

Mildenhall Hub Post Implementation Review

Report number:	OAS/WS/23/003	
Report to and date(s):	Overview and Scrutiny Committee	9 March 2023
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Decisions Plan: **This item is not required to be included in the Decisions Plan**

Wards impacted: **All Wards**

Recommendation: **The Committee will need to form its own recommendations to Cabinet having scrutinised the information in this paper. However, the paper contains some suggested actions which the Committee might wish to endorse.**

1. Context for this report

- 1.1 The aim of this report is to carry out a post implementation scrutiny review of the Council’s involvement in the Mildenhall Hub which first opened to the public in May 2021 and represented a combined public sector investment of over £40m into facilities for Mildenhall and the surrounding area. The Hub is one of several hub projects completed, underway or planned in West Suffolk. Mildenhall Hub was designed by Concertus Design and Property Consultants and built by R G Carter Construction with project management from Currie and Brown.



- 1.2 Specifically, the report aims to follow up on earlier (and concluded) scrutiny exercises by establishing whether or not the Council's own involvement in the project is on track to achieve the desired long-term outcomes. It also seeks to identify any remaining actions associated with the delivering the original objectives for the project ¹.
- 1.3 However, it must be borne in mind that the multi-agency Hub is the sum of its parts (and, in terms of outcomes, greater than the sum of its parts). So, the Council is only ever one of the partners involved in creating and running the project. In fact, the project could never have been delivered by one partner alone, and no single partner could take sole credit for its achievements (which this report does not seek to do). Specifically, the Hub was jointly funded by West Suffolk Council, the Education and Skills Funding Agency, Academy Transformation Trust, Suffolk County Council, the National Lottery, through Sport England, and the Suffolk Police and Crime Commissioner². The County Council also provided the land on which the Hub stands at no cost to the other partners. And, along with West Suffolk Council, jointly funded a lot of the shared central elements.
- 1.4 This scrutiny review by West Suffolk Council (WSC) is therefore only a partial examination of the true scope of the Hub project and its outcomes as it represents the perspective of one organisation only. Similarly, nothing contained in this paper represents the views or findings of any other organisation unless specifically attributed.

¹ This report does not seek to re-examine the principle of establishing a Hub at Sheldrick Way in the first place as this decision has already been the subject of extensive consideration by the former Forest Heath District Council's Overview and Scrutiny Committee, Cabinet and Council. The requirement for change to the public estate in Mildenhall was established and approved through the 2014 Outline Business Case (updated in January 2016). This earlier piece of work identified a single hub at Sheldrick Way as the Council and other partners' preferred option to address the identified issues. The business case established partners' requirements and contained a full appraisal, taking into account the relative benefits, constraints and risks of multiple options (including status quo and split site hubs). The business case can be found at: www.mildenhallhub.info. The planning and highways considerations for the Hub were also subsequently tested through the planning process, involving full consultation with the community and statutory bodies.

² These are funders of the final capital project. Early project costs were also part-funded by Abbeycroft Leisure, the Government's One Public Estate Programme and the former West Suffolk Clinical Commissioning Group on behalf of the West Suffolk Alliance of health and care partners.

2. Scope of the scrutiny session

- 2.1 If any member of the Committee has yet to visit the Hub and/or would like a tour, they are asked to contact officers before the meeting.
- 2.2 As a broad structure for the session itself, it is suggested that the Committee examines the following issues, and makes recommendations to Cabinet/Council accordingly:
1. Has the capital project achieved the objectives last set for it by the Council?
 2. How has the Hub performed in its first 20 months against its business plan and funding model?
 3. What remaining actions are there to deliver the Council's original objectives?
- 2.3 It is important to stress that the Committee is looking at whether the Council's involvement in the project has achieved the Council's own desired objectives for the taxpayer and local community. As already mentioned, the Hub is a multi-agency project, in terms of funding, delivery and occupation and, while some top-level information on these aspects can be provided in this report, it is not the intention (or possible) to examine the actions of or impact on other independent organisations. Generally speaking, that would be a matter for the scrutiny and audit functions of those organisations themselves.
- 2.4 The impact of the Covid-19 Pandemic on the opening date of the project has also already been scrutinised by this Committee in 2020. So, this information is not repeated in this report, other than in terms of the financial impact. Nonetheless, it is worth recording again that the contractor for the Hub, R G Carter, managed to keep the Hub construction project safe for its staff and sub-contractors during the pandemic. However, this reduced capacity for safety reasons inevitably delayed the opening by several months. In addition, the first few months of the Hub being open were also subject to Covid-19 restrictions which significantly limited its capacity. Alongside the current cost-of-living crisis, this needs to be borne in mind when assessing the capital and revenue aspects of the project to date.

3. Baseline position

- 3.1 The project objectives were last scrutinised by the Overview and Scrutiny Committee of Forest Heath District Council (FHDC) in January 2017. This piece of scrutiny then fed into Cabinet and Council reports which led to formal approval to start the project. That 2017 scrutiny report is therefore the best baseline for scrutinising delivery of the approved objectives.
- 3.2 The 2017 report carried out an in-depth review of how the project met the Council's needs and matched wider strategic objectives and corporate plans.

But, useful to this post-implementation review, it also focused on some key benefits and outcomes as the success criteria for the project. These aligned with the objectives of the Government's One Public Estate (OPE) Programme, namely:

- (a) Create economic growth – to enable released land and property to be used to stimulate economic growth, regeneration and new housing.
- (b) Generate capital receipts – to release land and property to generate capital receipts.
- (c) Reduce running costs – to reduce the running costs of central and local government assets.
- (d) Deliver more integrated and customer focused services – to encourage publicly funded services to co-locate, to demonstrate service efficiencies, and to work towards a more customer focused service.

- 3.3 These top-level objectives were then translated into ten specific shared objectives for the various Hub partners which are outlined in the next section of this report alongside progress made from WSC's perspective.
- 3.4 The 2017 reports were written ahead of tendering. In that context, they do not represent the final adopted financial objectives for the Council to use as a baseline for this review. Instead, the financial model was reviewed and updated by FHDC after the first stage of tendering in September 2018. The target figures adopted at that later date are presented alongside the 'actuals' or latest estimates in the later sections of the report.
- 3.5 However, it is very important to note that, in general terms, FHDC's financial objectives for the project were, from its very origins, built around a flexible asset management case which aimed to deliver a neutral (break-even) net revenue position. One in which savings/income would offset the capital cost over the whole-life of the project. In this context, there was never actually a definite capital or revenue figure set for the project, only estimates. And spending on the project was allowed to increase provided there was a likelihood that savings or income would also increase. Therefore, this is how success in financial terms should be judged, rather than by looking at spending or savings in isolation.
- 3.6 Another important point to note on spending is the distinction between the contract value and project cost. £39 million was the original estimate for the main construction contract (for all partners) and was relevant to the reporting of that contract being awarded. Whereas the cost of the project as a whole, including the partners' own project costs, fit-out, etc, has always been over £40 million. The Council's share of this cost is obviously much lower than that total sum in any event (see later) which is also a sum which has sometimes been reported. Hence, it is entirely consistent (but potentially confusing) that the cost of the Hub is reported differently in different reports.
- 3.7 The Council also approved a separate business case for its renewable energy investment in the project in July 2017. That business case comprised heating,

cooling and power generation along with battery storage. The proposals at that stage of the project were subject to design evolution too. But were expected to deliver a range of benefits for the Council and stakeholders in the project including an investment return in line with the Council’s financial objectives, energy cost savings to other partners occupying the Hub, increased resilience of energy supply and business continuity, and lower carbon emissions compared to the conventional heating and cooling.

- 3.8 In 2017, the renewables proposals were predicted to deliver a rate of return on investment of 11.47% before borrowing costs. This resulted from operational heating and cooling savings, energy price savings and income from the Renewable Heat Incentive (RHI). Compared to conventional heating and cooling, and after running costs and costs of borrowing, the proposals were predicted to realise a net financial benefit greater than £100,000 annually which, in turn, was built into the wider break-even financial model covered in the later sections of this report.

