
SYNTHETIC PITCH MAINTENANCE AND REPLACEMENT PLAN

Report by Chief Financial Officer

EXECUTIVE COMMITTEE

6 September 2016

1 PURPOSE AND SUMMARY

- 1.1 The purpose of this report is to present the findings of a survey conducted at thirteen of the Authority's pitches not covered by PPP contracts or lifecycle maintenance arrangements. The report recommends the Council establish a "Synthetic Pitch Replacement Fund" similar to the existing Plant and Vehicle Fund to finance the future upkeep and replacement of these existing facilities and any new pitches constructed in future. This will ensure a consistent approach to the upkeep and replacement of all pitches not maintained under a private public partnership agreement.**
- 1.2 There has been concern for some time concerning the deteriorating condition of synthetic pitches in situ across the Borders. No source of finance exists to provide for their upkeep and replacement. An external company Sportslabs was therefore commissioned in May 2016 to undertake a survey of the thirteen synthetic pitches across the region. The purpose of the survey was to assess the current performance, condition and residual life expectancy of these facilities and recommend a new fully costed strategy for their upkeep.
- 1.3 The results of the survey have been used by the Council's Quantity Surveyor to prepare a cost estimate and spend profile that will allow, if adopted, the future proofing of these facilities to an acceptable standard and ensure the safe operation of the synthetic surfaces.
- 1.4 It is proposed that a Synthetic Pitch Replacement Fund will be established with annual revenue budget contributions made to the Fund to finance the future replacement of surfaces and fences. Only the facilities listed in the report will be eligible for replacement from the fund at this stage. Future pitches, currently being delivered with the assistance of SportScotland under the pitch replacement programme will be included in the Fund when they become operational.
- 1.5 It is recommended the 2016/17 funding requirements are funded from the Loans Charges budget and the future years capital and revenue requirements are prioritised as part of the 2017/18 Financial Planning process.

2 RECOMMENDATIONS

2.1 It is recommended that Executive Committee:

- (a) Notes the condition of the 13 astro-turf pitches surveyed in the paper (Appendix 1) , the immediate costs of bringing these existing facilities up to an acceptable standard and the future financial implications of properly life-cycling all astro-turf facilities;**
- (b) Approves the future financing strategy proposed through the establishment of a Synthetic Pitch Replacement Fund;**
- (c) Approves 2016/17 virement from Loans Charges budget to fund the immediate requirement in Revenue and Capital; and**
- (d) Agrees that the future financial consequences for existing and planned pitches will require to be addressed and prioritised as part of the financial planning process in 2017/18 and future years.**

3 BACKGROUND

- 3.1 Over the past 10 years a number of synthetic facilities have been established across the Council's estate, including pitches and play facilities. These have been further augmented by the Synthetic Pitch programme within the Capital Plan, which will add additional pitches at Kelso High School, Hawick, Peebles and Jedburgh. Existing pitches at Berwickshire, Earlston and Eyemouth High Schools are maintained and life-cycled under the Councils existing PPP contract.
- 3.2 Funding for replacement surfaces for the pitches developed within the Synthetic Pitch Programme has been included in the Financial Plan but pitches installed prior to 2016/17, with the exception of the Hawick MUGA, Kelso high school and the Galashiels 3G at Netherdale have no funding identified for upkeep or replacement.
- 3.3 To understand the condition and life expectancy of the existing pitches Sportslabs were commissioned in May 2016 to undertake a comprehensive condition survey of 13 pitches across the Borders. This was firstly to enable the Council to establish both the immediate and future maintenance requirements and secondly to derive a financial replacement strategy to be programmed and costed for inclusion in the revenue and capital planning process.

4 SYNTHETIC PITCH SURVEY

- 4.1 Sportslabs undertook surveys between 9th May and 16th May 2016, Appendix 1 details the survey dates. Individual reports are attached in Appendix 2 for information. The surveys of the surfaces provided the recommendations for the immediate maintenance to ensure the continued performance of the surface to maintain the safe use. Table 1 below details the estimated immediate costs for each pitch prepared by the Council's Quantity Surveyor using data from the survey.

