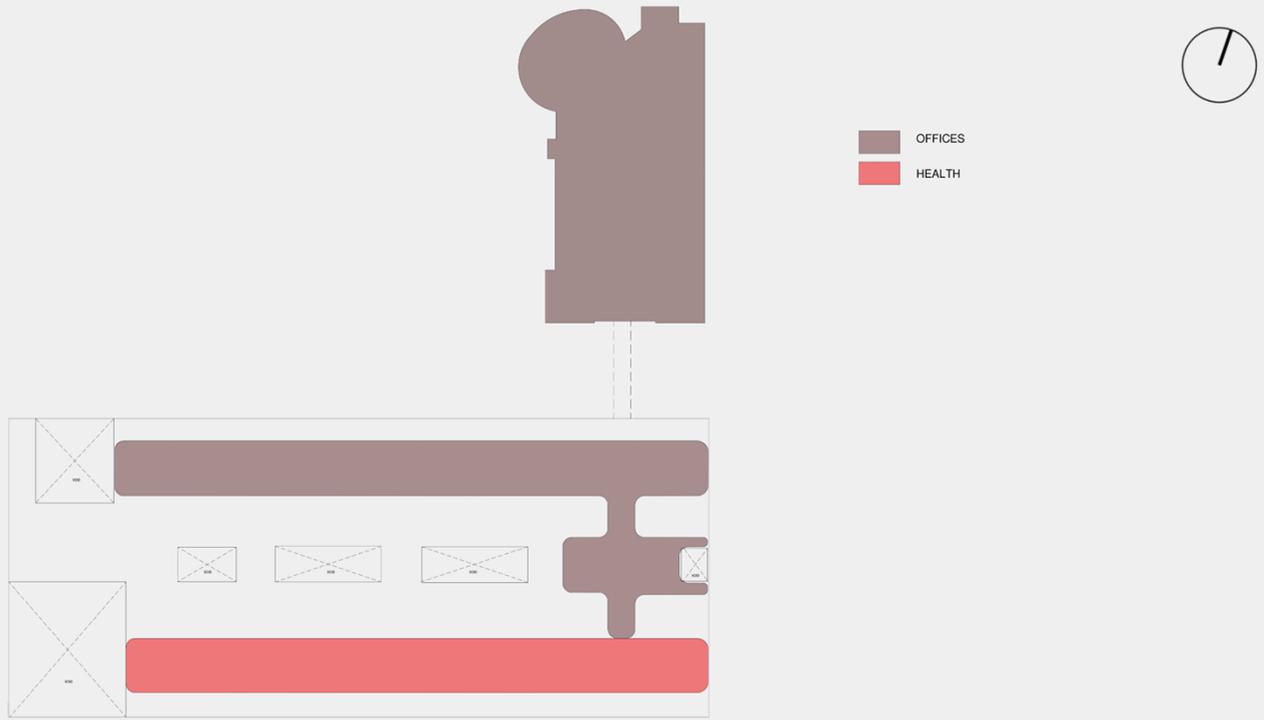
Last but not least, in OPE terms an objective of the PSV would also be to generate capital receipts from vacated sites. As explained in the main OBC, there is scope to re-invest these directly back into the PSV. Again, when it is known which partners are formally signed up to the PSV, and their plans for disposing of sites are known, this level of detail can be added to the final business case.