4. Delivery of strategic objectives (non-financial)

Project objectives agreed in 2017 following previous scrutiny

- 4.1 From the West Suffolk Council perspective, the ten shared objectives for the project agreed by the Overview and Scrutiny Committee in 2017 **have all been met** to varying degrees. This successful outcome is summarised in the following table:

	Objective	Notes
1	Radically improve the quality of facilities for post-11 education.	<p>This would be for the educational partners to determine (not least as they provided the land and most of the capital funding for this element). However, in terms of the Council’s own aim in this regard, this has demonstrably been achieved given the quality of the new facilities compared to the old ones (which were also split across two sites).</p> <p>In terms of attainment, we do know that Mildenhall College Academy has seen exam results improve on pre-Covid levels, and the Principal has stated publicly that this was partly attributable to students and staff being 'lifted' by the investment in the building and resources available to them. From a strategic point of view, Academy Transformation Trust, which oversees MCA, has indicated that the Hub has provided students and staff with a state-of-the-art facility to match their vision and ambition. Which, in turn, provides the platform for the Academy to continue to grow and deliver outstanding educational outcomes.</p>

2	<p>Reduce the equivalent built elements of the existing public estate by around 5000m² or 20%, even allowing for an increase in the current range of leisure facilities</p>	<p>The internal floorspace of the buildings that were replaced by the Hub was just under 21,200m². The internal floorspace of the new Hub is just under 15,300m². This is a reduction of around 5,900m² or 27%. As context a football pitch is around 7000m².</p> <p>This excludes the retention of the existing school building (housing MCA6 sixth form and the pre-school) and outdoor facilities. As mentioned in the objective, this also takes into account larger leisure facilities, including approximately double the amount of water space. So, the like-for-like efficiency of the building is actually higher than the reduction in space suggests.</p>
3	<p>Include over 3000m² of shared internal space and shared meeting spaces</p>	<p>The integrated nature of the Hub and the dual-use agreements with the Academy mean that measuring this objective is fairly subjective. However, the objective can be shown to be comfortably met because the areas of the main sports hall, meeting rooms, academic hall, plant and server rooms, circulation spaces, atrium, advice centre, shared staff facilities and open-plan public sector offices exceed 3000m² (or 20% of the building). This excludes the efficiency of sharing outdoor areas, sports pitches, car parking and also the external fabric of the building itself.</p>
4	<p>Potential to reduce the running costs of the public estate by over 50% (or £20 million) over 25 years</p>	<p>This One Public Estate objective related to the total public estate covered by the partners' original business case, rather than just the assets of West Suffolk Council.</p> <p>The Council's savings from the Hub are covered separately later in this report in the financial appraisal and not repeated here.</p> <p>The Council is not party to the information required to make this judgement in relation to the other partners' own costs, and this would be for them to scrutinise in any event. However, the bulk of the projected savings in this objective relate to the reduction in costs (maintenance and replacement) arising from moving to multiple old buildings into one new one. So, there is no reason to believe this objective would not have been achieved by the other partners as well as by the Council. In fact, given inflation since 2017, the baseline is likely to be far higher now due to higher construction costs of later replacements which are now avoided.</p>

<p>5</p>	<p>Relocate services from several sites down to one accessible location, close to the town centre (the only town centre facility being relocated is the swimming pool)</p>	<p>The Hub’s final mix of public facilities was:</p> <ul style="list-style-type: none"> • Mildenhall College Academy • Leisure Centre • Health Centre • Mildenhall Library • Lark Family Hub • Pre-school • Jobcentre Plus • Multi-agency offices (providing accommodation for West Suffolk Council, Suffolk County Council, Suffolk Constabulary, the NHS, the Citizens Advice Bureau, DWP, ACAS and the UK Health Security Agency. <p>This breadth of public services in one single location is very rare if not unique nationally.</p> <p>Not counting several partners who were already sharing the College Heath Road offices before the Hub opened, the project replaced eight separate existing buildings and/or sites. Namely: MCA/Dome site; College Heath Road offices; police station; health centre; library; pool; pre-school; and the children’s centre/family hub. The site will also host the Council’s pump track when this is constructed.</p> <p>The only facilities originally considered for inclusion which did not subsequently move to the Hub were the fire station and a small service yard for West Suffolk Council’s operational team.</p> <p>Following consultation at the time of the planning application, Suffolk County Council decided to keep the fire station in its current location. This created the space to accommodate more public sector offices (and partners) and also the Lark Family Hub instead. Neither of which were in the original business case/design. So, this decision actually increased the number of co-locations in net terms.</p> <p>It was also subsequently decided to base the WSC service yard at James Carter Road, as this was a more efficient arrangement for taxpayers than constructing a new facility at the edge of the Hub site. However, WSC still has planning consent to locate this facility at the Hub if this is ever needed in the future.</p> <p>Although this relates to a partner-controlled element of the Hub, it is also worth clarifying that the NHS clinical facilities in the Hub are exactly as envisaged in the original business case i.e. as a replacement for the former health centre off College Heath Road. The NHS did consult on the potential for some GP services to also share the facility, but this was not taken any further by them. However, in the context of this</p>
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		<p>review, there was never an objective to include GP services in the first phases of the Hub as this was not part of the original (and then delivered) NHS specification.</p>
6	<p>Provide scope for some of the public services to expand in the future, if demand for them grows.</p>	<p>In addition to an allocated site for a new primary school, the main Hub is designed and constructed to allow future expansion of the Academy, sports hall, health centre and office space. These expansion zones were indicated in the original planning application but would require separate planning consents and funding.</p> <p>Extra space is also already available for further sports pitches to the west of the artificial pitch. Internal office space is also very flexible to allow future changes if partners' requirements go up and down. It would also be theoretically possible to create a small library extension if this was ever needed.</p>
7	<p>Release several existing public sector sites for housing, retail, employment or other community uses</p>	<p>The vacated 'campus' of public buildings accessed from College Heath Road is allocated in the Local Plan for housing and has been the subject of earlier reports to councillors through the annual business plans of Barley Homes, the Council's housing development company (since it is being evaluated for inclusion in the future pipeline of Barley Homes sites). The 2021 Business Plan identified that work was being undertaken on the site to refine the numbers, next steps and timescales. Subsequent actions reported in the 2022 Business Plan have included levelling the site in preparation for development (using government grant), progressing the land assembly and assessing the Council's options for disposal (including redevelopment by Barley Homes). The site is currently in the ownership of both West Suffolk Council and Suffolk County Council. West Suffolk Council has progressed with land assembly, with the former NHS site already in West Suffolk ownership and negotiations underway to acquire the Suffolk County Council land too. When evaluations and land assembly are complete further reports will be made to councillors and shareholders.</p> <p>The site of the former Mildenhall swimming pool has undergone various decommissioning and remedial works following the services move to the Hub.</p> <p>The previous swimming pool facilities have been decommissioned, demolished and the site has been flattened, fenced and left as greenspace on an interim basis. Whilst these works to the site were taking place the Council took the opportunity to undertake groundworks to widen the adjoining footpath (on the Sainsbury side) and improvements to the entrance to memorial garden, which is now complete. Installation of a rapid charging facility (serving 2 parking bays) to the south of the site will take place shortly (currently being sourced at the point of writing this report).</p>

		<p>The property now sits within the Council’s asset portfolio. Discussions have taken place with the Town Council to understand any medium to longer-term aspirations for the site alongside their wider land holdings in the near vicinity. An options appraisal is being prepared to discuss with Cabinet, local ward members and partners later in the year.</p> <p>The Bury Road MCA/Dome site is owned by Suffolk County Council and the police station is owned by Suffolk Constabulary. So this review does not cover the plans of those organisations for re-using these vacated sites. The Dome has been listed by the Secretary of State due to its special historical interest.</p>
8	Provide a flexible environment for virtually any model of service delivery in the future, with strong community ownership	<p>As explained for Objective 6 and demonstrated in later sections of this report.</p> <p>The Hub site is completely owned by West Suffolk Council on behalf of its community, which then leases it to the various partners.</p>
9	House a shared ‘Hub Host’ team in a single shared reception area who can deal with first contacts with visitors	<p>The envisaged ‘Hub Host’ service for the atrium has naturally evolved since 2017. The main Host roles have been initially provided by the library team and leisure centre staff, supported by the building custodians and café operator. This is being kept under review by partners as we understand how the building is being used, and what visitors require, and minor adaptations are planned in the coming year with partners to reflect this learning. This has been a good example of how the partners have worked well together during the initial mobilisation period (there was no blue-print to follow for the Hub, so learning by trial and error was always likely).</p> <p>The DWP, Family Hub, NHS and Academy also operate their own reception points for obvious operational and privacy reasons.</p> <p>This 2017 ‘Host’ objective was based on pre-pandemic expectations for service delivery and a concept design for the building itself which later evolved as partners’ operational requirements fed into the detailed scheme (including new partners joining).</p> <p>It also has to be borne in mind that the objective to create Hub Hosts related to all partners’ services at the Hub, and</p>