Table 1 – Estimated immediate costs

| Site* | Revenue £000's | Capital £000's | Total £000's |
|--------------------------------|-------------------|-------------------|-----------------|
| Clovenfords Primary School | 3 | | 3 |
| Galashiels Academy | 12 | | 12 |
| Hawick High School | 28 | | 28 |
| Jedburgh Grammar School | | 73 | 73 |
| Kelso High School (Bowmont St) | 41 | | 41 |
| Kingsland Primary School | 5 | | 5 |
| Lauder Primary School | 3 | | 3 |
| Newcastleton | 26 | | 26 |
| St Ronans Primary School | 26 | | 26 |

| | | | |
|----------------------------|-----|----|-----|
| Tweedbank Play Park | 5 | | 5 |
| Tweedbank Sports Grounds | 8 | | 8 |
| West Linton Primary School | 3 | | 3 |
| Total | 160 | 73 | 233 |

*Note: Gytes pitch excluded as flood damage and being taken forward under Bellwin. Also the pitch at Netherdale was excluded due to its age and existing financial provision to replace the carpet when life expired. £20k per annum is provided annually with funding provided by BSLT (£10k) and the Hayward Trust (£10k)

- 4.2 Sportslabs also provide a residual life estimate for the surfaces to allow the Authority to forward plan and budget for future replacements. This information was used to inform the Council's Quantity Surveyors estimate of immediate maintenance cost and the programming of future replacements. Appendix 3 details the findings of the surveys.
- 4.3 The capital replacement costs are costed at second quarter 2016 prices plus assumed construction inflation of 3.6% per annum to ensure costs as closely as possible reflect the expected prices at the time of replacement. Table 2 below details the estimated costs for each of the Pitches and their expected year of replacement based on currently assessed condition and resultant life expectancy. It is not proposed to carry out any works to the existing pitch on the site of the old Kelso high school.

Table 2 – Replacement Summary

| Site | Year | Estimated Cost to 2025/26 £000's |
|---|---------|-------------------------------------|
| Clovenfords Primary School | 2026/27 | 70 |
| Galashiels Academy | 2021/22 | 153 |
| Hawick High School | 2019/20 | 312 |
| Kingsland Primary School | 2025/26 | 61 |
| Lauder Primary School | 2025/26 | 63 |
| Newcastleton | 2019/20 | 52 |
| St Ronans Primary School | 2016/17 | 20 |
| Tweedbank Play Park | 2025/26 | 37 |
| Tweedbank Sports Grounds | 2022/23 | 358 |
| West Linton Primary School | 2025/26 | 68 |
| Kelso High School (2 pitches) (Anglflat Road) | 2025/26 | 782 |
| Selkirk (2G) | 2024/25 | 380 |

| | | |
|-----------------------------|---------|--------------|
| Peebles High School (2G) | 2023/24 | 369 |
| Peebles (3G) | 2026/27 | 403 |
| Hawick (3G) | 2025/26 | 391 |
| Jedburgh (3G) | 2025/26 | 391 |
| Total Estimated Cost | | 3,910 |

- 4.4 To ensure that all the pitches are replaced at the end of their life it is proposed a sinking fund is established as a reserve. The operation of this fund will be similar to the existing Plant and Vehicle Fund. This will result in an annual revenue contribution to the Fund based on an annual depreciation charge. The charge will be calculated based on the capital replacement costs of the surfaces and ancillary equipment plus 3.5% interest on the residual Net Book Value. The interest charge will ensure the inflation costs of replacement are provided for. Table 3 below shows the accumulative estimated revenue contributions based on the replacement plan detailed in Table 2.

Table 3 – Estimated Revenue Contributions

| | 2017/18 £000's | 2018/19 £000's | 2019/20 £000's | 2020/21 £000's | 2021/22 £000's |
|--------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Depreciation | 182 | 212 | 212 | 248 | 248 |
| Interest | 64 | 56 | 62 | 53 | 49 |
| Total | 246 | 268 | 274 | 301 | 297 |

- 4.5 To establish the fund will require an initial capital injection to meet the costs of the first pitch being replaced. The annual revenue contribution will then fund the future replacements. There will also, however, be a requirement for further capital injections when the Synthetic Pitch Programme replacements are required.

5 IMPLICATIONS

5.1 Financial

- The current capital plan currently only allows for a 10 year life and then replacement of those surfaces provided by the Synthetic Pitch Programme. No allowance has been made for the funding of surfaces previously developed outwith this programme except the Hawick MUGA and the Galashiels 3G.
- The immediate costs shown in Table 1 above of £233k will be incurred in 2016/17 and will be funded from a non-recurring virements from the Loans Charges budget. In addition the establishment of the Synthetic Pitch Replacement Fund will require £73k to be transferred to Capital under a CFCR.

- (c) Table 4 below shows the required capital injections during the life of the 2017/18 10 year capital plan and the current funds allocated within it.