Appendix 4

Indicative Zoning Diagrams

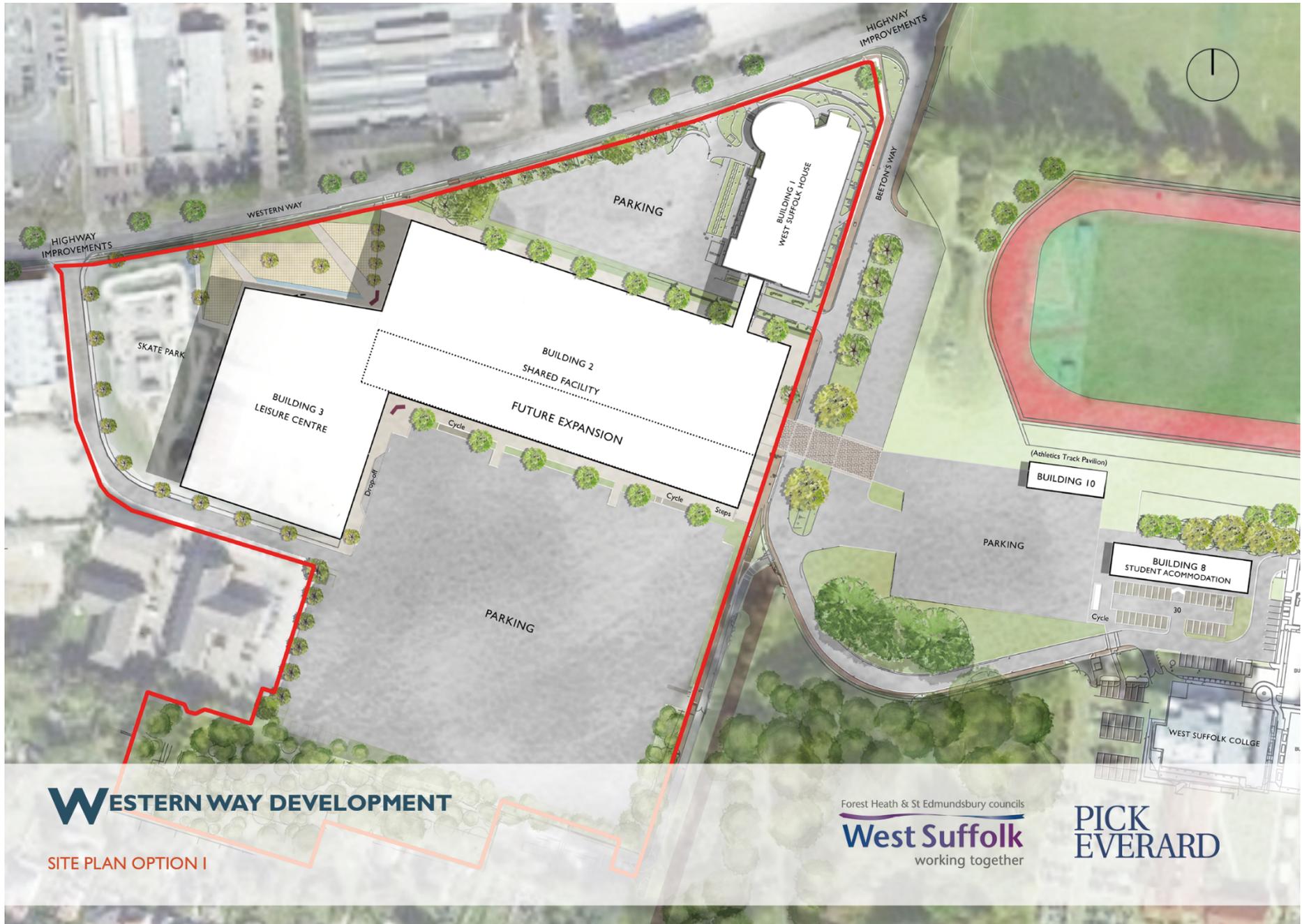






Appendix 5

Plans and Visualisations





WESTERN WAY DEVELOPMENT

PSVII- ARTIST'S IMPRESSION OF THE 'STREET'

Forest Heath & St Edmundsbury councils
West Suffolk
working together

**PICK
EVERARD**



WESTERN WAY DEVELOPMENT

PSVII- DAY VISUAL

Forest Heath & St Edmundsbury councils
West Suffolk
working together

**PICK
EVERARD**



WESTERN WAY DEVELOPMENT

PSVII- NIGHT VISUAL

Forest Heath & St Edmundsbury councils
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