		<p>how a shared central atrium concept could be managed in practical operational terms. The largest by far generators of footfall to the site (in addition to the Academy) were always going to be the leisure centre, library and health centre. So, in terms of user journeys building the Host model around the needs of WSC services would have been inappropriate.</p> <p>In 2019 WSC introduced a new Customer Access Strategy which included our Target Operating Model focusing on Digital by Design and a channel shift moving customers to self-serve via our website rather than telephone or face to face visit. This had started to show an impact even before the pandemic, with a steady shift to online methods over time. Face to face visits to council offices had fallen by over 20% in the final full year before the pandemic, including at Mildenhall. Telephone calls had fallen even more dramatically, matched by large increases in visits to the website. The pandemic then accelerated and consolidated this shift.</p> <p>All Council services can now be provided without the need for customers to visit council offices, with the exception of a very small number of verification or licensing tasks. If a face-to-face contact in an office is required, an appointment can be arranged and the Hub has a number of interview and meeting rooms for this purpose in the shared advice centre.</p> <p>Therefore, in June 2021, West Suffolk Council’s Cabinet adopted a new approach for public access to all council offices, including the Hub. This means that, as in other office locations, public access to Council services is provided by a phone and computers on site or through a pre-booked appointment. Over the past 12 months there have been 152 uses of the Public Access Telephone at Mildenhall Hub (around 3 a week). The main contacts being general enquiries, waste and housing reflecting the general trend of West Suffolk customer contacts.</p> <p>West Suffolk Council staff from all services work in the offices at Mildenhall, and councillor and staff meetings are also held in the various meeting rooms (including dual use of the Academic Hall).</p>
10	Integrate ICT systems.	<p>Within the Hub we have shared the ICT infrastructure required to manage a building itself (building access, CCTV, building management, telephony and broadband, etc). Partners’ ICT servers also share centralised facilities reducing space requirements, maintenance and running costs. There is also public access Wi-Fi across the site.</p> <p>It is not currently operationally or technologically feasible (or required) to integrate the local and national ICT systems of</p>

		public sector partners. This was never an aspiration of the Hub project itself (as it would be a major national level project, requiring government backing, and affecting all locations not just one hub. Also, GDPR compliant data-sharing protocols are possible in any event).
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- 4.2 The ten formal objectives set by the Overview and Scrutiny Committee above covered broad strategic and corporate aims. However, the true impact of the Hub is perhaps better measured in terms of its impact on those who use it. Ultimately, the project being a success for its local community and local taxpayers is what matters most.

Impact of new leisure facilities

- 4.3 From the Council’s perspective, the performance of the leisure centre is of significant relevance to assessing its own investment, and that of its own grant funders. Because this element of the scheme constituted the bulk of WSC’s own capital spending. In that respect, the Committee is provided here with a progress report received from Abbeycroft Leisure, covering the period June 2021 (opening) to January 2023 inclusive. Please note some of this data is only shown as percentages as it is commercially sensitive:

- (a) Abbeycroft membership was estimated at the time of the final Hub business case in 2017 to grow by over 60% from 2019/20 levels when the Hub opened. To date, it has grown by **127%** (double the estimate).
- (b) It grew around 80% in the year 2021/22, reflecting the excitement of the opening (but also at a time when some users were reticent about returning to facilities after the pandemic). It then grew a further 25% or so on the 2021/22 total in the first 10 months of 2022/23. During a cost-of-living crisis.
- (c) That membership comprises 19% families, 8% juniors, 17% concessions and 56% of people who are “standard” individual members.
- (d) The actual number of members will be higher in reality. Because the above data does not include memberships issued as part of access pilots with social prescribing, rough sleepers and Homestart. It also excludes members signed up through an NHS West Suffolk Foundation Trust corporate workforce programme.
- (e) A sixth of members have one or more types of concession status. Some of these concessions are income related, which indicates there is an opportunity to work with the Job Centre (DWP) and other partners on site, such as the Family Hub, to increase awareness of this offer.
- (f) Compared to other Abbeycroft facilities, there is also a slightly higher level of active use among registered female users; women make up just over 50% of the registered users but account for around 56% of the active use. In other facilities, this is more evenly split.

- (g) The average age of a customer is 31 which is generally slightly younger than the rest of the Abbeycroft Leisure portfolio which is 33. Activity rates are also particularly strong for children aged under 10 compared to other facilities.
- (h) Further analysis is required to understand how the membership’s age profile aligns with the demographics of the local catchment (which, for instance, includes many USAFE personnel and families which could be one explanation of the distinctive features). This will be useful learning for future marketing and programming, tapping into the Hub’s other partner activities. For instance, there are plans to work even more closely with the Academy on initiatives that promote opportunities for students to engage in physical activity. Similarly, activities aimed at older users are being programmed (see later).
- (i) Another explanation of the growth in younger users will be the Swim Academy. Enrolment has doubled since 2019/20, and just under 10% of the Swim Academy learners are also linked to wider family memberships, which is important. The growth of the swim academy has been positive, and it is not out of touch with the national growth in swimming lessons. The key issue to highlight in this review is that the original business case suggested that the market to capture for swimming lessons would be around 20% higher than the 2019/20 level at the old pool. With 100% higher being achieved to date, the target has once again been significantly exceeded at the Hub.
- (j) Throughput of the leisure centre is also useful to examine. 2021/22 is not a useful comparison year because the Hub wasn’t fully open until July (month 3) and even then, was subject to Covid restrictions on capacity for some of the remainder. However, so far in 2022/23, over 190,000 people have used the leisure centre. Compared to 2019/20 levels this represents the following increases in throughput (volume of uses):

Activity	Increase from 2019/20 levels
Swim Lessons	57%
Public Swims	107%
Fitness/Gym	100%
Group Exercise	26%
Other	5%
Total	58%

- (k) However, it is important to stress that there are two months of 2022/23 to go, so these numbers will all increase further. Albeit the last month of 2019/20 was covid-affected too. It’s also important to acknowledge that, as well as being newer and better, the facilities at the Hub are larger, so there is more capacity to offer. Nonetheless, the corresponding growth in membership shows that the Hub is ‘cutting

through’ in the market (and this is not a case of the same number of members just being able to use the larger newer facilities more often).



The Hub pool in 'gala mode' with some of the flexible spectator seating shown along the poolside (right-hand side).

- (1) Abbeycroft have observed that the public swim throughput data will also always be slightly skewed by clubs and block bookings, as this does not provide them with detailed data on individual attendances. In terms of these group activities, the 6-lane main Hub pool, part-funded by Sport England, and 50% larger than the pool it replaced, was always intended as a community pool in the regional hierarchy of pools. However, it is still designed to the competitive standard required for training and holding small local galas (including the provision of temporary seating which increases the spectator capacity from that at the old pool). Swimming galas have already been successfully organised by the Mildenhall Sharks (see photo above for pool set up for a gala). The Hub also includes a separate learner pool which has further increased the water capacity. The moveable floor and higher water temperature of this extra pool mean it allows access to swimming for groups who may otherwise have found the main pool challenging. It also means the pool hall can easily run two different types of swimming at once. Both pools also have pool pods installed which has enhanced the accessibility to swimming for individuals with mobility issues.