Table 4 – Capital Budget Movements

| Year | Required £000's | Current £000's | Increase/ (decrease) £000's |
|--------------|--------------------|-------------------|-----------------------------------|
| 2016/17 | 21 | | 21 |
| 2023/24 | | 300 | (300) |
| 2024/25 | | 300 | (300) |
| 2025/26 | 660 | 600 | 60 |
| Total | 681 | 1,200 | (519) |

- (d) Overall the capital programme will require £0.519m less funding over the 10 year period. The financial implications of the report will be addressed via the Council's 6 month monitoring reports. Funding for the initial capital injection of £21k will be provided from the revenue budget in the current year.

5.2 Risk and Mitigations

- (a) The surveys undertaken to date have been based on professional visual inspection. There has been no intrusive survey undertaken on the synthetic surfaces so there is still a level of risk relating to any underlying defects that could be uncovered when the surface is removed. The project team have assessed the risks and included 22% optimism bias within the cost estimates quoted to counteract any "over-optimistic estimation" as per the Treasury Green Book process.
- (b) The Social impact of not taking forward the proposed improvements would be that playing surfaces in a number of Borders communities would fail to perform to the required standards and become increasingly unsafe to use. Fit for purpose pitch surfaces in schools and parks will help contribute towards the delivery of the Council's targets for child activity. Eventually the Council would have to make the decision whether to close synthetic pitches without further investment.

5.3 Equalities

An Equalities Impact Assessment has been carried out on this proposal and it is anticipated that there are no adverse equality implications.

5.4 Acting Sustainably

The Fund will ensure the facilities are maintained to the required standard and the continued availability for the Communities.

5.5 **Carbon Management**

There will be no adverse impact on the Council's carbon emission targets. Investing in repairing play surfaces should extend their useful life.

5.6 **Rural Proofing**

This new policy to establish a Synthetic Pitch Replacement Fund will result in improved rural proofing. The Social impact of not taking forward the proposed improvements would be that playing surfaces in a number of Borders communities would fail to perform to the required standards and become increasingly unsafe to use. Fit for purpose pitch surfaces in schools and parks will help contribute towards the delivery of the Council's targets for child activity. Eventually the Council would have to make the decision whether to close synthetic pitches without further investment.

5.7 **Changes to Scheme of Administration or Scheme of Delegation**

There are no changes to the Schemes of Administration or Delegation as a result of this report.

6 **CONSULTATION**

- 6.1 The Monitoring Officer, the Chief Legal Officer, the Chief Officer Audit and Risk, the Chief Officer HR and the Clerk to the Council have been consulted in the preparation of this report and any comments received incorporated into the report

Approved by

David Robertson
Chief Financial Officer

Signature

Author(s)

| Name | Designation and Contact Number |
|-----------------|---|
| David Robertson | Chief Financial Officer – 01835 825012 |
| Kirsty Robb | Capital and Investment Manager – 01835 825249 |
| Ewan Doyle | Project Management Team Leader – 01835 825124 |

Background Papers:

Previous Minute Reference: Administration Policy Working Group, 16th August 2016

Note – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. The Capital and Investment Team can also give information on other language translations as well as providing additional copies.

Contact us at Capital & Investments Team, Finance, Scottish Borders Council, Council Headquarters, Newtown St Boswells, Melrose, TD6 0SA Tel: 01835 825249 Fax 01835 825166. email: <mailto:treasuryteam@scotborders.gov.uk>

Site Inspection Schedule – APPENDIX 1

| Site inspection schedule | | |
|--------------------------------|--|--------------------------------|
| DATE | TESTING | REPORTING |
| Monday 9 th May | 0800 – 1200 - Newcastleton Poly Sport (TD9 0TA) – MUGA 1300 – 1700 - Hawick High School (TD9 0EH) – 3G | Wednesday 18 th May |
| Tuesday 10 th May | 0800 – 1200 - Kelso High School (TD5 7EG) – MUGA 1300 – 1700 - Lauder PS (TD2 6AB) – MUGA | Thursday 19 th May |
| Wednesday 11 th May | 0800 – 1100 Galashiels Academy (TDTD1 3HU) – MUGA 1130 – 1430 - St Ronan's Primary School (EH44 6PB) – SUGA 1430 – 1700 - Clovenfords PS (TD1 3LD) – MUGA | Friday 20 th May |
| Thursday 12 th May | 0800 – 1100 - West Linton PS (EH46 7EX) – MUGA 1130 – 1430 - Kingsland PS, Peebles (EH45 8NN) – MUGA 1430 – 1700 - Gytes Leisure Centre, Peebles (EH45 8AU) – SUGA | Monday 23 rd May |
| Friday 13 th May | 0800 – 1200 - Tweedbank Sports Ground (TD1 3RS) – 3G 1300 – 1700 - Tweedbank play park | Tuesday 24 th May |
| Monday 16 th May | 0800 – 1200 - Jedburgh Grammar School (TD8 6DQ) – ¾ size astro turf pitch | Wednesday 25 th May |

Individual reports for each facility surveyed.