- (m) The Academy's dual-use of the main hall and artificial pitch have also been excluded from the above throughput figures - these facilities are constantly used during the school day as well. The uplift in the quality of the school's sporting facilities was a key part of the educational objectives of the project. And it was only by pooling the Academy and Council funding that the whole school relocation and hub was possible.
- (n) As a final qualification to the throughput data, and in keeping with the whole of the leisure and hospitality sector nationally, capacity since opening has been impacted by challenges to staff and instructor recruitment and retention, and higher than average sickness absences due to Covid, etc. In addition to the wider cost-of-living crisis. Which in turn (and hidden by the impressive figures) has actually limited the growth in delivery of the programme for the site.
- (o) This challenge has resulted in Abbeycroft working closely with local schools and colleges to create opportunities for employment. This has included a long-term work placement arrangement with West Suffolk College which enables students and an apprentice to gain experience and qualifications to enter employment with Abbeycroft Leisure. In addition to the above, Abbeycroft has been able to access funding from the Chartered Institute for the Management of Sport and Physical Activity 'Retrain to Retain' initiative to support staff development and health and wellbeing. A further bid was submitted to the Suffolk Growth Board by Active Suffolk with the aim of improving the skills of the leisure workforce and this has brought further opportunities over the following 12 months.
- (p) Sports clubs' use of the facilities has evolved since opening, following the same trend as other partners. In addition to swimming, the Hub has improved on the previous facilities in the town and surrounding areas, and this is reflected in the diversity of the clubs using the indoor and outdoor facilities. The Hub hosts a wide range of sports including cricket, basketball, netball, badminton, martial arts and football.
- (q) The health dimension of the Hub's leisure centre was also always a key driver for the investment by the councils and Sport England. From the Sport England perspective, the vision to co-locate so many complementary services at the Hub is entirely consistent with its new 10-year national strategy 'Uniting the Movement'. This strategy highlights the importance of connected communities for health and wellbeing, and strong partnerships. Local services like those at Mildenhall Hub are therefore an important part of helping communities with their physical and mental health. And new approaches such as those at the Hub are part of Sport England's ambition to collectively reimagine how we keep movement, sport and activity central to the lives of everyone.
- (r) In a similar vein, Abbeycroft Leisure have secured a partnership with West Suffolk Council and West Suffolk NHS Foundation Trust to develop and launch two integrated leisure and health pathways that

have been co-produced by consultants at West Suffolk Hospital. This has resulted in two pathways, one for Frailty and the other for Pulmonary Rehabilitation (which includes Long Covid). Whilst this is delivered across the geography of West Suffolk the Mildenhall Hub has supported this important programme. In terms of outcomes, there is already strong evidence from the 286 clients (making 3,401 visits) who have engaged in the West Suffolk programme to date, including at the Hub. Key findings include:

- 60% of clients have improved their wellbeing as measured by the recognised Warwick & Edinburgh Mental Wellbeing Scales
 - when clients answered questions about the time spent being physically active in the last 7 days, clients' mean percentage change shows an improvement of almost 50% more active
 - clients reported sitting less each day, with a mean reduction of more than an hour a day, which would correspond with clients reporting being more physically active each day
 - 86% of clients felt after the first contact they understood how the Active Living Programme could help them
 - 94% felt that the programme was delivered in a supportive manner
 - 86% felt attending made a positive difference to them
 - 96% felt that the sessions were accessible to them
 - 66% of participants remain active after 12 weeks and a minimum of 25% transition into activity with Abbeycroft Leisure.
- (s) This pathways programme continues to grow in popularity as more clinicians and organisations become aware of it. The support of the Integrated Neighbourhood (locality) Team (INT) has been significant, with Abbeycroft a member of the team, attending meetings monthly to develop the effective partnership working achieved. The importance of the programme is significant and programme funding has been extended for another two years following a very positive evaluation undertaken by the Trust, which demonstrated a full understanding of the positive impact of the work.
- (t) Of relevance to this review, the evaluation has highlighted the particular contribution of the co-located health partners in Mildenhall, which has led to a high level of engagement in the pathway programme. The partnership built with the various teams should not be underplayed and it is felt that the programme is moving far beyond traditional exercise referral with a clear respect for the programme from clinicians and the health system in West Suffolk.
- (u) An unexpected healthy activity bonus has been the hosting of a Park Run at the site. The Park Run organisation commenced a run from the Hub in June 2021 and has hosted 33 events attracting 2,946 attendances by 1,310 individuals. The event has seen an average of 89 runners per week with 145 volunteers engaged. The addition of park run has seen the benefits of the outdoor space around the Hub and the initiative has driven a different group of users to the site utilising café facilities, promoting the facilities in general.

- (v) Mildenhall Hub is now hosting the Sporting Memories initiative that supports older people including those living with dementia, living with depression or facing isolation and loneliness to improve their mental and physical wellbeing through a weekly session. This has only just commenced, and it is anticipated to grow over the next year by working with partners.
- (w) Catch22 Suffolk Positive Futures have been operating its initiatives that aim to engage young people and reduce anti-social behaviour. These has been delivered through weekly boxing sessions with interest in the sessions growing, attracting 45 young people and generating an attendance of 420 attendances to date. The 3G pitch is also being made available for similar initiatives and the integration of the police staff in the Hub is helping to strengthen their existing community relationships through normal daily interaction (as well as multi-agency working generally).
- (x) The West Suffolk Alliance of health and care providers, via West Suffolk Council, have commissioned Abbeycroft Leisure to deliver three place based physical activity pilots with Mildenhall and Brandon being one of the localities. This involved a staff member working with partners and local groups to maximise existing assets and initiatives with the aim of increasing physical activity and meeting needs within the area. This pilot has just started too, with phases of activity now emerging. And it will see other programmes such as Stand Tall and Active Mums being delivered in the locality with the Mildenhall Hub being fundamental to its success.
- (y) The last piece of the jigsaw for the Hub's atrium was put in place after Covid restrictions ended and Abbeycroft entered into a partnership with The Barleycorn, a local catering provider to run its café (now part of the leisure centre lease). The addition of the catering provider has brought the atrium to life with a gentle buzz that is welcoming to new visitors and enhancing the activity that is taking place within the library. Groups meet regularly (for example, crafting) in the atrium, enjoying the social activity beneficial to mental health and creating friendship groups. The Hub's meeting and activity rooms are also available for library activities.
- (z) Finally, another change since the original business case is that the room allocated for an under-fives soft-play next to the atrium has, to date, been left as a multi-activity room for the leisure centre. Initially this was as a result of delaying the fit-out of the soft-play due to Covid restrictions. However, during this delay, it became evident that the flexible and well-appointed room had a wide range of uses and there was significant demand for it from a variety of sources, including the library and NHS. Meaning that leaving it as a multi-activity room available for all ages would result in more use overall (including by the under-fives). There is still scope to install a soft-play structure if this ever situation changes.

Wider hub concept and other partners' facilities

- 4.4 On their own, the early leisure achievements and improvements in school attainment would be encouraging - the origins of the project back in 2012 were all about upgrading these facilities. However, as already mentioned, the hub concept in Mildenhall was always about the wider integration of education and leisure services with other public services. This hub effect would be multi-faceted. It would be behind the scenes in the offices, through strengthened multi-agency working to support vulnerable members of the community, tackle anti-social behaviour, etc. But mainly it would come by linking up the services that people use in their day-to-day lives in one location and creating new ways of working between those services (as well as increasing the convenience for users). It would also be about creating a new hub of flexible and accessible facilities for communities to decide themselves how to use, under our Families and Communities Strategy (and principles of co-production).
- 4.5 To measure this effect at Mildenhall and other hubs, we will need to wait for and/or work with other partners to carry out separate evaluations, some of which may require long-term data. However, what we know anecdotally about Mildenhall Hub since 2021 suggests that, behind the numbers, it is already making a difference to people's lives. Linking up services such as the NHS and Family Hub with leisure and library services to benefit patient care. Creating closer links between the Jobcentre and Family Hub to support struggling families, and so on.
- 4.6 As a few small examples, a cardiac rehabilitation programme means patients benefit from using the onsite leisure facilities in a purpose-designed programme. Additional clinic rooms have meant more health services for both adults and children are now provided more locally, saving journeys to hospitals. And children attending the speech and language sessions also benefit by being able to go straight to the library to choose some books. This is just start. There are still numerous opportunities to build on the work already undertaken and take partnership working and integration to another level.
- 4.7 Suffolk Libraries (who deliberately chose to place themselves at the start and end of every customer journey inside the Hub's atrium) have also seen a large increase in usage. The number of people signed up and regularly using their library card at Mildenhall, compared to before the pandemic, has increased by nearly 80% and the amount of books and other media loaned out has also gone up by more than 50%. The Hub is now one of Suffolk's top-ten busiest libraries.
- 4.8 The Mildenhall Library also offers events and activities for the local community of its own. As well as regular and very popular children's crafting activities and reading challenges there is also a regular session for children with a therapy dog. For adults, the Library has hosted a number of community groups from 'Knit and Natter' for local crafters, quiz and board games groups, through to the Men with No Shed group. The sessions range from formal to informal, large and small, from the Community Jigsaw through to sessions with Realise Futures offering advice and support to

those that are disadvantaged or disabled. The Atrium with its open space and access to the Café works as a great venue. The Library is also a designated “Warm Space” offering somewhere to visit with a kindness rack and charging points.

Environmental performance

- 4.9 The financial objectives for renewable energy are set out in the next section of this report. But the impact of this investment is also important to evaluate strategically given the Council’s commitment to carbon reduction.
- 4.10 The Mildenhall Hub is powered using with an array of environmental features including solar panels, a ground source heat pump (GSHP) which is used to heat the pools, saving on greenhouse gases, and a combined heat and power (CHP) unit which combines a boiler and electricity generator into one. It generates electricity while heat created as a by-product is used for the hot water for the rest of the hub building as well as heating the pool air and toward heating the overall building.
- 4.11 The Mildenhall Hub also benefits from over 700 solar panels generating electricity during daylight hours, while a large 300kW battery called an E-STOR, made using 24 ‘second-life’ Renault Kangoo electric vehicle batteries, stores any excess energy generated by the panels and CHP. It then switches to that onsite generated renewable energy at peak times, saving costs in the process. The manufacturer monitors the efficiency of each battery and individual ones can be replaced as and when required.
- 4.12 Like any complex new building, this technology and the building management system that controls it requires a long commissioning period of several years as the building ‘learns’ its environment and the operator learns the technology. So the building has yet to reach its full potential in terms of environmental performance. Nonetheless, as some initial headlines on how the system is performing:
- 472 panels (original) plus 269 solar panels added after 2021 (second system) generating zero-carbon electricity directly for the building.
 - These panels generated 269,914 kWh during 2022 displacing £41,539.72 of mains electricity.
 - These extra panels mean, over the 20-year lifetime for the plant, the greenhouse gas emission savings would now amount to over 2,800 tonnes – the equivalent of taking 1000 cars off the road (up 20% since the estimate at the time of opening).
 - The battery energy storage system (BESS) has been operating effectively and no battery module replacements have been made- it is currently operating in the ‘frequency response’ market helping to support the wider uptake of renewables on the grid.
 - In 2022, the BESS system discharged 99,836 kWh. If the battery had still been in a car, this would have equated to 399,344 miles driven. Using carbon savings of an EV per mile driven, the system has therefore saved 44.6 tonnes of CO2 during 2022.
 - The Council already bought its imported electricity from 100% renewable sources. However, from 1 April 2023 the Council will enter into a new

electricity supply contract using a peer-to-peer model where it will, in effect, effectively purchase the energy generated for the Council at Toggam to supply the Council's portfolio. Meaning much of the Hub's residual electricity is also renewably generated. Peer-to-peer is one of the greenest methods to supply renewable energy second only to generating energy directly on site.

- The ground source heat pump has been operating with an average efficiency of over 400%. For comparison, a modern gas boiler operates at approximately 90% efficiency.

External recognition

- 4.13 Finally, while winning awards was never an objective of the project, the Hub has nonetheless received national and regional external recognition. Alongside a variety of recognition received through construction and design related schemes, including a regional award for the work of the Council's own building control team on the project, the strategic impact of the project was recognised nationally when the Hub won Project of the Year at the 2022 Annual Government Property Awards. Although there have been a lot of lessons learned, the Hub is seen as an exemplar of the Government's One Public Estate programme, demonstrating how the public estate can be a catalyst for place-shaping and better health, wellbeing and education. For this reason, the Hub was also used by Government as a case study for the public launch of their new Property Strategy in 2022, with a reference to the scheme in the press launch and strategy itself.

5. Delivery of financial objectives

- 5.1 Sticking with the status quo would not have delivered the strategic objectives outlined in section 4 of this report. But it would be very hard to put a financial value to many of those strategic benefits, such as long-term health improvements. And even if you could they would not necessarily benefit the Council's own budgets. For that reason, the Council's original financial case for the Mildenhall Hub was always built around a measurable and, in fact, fairly conventional asset management case alone. On the basis that, provided it didn't add further to the financial pressures on the Council, it was the right thing to do as an investment in the strategic benefits for the community.
- 5.2 The test was, basically, as follows:
- What would we be spending anyway if we stayed as we were?
 - What could we save if we moved to a new building?
 - And, then, would those two things combined cover the cost of borrowing after taking into account money we'd already put aside, the disposal value of surplus assets and any third party funding we could attract?

It was agreed to proceed on the basis that, with the information available in 2018, both sides of this equation were capable of balancing. Which is what the Committee needs to re-scrutinise now.

- 5.3 After less than two years of the Hub being open, all that could really be concluded from this scrutiny review is whether the break-even test used to assess the asset management business case is still on track to be met over the 40-year period. Rather than whether it yet has. This is because, while we have an almost complete picture on what was spent on the capital project, the revenue side of the business case is still developing as was always envisaged in the original decision by FHDC. Complex mechanical and building management systems are still being commissioned as they need to 'learn' the operating environment over several seasons. Tenant service charges are being reviewed now we can see what is actually needed by the building and partners. And so on.
- 5.4 Furthermore, while FHDC based its decision on the cashflow of the project over the 40-year borrowing period, the break-even requirement was tested in detail using an estimate of the revenue position at an average year (taken to be year five), when the building was fully commissioned, and the leisure centre had reached its full potential. Clearly, we are not even halfway to that point yet, so some estimates are still going to be required in this review.
- 5.5 In terms of the capital cost, the Council never set a fixed capital budget for the whole project, only its share of it. And similarly, a lot of the total project budget was outside of the Council's control too, as it did not specify or fund the whole scheme. So, it is impossible in this report to say that much about the whole project budget. Only to examine WSC's part of it. For the record though, the final gross total capital cost of the project for all partners is likely to be in the region of £45 million, with WSC meeting over half. These capital costs were also largely fixed before the recent large increases in inflation so, as a benchmark for future projects, they would require a large adjustment.
- 5.6 There are two similar caveats to estimating where revenue budgets will be at year five. Firstly, the building was built and opened during the Pandemic, the impacts of which were previously considered by this Committee in 2020 i.e. delayed and phased opening and restrictions on use until 2021. Subsequently, the cost-of-living crisis has impacted both users of the Hub but also its running costs. Estimates for year five made in 2018 took none of this into account as these factors weren't envisaged in the Council's agreed budget assumptions.
- 5.7 To assess progress against the break-even test, the first thing to establish is the net capital cost of the project to the Council i.e. its borrowing requirement. This can be summarised in the following table, showing the 2018 estimate and the 2023 estimate for capital spending and receipts in relation to the Council's elements only. Given the scale of spending and risks, the capital project has been subjected to scrutiny by WSC Internal Audit throughout its duration to provide additional assurance to ongoing monitoring through the Council's normal processes.

Description	2018 Estimate (£)	2023 Forecast (£)	Commentary
<p>Construction Cost for council elements</p> <p>(Retention sums yet to be paid under the terms of the contract are included in this total. There is also an allowance for a post-occupation budget of £100,000 for adaptations once the building can be seen in action (see section 6 of report)).</p>	<p>25,260,000</p>	<p>26,210,000</p>	<p>This is the 'all-in' price i.e. the cost of fees, staff time, fit-out, etc on top of the main contract with R G Carter. This also includes the cost of providing temporary extra capacity to Abbeycroft so that they could give technical input to the project on behalf of the Council.</p> <p>The total costs can be broken down as follows to relate back to the original business case (approximately as there is some overlap between the areas):</p> <ul style="list-style-type: none"> - WSC elements of main Hub (excl. health centre for NHS) £23,825,000 - Health centre - £1,100,000 - Renewables - £1,285,000 <p>This represents a 3.8% variance from the original estimate and more commentary is provided below this table. It is important to reiterate that the 2018 estimate was not a fixed budget when agreed by Council. It was "to be confirmed" under the wider authority to vary spending if the overall break-even test could still be met (see paras 3.4-3.5 above). So, in that context, this is not an overspend.</p>
<p>Third party contributions</p>	<p>(5,350,000)</p>	<p>(5,000,000)</p>	<p>£3,000,000 from Suffolk County Council for shared community elements of Hub and site (in addition to provision of land and its own direct contributions to elements) and £2,000,000 from Sport England. In the original budget there was also an assumed £350,000 from a catering partner for fitting out shared kitchens and the café/soft-play but the Council and the Academy decided to meet these costs themselves as there was a greater net revenue benefit (see Abbeycroft management fee in revenue section below).</p>