Appendix 2 17092
Clovenfords SL REPO



Appendix 2 17092
Gala Academy Report



Appendix 2 17092
Hawick High School R



Appendix 2 17092
Jedburgh Grammar St



Appendix 2 17092
Kelso High School.pdf



Appendix 2 17092
Lauder Primary Schoc



Appendix 2 17092
Newcastleton Report



Appendix 2 17092
Tweedbank Play Park



Appendix 2 17092
Tweedbank Sports Gr



Appendix 2 17092
West Linton Primary



Appendix 2 17092St
Ronans Primary Scho

Survey Findings – APPENDIX 3

| Location | Surface type | Expected Residual Life (Years) | Recommendations (If any) |
|--------------------------|----------------|--------------------------------|---|
| Clovenfords PS | MUGA | 10 | Line markings required to be repainted to increase slip resistance values |
| Galashiels Academy | Synthetic Turf | 6 - 7 | Deep clean/Rejuvenation required on surface required |
| Gytes Leisure Centre | Synthetic Turf | 0 | Replacement required |
| Hawick High School | Synthetic Turf | 4-5 | The yarn in the carpet is flat and showing signs of capping, however is passing performance testing. Additional maintenance would be recommended by specialised contractor |
| Jedburgh School | Synthetic Turf | 0 | Fencing is in poor condition and requires replacement. The surface is failing to meet the BS EN specifications for the sports utilised on the surface |
| Kelso High School | Synthetic Turf | 8 | Fencing is in poor condition behind the goals and requires attention. Deep clean/Rejuvenation required on surface required |
| Kingsland PS | MUGA | 10 | Line markings required to be repainted at regular intervals to retain slip resistance values |
| Lauders PS | MUGA | 10 | Line markings required to be repainted at regular intervals to retain slip resistance values |
| Newcastletown | Synthetic Turf | 0 | The surface is failing to meet the BS EN specifications for the sports utilised on the surface. Specifically Shock absorption and the number of deviations on the surface. The carpet has 4-5 years life expectancy |
| St Ronans PS | Synthetic Turf | 0 | The surface is failing to meet the BS EN specifications for the sports utilised on the surface. Specifically Shock absorption, traction and the number of deviations on the surface. |
| Tweedbank Play Park | MUGA | 0 | Line markings required to be repainted at regular intervals to retain slip resistance values |
| Tweedbank Sports Grounds | Synthetic Turf | 7-8 | In good condition, Fencing requires repairs in places where weld mesh is broken |
| West Linton PS | MUGA | 10 | Line markings required to be repainted at regular intervals to retain slip resistance values |

| Location | Type | Length (m) | Width (m) | Area (sqm) | Residual Life |
|----------------------------|--|------------|-----------|------------|---------------|
| Clovenfords Primary School | MUGA (Bitumen) | 36 | 18 | 648 | 10 |
| Galashiels Academy | Synthetic turf (Dynamic base with insitu shockpad short pile infilled with rubber and sand) | 62.2 | 36.6 | 2276.52 | 6 |
| Gytes Leisure Centre | Synthetic turf | | | | 0 |
| Hawick High School | Synthetic turf (Unknown base short pile infilled with rubber and sand) | 94 | 60 | 5640 | 4 |
| Jedburgh Grammar School | Synthetic turf (Unknown base short pile infilled with rubber and sand) | 36.2 | 32.9 | 1190.98 | 0 |
| Kelso High School | Synthetic turf (Unknown base short pile infilled with rubber and sand) | 36.7 | 43.2 | 1585.44 | 8 |
| Kingsland Primary School | MUGA (Tarmac) | 34.5 | 18.2 | 627.9 | 10 |
| Lauder Primary School | MUGA (Tarmac) | 35.7 | 17.5 | 624.75 | 10 |
| Newcastleton | Synthetic turf (Engineered base short pile infilled with rubber and sand) | 35.8 | 17.8 | 637.24 | 0 |
| St Ronans Primary School | Synthetic turf (Engineered base short pile infilled with rubber and sand) | 36 | 18 | 648 | 0 |
| Tweedbank Play Park | MUGA (Tarmac) | 25.9 | 12.4 | 321.16 | 10 |
| Tweedbank Sports Ground | Synthetic turf (Engineered base with insitu shockpad short pile infilled with rubber and sand) | 96 | 61.5 | 5904 | 7 |
| West Linton Primary School | MUGA (Tarmac) | 38.4 | 18.5 | 710.4 | 10 |