Description	2018 Estimate (£)	2023 Forecast (£)	Commentary
Capital Receipts from Vacated Sites	(1,350,000)	(1,350,000)	Although the vacated sites have not yet been sold to generate a capital receipt, £1,350,000 of the Council's current capital receipts were used to underwrite this assumption and fund the construction costs.
Initial Maintenance Liability for Existing Buildings	(4,250,000)	(4,250,000)	This was the estimated baseline cost of the immediate spending needed to stay in the old buildings due to their known maintenance and upgrade requirements i.e. the 'do nothing' option.
40 Year Maintenance Liability for Existing Buildings	(1,190,000)	(1,190,000)	After immediate upgrading, this was then the estimated cost of keeping the old buildings for a further 40 years using normal asset management assumptions. It is important to note that this approach would not have met any other strategic objectives for the project.
Council's Strategic Priorities and Medium-Term Financial Strategy Reserve	(3,000,000)	(3,000,000)	£3,000,000 of the construction cost was funded from the Council's Strategic Priorities and Medium-Term Financial Strategy Reserve – a sum FHDC had put aside to deal with the condition of the old pool which required a complete upgrade (but would have remained stand-alone and half the size of the pools in the Hub).
Net Capital Requirement	10,120,000	11,420,000	This is the sum to be met from borrowing

- 5.8 As explained previously, under the original decision from Council, the capital spending on the project was allowed to vary from the 2018 estimate. So this would not be an overspend against a fixed budget unless estimated revenue stayed the same as in 2108 (see below). Nonetheless, it is important to understand the variance to see what learning can be taken for the future.
- 5.9 The overall change to the net borrowing requirement of £1.3 million is partly explained by the change in approach to the catering fit-out cost. With the Council's capital cost increasing by £350,000 but estimates of its annual revenue savings increasing by a compensating amount (£38,000). However,

the bulk of this change (£950,000) is linked to extra construction costs. This represents a 3.8% increase on the provisional estimate in 2018.

- 5.10 The 2018 estimate for the construction cost was made prior to the signing of the contract with RG Carter, and it was presented to councillors at that time as an estimate to be confirmed. As any project progresses, let alone one as large and complex as the Hub, things will change once construction starts and the realities of delivering a project become clearer. And quick decisions are needed to avoid causing delays. This is why the Council's original budget approval in 2018 provided flexibility to vary the capital spending as the project unfolded provided that there were compensatory increases in income and savings to fund it. Contingencies were also included in the budget at then standard rates, but these were exceeded (see below).
- 5.11 There was no single reason why the construction cost rose by 3.8%. It was a mixture of: unforeseen issues beyond the control of the contractor entitling them to claim extra sums; provisional sums being exceeded when the design progressed and actual requirements became known; and minor required changes to the client's scope. The effect of these changes was also offset by savings made elsewhere. For instance, savings were made on fit-out budgets as large amounts of legacy furniture and equipment were moved from old buildings. Derogations were also agreed to the original design.
- 5.12 As mentioned already, the contractor also had to contend with the Pandemic. It is to the credit of R G Carter that they managed this difficult situation so well with only around a six-month delay to opening. The Hub partners did not levy any contractual penalties under the contract for the Covid related delays to completion. From the Council budget point of view, there were therefore also some extra capital and revenue costs linked to the delay.
- 5.13 There is some learning in relation to contingency levels which has already been carried forward into other projects such as Western Way. Particularly around the costs of dealing with utility connections and the processes of statutory undertakers. It has been agreed by Council that the approach of maintaining flexibility in a capital budget using a break-even test will also be carried forward into the Western Way project if this meets its final gateway tests in 2023.
- 5.14 With the net borrowing requirement established we can then examine the latest revenue position (noting the caveats in paras 5.3-5.6 above). This can be summarised in the following table, showing the 2018 estimate and the interim 2023 estimate for revenue savings (shown in brackets) and revenue spending.

Description	2018 Estimate (£)	2023 Forecast (£)	Commentary
Borrowing costs (Interest and Minimum Revenue Provision)	423,300	420,900	<p>Borrowing amounts are slightly different since 2018 due to a couple of factors. Firstly, the net capital requirement to be met from borrowing (detailed above) has changed. Secondly, the borrowing costs assumed borrowing on a maturity basis when the business case was produced. Whereas the Council’s position is to now assume borrowing on an annuity basis.</p> <p>The borrowing costs detailed here are a provision for the borrowing that will be required when the Council has a cash flow requirement to borrow. Currently the Council has only taken out a small amount of external borrowing relative to its capital financing requirement, with the majority being financed through internal borrowing.</p>
Estimated Hub running costs	161,700	161,700	<p>Running costs are still difficult to estimate at this stage. The building is still new and service charges are still being worked through with partners. The building’s systems are still ‘learning’ the new environments. Tenants moved in at different times leading to further complexities in service charge calculations. Energy costs and other inflation are also relevant and may have eroded some estimated savings.</p> <p>Therefore, as it still seems a reasonable starting point, the original 2018 cost estimate is being retained as the year five target at this early stage. The running costs will continue to be monitored and assessed as part of the Council’s standard budget monitoring process and any variances reported to councillors.</p>
Budgeted building maintenance contribution at the Hub	143,000	143,000	<p>Standard provision for building maintenance as part of the Council’s asset management plan.</p>

Description	2018 Estimate (£)	2023 Forecast (£)	Commentary
Current budgeted office accommodation costs (saving)	(227,250)	(171,000)	<p>This net savings amount has been reduced from the business case as running costs for College Heath Road were lower when we vacated in 2021 than when the business case was put together. This is not particularly that the building was cheaper to run but because, after the 2018 business case, the Council had continued success in accommodating new partner tenants who then moved with us to the Hub. These partners' contributions to the previous running costs are therefore reflected in the reduced estimated savings. And then can be seen in higher rents achieved than expected in the next item.</p> <p>It is also very important to highlight that, were this business case to be made now, these baseline figures would have been higher due to recent inflation affecting all running costs, particularly utilities.</p>
Rents (additional income)	(135,000)	(153,000)	<p>Under One Public Estate Programme principles, the Council was asked by partners to act as landlord for the scheme, and this income relates to the cost recovery for the areas that the Council itself funded in this context (some were funded by the County Council and Police). This is an estimated figure as some partner agreements are an all-in-price for rent and service charge. The rent levels shown are also before any future rent reviews which is relevant in terms of meeting the break-even test as the project matures.</p> <p>As mentioned above, this rent figure increased after the original business case as additional partners joined the scheme as office tenants.</p>
Mature (post year five) yearly impact on Abbeycroft current Management Fee	(185,000)	(223,000)	<p>As can be seen in section 4 of this report the leisure centre is performing strongly. So, at this stage, there is no reason to revise the estimated management fee savings by year five. These have been increased from the 2018 figures to reflect the fact that it was subsequently confirmed that Abbeycroft would take on the</p>

Description	2018 Estimate (£)	2023 Forecast (£)	Commentary
			<p>operation of the Café and associated activity room (see also Third Party Contributions in capital summary table).</p> <p>Any impacts on Management Fee discussions as a result of COVID-19 and utility costs have not been reflected in these forecasts as they are being treated separately in the Council’s finances (see agreed 2023/24 budget).</p>
Building maintenance contribution for the old Pool	(31,000)	(31,000)	<p>This was a specific contribution for the old pool which is now wrapped into the wider maintenance contributions for the Hub instead.</p>
Current grant for dual-use of the Dome	(35,500)	(40,700)	<p>FHDC paid a grant to the Academy which owned the Dome to secure community use. This is no longer applicable to the Hub as the Council owns the sports hall and 3G pitch and the Academy uses them under a standard dual-use arrangement.</p>
Contribution from renewable energy business case (net of borrowing costs)	(100,000)	(100,000)	<p>Systems are still being commissioned to reach their full capacity (but results are promising – see earlier section of report). The volatility of the energy market also means that prices for incoming utilities as well as sales are quite different from what was assumed in the original business case.</p> <p>Due to these uncertainties the final outcome is estimated to be in the range of a £67,000 - £125,000 benefit. The lower end of the range is less than forecast in the original business case mainly due to income from the Renewable Heat Incentive being roughly £30,000 less than originally estimated following subsequent changes to that scheme.</p> <p>For that reason the original estimate of £100,000 is being retained as a mid-range estimate for the time being. In the context of a £1.3m capital spend, this means the forecast rate of return would be achieved after borrowing costs are taken into account.</p>

Description	2018 Estimate (£)	2023 Forecast (£)	Commentary
Contribution from WSOH business case to provision of service yard	(20,000)	-	The Operations Team is taking a small unit in James Carter Road instead as this was more cost effective for taxpayers than providing a new facility at the edge of the Hub site.
New income streams for council services	-	-	No sums are included here but this is a relevant 'below the line' consideration for assessing the financial performance of the Hub – see para 5.16 below.
Net Revenue (Saving) / Cost	(5,750)	6,900	This is the sum which indicates how close current estimates are to achieving the break-even target level by year five, based on the latest information we have in year two. A gap of £6,900 represents 98.4% of the borrowing requirement i.e. 1.6% off break-even (see caveats and mitigation below).

5.15 As a broad conclusion, the Hub still appears to be capable of achieving its break-even test by year five – with current estimates already showing that over 98% of the borrowing requirement will be covered. In addition to consolidating the estimates above, and seeking ongoing efficiencies in running costs, there is the potential to increase the rented areas of other tenants as partners' post-Pandemic desk number requirements become clearer and also scope for additional renewables (either on the existing building, future extensions or even on car parks (subject to planning consent)). The figures agreed in 2018 also did not envisage the Pandemic or cost-of-living crisis which means that some of the original estimates may be impacted. Future rent reviews are also not factored in (there will be upward rent reviews, at various points based on individual leases).

5.16 As mentioned above, there is another relevant consideration for assessing the performance of the Hub, even though this is not included in the appraisal³. Namely new income for the Council's own services. This arises as an indirect benefit of the Hub because the Council was requested by partners to act as landlord for the Hub. In keeping with other council buildings, it is therefore providing some in-house shared services to the Hub, via its Operations Directorate, and is able to recover some of this cost via service charges. For example, waste collection and CCTV. This excludes any potential dividends from Verse who provide facilities management at the Hub. This position was not finally confirmed at the time of the original business case so was not used

³ This is quite hard to disaggregate from other budgets and was not included in the original Hub business case. It is therefore excluded at present to ensure consistency with other budgets/projects.

to support the proposal, and it could change in the future. However, if this extra income was factored into the model above, then it would already be achieving the break-even test.

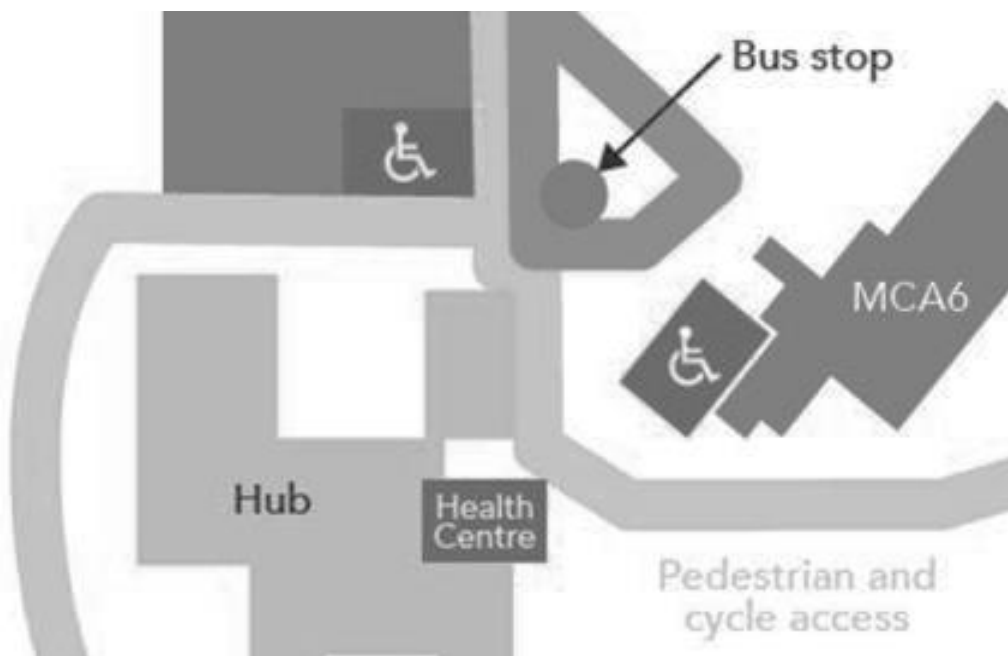
- 5.17 **In conclusion, therefore, the financial objectives for the Hub set in 2018 look capable of being met by year five and no remedial action is proposed. However, this will be kept under close review through ongoing performance and financial monitoring processes.**

6. Further actions to implement project objectives

- 6.1 Although there was some precedent to draw on for specific elements, and the discrete operational elements are largely built to national specifications, there was no 'hub blue-print' for the partners and their design-team to draw upon when the project was delivered. Even if there had been, on all projects there is an element of the unknown and seeing how people will actually use a building in practice. As well as increasingly long commissioning periods due to the complexity of modern mechanical and engineering systems.
- 6.2 The Hub has been no different and after nearly two years of operation the partners are already aware of things they would like to adapt and/or future issues to address. We have also had very constructive discussions with users about their experiences of visiting the new facility. Which we are happy to continue – the Hub is still a very new facility, and we are keen to learn how it works and adapt it where we can. This is useful learning for the project itself but also for other projects.
- 6.3 The following list indicates a few known issues in relation to the Council's own or shared areas of the Hub. In relation to which the Committee might wish to endorse suggested actions to Cabinet through this review. This is in addition to the normal snagging and defects works under the construction contract, or routine maintenance or normal adaptation of systems. For instance, the protection and repair of the wooden railings in the car park or adjustment of the building management system and metering as part of normal commissioning.
- 6.4 **East Plaza/Disabled Access**
- 6.4.1 We are aware that pedestrian access from the disabled car parking is a concern for some users of the site, particularly to the health centre.
- 6.4.2 In this regard, the project partners and the Local Planning Authority, ensured that extensive consultation took place on the design of the Hub, and the health centre within it. Including with the NHS as prospective tenants. The scheme was also subject to all the various guidance and regulations in place at the time it was built.

6.4.3 The layout of the Hub site seeks to balance accessibility and safety for those arriving by foot, bike, car and bus, and to maintain important public rights of way through the site (existing and new). This has therefore dictated the positioning of car accesses and parking, which was part of achieving planning consent.

6.4.4 As shown on the schematic plan below, the main disabled parking for the Hub is by the eastern plaza/access, accessed from the eastern car park. Visitors to the health centre are specifically directed to it. At around 65 metres to the nearest entrance, this parking is the closest allowed anywhere on the site under our current planning consent, hence it being chosen for this purpose. The national guidance is that disabled spaces should be as close as possible to the external building entrance and, ideally, this distance should be under 50 metres. Where this isn't possible resting places should be provided (which is the case at the Hub).



6.4.5 In practical terms, the facilities management staff at the Hub are happy to assist visitors. Any assistance needed during visits or appointments can also be discussed with partners, including the NHS team on site. To reduce internal travel distances, the NHS, as tenant, also make the out-of-hours entrance to the health centre (above the 'H' in the 'Health Centre' label on the plan above) available where appropriate.

6.4.6 Looking ahead, however, the Hub is new as a design concept, and the health centre is just one of its components. So, as mentioned above, we have been very keen to receive feedback on how the layout works in practice and learn from that. Clearly some things are fixed now, and we have to be realistic about what can easily be changed.

- 6.4.7 However, provided that we can find the funding and achieve a change to our planning consent, the partners are currently developing proposals to create a designated drop-off and a few additional disabled parking spaces even closer to the eastern entrance than the current parking area. These could not be immediately adjacent to the health centre, for the aforementioned reasons. But if approved, they would be well within the target of 50 metres specified in the national guidance.
- 6.4.8 If feasible, this would also require some reorganisation of the eastern plaza and might require blue badge holders to cross one of the pedestrian routes used by children at peak times. So, as well as doing our best to meet the needs of disabled drivers, we would have to take particular care to ensure that pedestrian and cyclist safety is maintained through design features such as raised crossings, bollards and signage. This is likely to be something examined closely by the Local Planning Authority and Highway Authority. However, as a compensatory benefit, the proposals would increase the total amount of disabled parking on the site which will be required if it expands in the future, particularly in relation to the school (NB the amount of parking at present meets the current standards).
- 6.4.9 Final technical studies are being completed for the proposed changes and, subject to the satisfactory conclusion of discussions with partners around funding and safety considerations, a planning application will hopefully be submitted shortly. The timing of works will ideally need to coincide with school holidays and/or any other future adaptations planned for the Academy. The Council's share of any funding would be covered from the allowance made in the original project budget for adaptations.

Potential recommendation to Cabinet 1: Subject to joint-funding and planning consent, adaptations be made to the eastern plaza to: reduce the walking distance from disabled parking spaces to the eastern entrance; create a disabled drop-off; and future-proof the future expansion of the Hub by providing more disabled parking space.

6.5 Car park management and capacity

- 6.5.1 Parking at the Hub is free and there are no proposals to change this. There have also not yet been any reported issues with the general capacity of car parking.
- 6.5.2 While there are currently no major issues, having now seen the car park in operation there may be a benefit in introducing a traffic regulation order to assist the management of disabled spaces, short-stay drop-offs and, potentially, introduce a small amount of short-stay (i.e. not all-day) customer parking nearest to the building. This is how the free visitor car park at West Suffolk House is managed. It would make sense to implement any changes after the eastern plaza has been changed to avoid duplication of effort. At this point signage for drivers around the site would also be reviewed.

- 6.5.3 In respect of future parking capacity, this also needs to be kept under review. Extra disabled parking provision can be catered for by the proposals for the east plaza in 6.4 above. However, any expansion of the secondary school provision (or other elements of the Hub) are likely to trigger a requirement for additional general car parking even if we are successful in encouraging cycling, walking and bus use. Land for this purpose, outside the current red line of the phase 1 site owned by WSC, has been identified so that it does not get encroached upon by any other development (and thereby inadvertently constrains the intended potential of the Hub).
- 6.5.4 But it is also important for the Hub partners to understand the travel plan of any future primary school built next to the Hub (as shown in the masterplan for West Mildenhall). Specifically, any expected use by parents at school drop-off and collection times, and how this will impact on the Hub's own car parking at those times of day. These issues of future car parking capacity are also linked to the discussion of junction capacity in 6.6 below.

Potential recommendation to Cabinet 2: When any works to the east plaza are complete, investigate, consult on and, if appropriate, introduce a Traffic Regulation Order to regulate the parking on site.

Potential recommendation to Cabinet 3: The current and future capacity of on-site car parking should be taken into account as part of any proposals for expansion of education capacity at and adjacent to the Hub; and the Council, as Hub landlord, should make submissions to the Local Planning Authority, Highways Authority and/or education partners accordingly on behalf of the partnership.

6.6 Junction of Sheldrick Way and Queensway

- 6.6.1 There have been questions raised about the performance of the main highway junction serving the site. Particularly when school buses are arriving and leaving at both ends of the school day. A sign has already been added to the original design to request drivers to be considerate and allow buses to exit and enter the site.
- 6.6.2 Like all shared aspects of the scheme, the junction was designed and delivered on behalf of the partners. In this case, West Suffolk Council, Suffolk County Council, Academy Transformation Trust (for MCA) and Suffolk Constabulary.
- 6.6.3 Delivery of the junction was part of the discharge of planning conditions. As such, the proposed junction design was prepared by specialist consultants and then fully assessed by the Highways Authority as part of the planning process against highways design guidance. The junction was also subjected to the required safety audits as part of the process from the design stage onwards.
- 6.6.4 What has been built to date has therefore been through the normal design and appraisal process, and any requested changes by the statutory bodies were

fully taken on board, as they will in the future. However, as has already been discussed with local ward members, the partners are keen to keep the performance and safety of the junction under review.

- 6.6.5 Specifically, there is already a requirement to carry out a routine post-completion audit of the junction as part of the regulatory highways process. This is not normally carried out earlier than 18 months, and often after 2-3 years, so that there is adequate recorded data. However, given the questions raised, it is suggested that this is commissioned either during the summer or autumn term in 2023, and at times of the week and day when the junction is at its busiest. The audit is primarily required to test the safety of the junction for pedestrians, cyclists and vehicles. But, in this instance, the consultant could also be asked to look at the current and future capacity of the current junction too (including after any Academy expansion). Any findings will then be presented to the Highway Authority for consideration.
- 6.6.6 Linking to 6.5, delivery of the approved West Mildenhall masterplan also needs to be taken into account when considering the performance of the junction. For this reason, the Hub partners will need to request that all future highways assessments linked to the West Mildenhall scheme take into account the impact on the Hub junction. Including its proposed primary school. Any modelling also needs to take into account any future expansion of the Academy rather than just its current peak usage.

Potential recommendation to Cabinet 4: The final required highways audit of the Queensway/Sheldrick Way junction be commissioned in 2023.

Potential recommendation to Cabinet 5: The current and future capacity of the Queensway/Sheldrick Way junction should be taken into account as part of any highway appraisals for the delivery of the West Mildenhall masterplan and/or any proposals for expansion of primary and secondary education capacity at and adjacent to the Hub; and the Council, as Hub landlord, should make submissions to the Local Planning Authority, Highways Authority and/or education partners accordingly on behalf of the partnership.

6.7 Other matters

- 6.7.1 There are a number of other initiatives and outstanding tasks that are important but do not require examining individually in this report as they do not require decisions or actions by Cabinet at this time. These include:
- a requirement of the planning process was that the Hub partners fund certain off-site highway changes to mitigate the impact of the Hub. As is standard, following the necessary consultation (including with the Town Council), the works themselves were carried out by the Highway Authority, but funded by the Hub project. Some minor amendments to the implemented scheme on Church Walk and alongside St Mary's Church are

now being investigated in consultation with stakeholders, including the Church. Signage for pedestrians and cyclists will also updated/corrected;

- the Highway Authority has also already been requested to complete the updating of traffic signs in the town so that motorists are directed to the Hub and references to the vacated sites are removed;
- the partners will identify the best use of a small capital grant the Hub has for adding specialist sensory equipment to assist children with disabilities now that the soft-play has been deferred – several options exist;
- there is a need to adapt the initial dual-use agreements to reflect actual patterns of use. For instance, the use by the Academy of the conference room for the exams of students with special educational needs and disability (SEND) - this was not planned but is a good example of how the flexible spaces are being used in unexpected ways);
- as part of the Council's wider environmental programmes, we will keep under review the benefit of adding further photo voltaic panels to the site, including across the car park (subject to business case and planning); and
- if Abbeycroft and the café operator would like to pursue outdoor seating in the plaza, the Council would be able to support this as landlord because it was in the original planning application concept and deferred at the time of opening due to Covid-19 restrictions.

7. Alternative options that have been considered

- 7.1 No alternative options have been considered in relation to carrying out this review itself. Alternative options were extensively covered in the original decision-making for the Hub. Options appraisals would also form a part of any separate decisions arising from any recommendations from this review.

8. Consultation and engagement undertaken

- 8.1 As outlined in the report where applicable. The Hub project was subject to extensive consultation over many years.

9. Risks associated with the review

- 9.1 No risks associated with the scrutiny review itself. Risks associated with the Mildenhall Hub were part of original decision making and normal risk management processes. The same would apply to the implementation of any proposals from this review adopted by Cabinet.

10. Implications arising from the review

- 10.1 Financial - see financial appraisal.
- 10.2 Legal compliance – any legal or regulatory requirements for specific aspects of the review are listed in the report.
- 10.3 Personal data processing – not applicable to this review.
- 10.4 Equalities – equality impact assessments were part of the original decision-making. Equality implications of specific aspects of the review are highlighted in the report.
- 10.5 Crime and disorder - nothing arising from this review.
- 10.6 Safeguarding – any safeguarding implications of specific aspects of the review are highlighted in the report.
- 10.7 Environment or sustainability – referred to in the report separately.
- 10.8 HR or staffing – no implications arising from this report.
- 10.9 Changes to existing policies – none required.
- 10.10 External organisations (such as businesses, community groups) – the Hub is a partnership project and involves large numbers of stakeholders. This is referenced in the report where applicable.

11. Appendices referenced in this report

- 11.1 None.

12. Background documents associated with this report

- 12.1 All background documents associated with this report and the history of the project (including the previous scrutiny report) can be found at: [Background reports \(mildenhallhub.info\)](https://mildenhallhub.info).