

13 March 2024		ITEM: 18 Decision: 110713
Cabinet		
Tilbury Youth Zone		
Wards and communities affected: Tilbury Riverside and Thurrock Park, Tilbury and St Chads	Key Decision: Key	
Report of: Cllr Ben Maney Portfolio Holder for Regeneration and Highways		
Accountable Assistant Director: N/A		
Accountable Director: Mark Bradbury Interim Director of Place		
This report is Public		
Version: Final / Cabinet		

Executive Summary

This report sets out the business case for the development of Thurrock Youth Zone on Anchor Fields. This is a youth focused initiative that is being promoted by the Tilbury Town Fund Board (TTFB), to be delivered by the national Youth Charity OnSide and funded from a variety of external sources.

The Report sets out the strategic need for the facility and the benefits that will deliver on improving outcomes for young people in Thurrock through a tried and tested approach. The report sets out the unique capital funding structure that will fund the build of the facility and how it will be funded once operational.

The report also sets out the proposed delivery mechanism for the project including details of the proposed Funding Agreement, Agreement for Lease and Lease.

This Cabinet report follows the Cabinet Report on 13 July 2022 (which set out the development of the programme and projects as at this date) and Cabinet reports dated 13 January 2021 and 7 July 2021, which discussed the initial programme.

Planning Committee on 26 October 2023 resolved to grant planning consent for the Youth Zone subject to the completion of a Section 106 agreement.

Commissioner Comment:

Excellent proposal

Comments mainly around need for some strengthening on the financial disclosure around risk (all need clear disclosure in report)

Version Cabinet – Final version ready for Cabinet/Executive decision

Commissioner comments and questions are addressed in the body of the report.

1. Recommendation(s)

1.1 Cabinet notes progress on the delivery of the Youth Zone project.

1.2 Cabinet approves the proposed Heads of Terms for the Thurrock Youth Zone Lease set out in paragraph 3.39 and delegates authority to the Chief Finance Officer in Consultation with the Executive Director of Law & Governance to agree the terms of the Development Agreement, Capital Funding Agreement and Lease.

2. Introduction and Background

2.1 Under the Government's Town Fund Scheme, Tilbury has been awarded £22.8 million in funding to support transformational projects put forward in the Tilbury Town Investment Plan. The bid was shaped by residents and local businesses and people work in Tilbury and contains proposals for a new youth facility in the town. The Tilbury Towns Fund and its projects are overseen by the Tilbury Towns Fund Board with the Council acting as Accountable Body.

2.2 The proposed Thurrock Youth Zone facility will be a place that is specifically designed for young people, providing them with somewhere to go, something to do and someone to talk to. The Towns Fund Board recognises the need to invest in Tilbury's future through its young people and occupying them with fun activities, learning new skills and socialising in a safe and positive way. The project aims to provide:

- A place for young people to go
- Engaging activities
- Open in the evenings, weekends and holidays
- Working with local organisations
- To create a sense of pride and aspiration

2.3 OnSide Youth Zones (OnSide) is a national charity that develops Youth Zones, typically in economically disadvantaged areas of the UK. Youth Zones are open 7 days a week and offer a variety of activities. Each Youth Zone is developed by OnSide as its own independent charity, which is run by local, cross-sector representatives that are able to voice the needs of the local community. There are currently 14 Youth Zones operating from Carlisle to Croydon.

2.4 The Youth Zone will offer a wide range of sporting, artistic, cultural, physical and recreational activities for young people aged 8 to 19 years (up to 25 years for those with additional needs). The Youth Zone will be accessible and affordable by all and open long hours (8am to 10pm) every day of the year.

2.5 It is important that the Youth Zone is easily accessible to all children and young people of the area and especially those from disadvantaged families, whose lives may lack discipline and structure. Research has shown that what young people do in their leisure time has a massive impact on their personal health and well-being and on their future prospects. In addition to leisure-time activities, the Youth Zone will also include areas suitable for more targeted work

with young people including training, mentoring, group work and project areas to accommodate information, advice, guidance, and general support services.

- 2.6 Some of these services are delivered by the Youth Zone's own staff team and others by, or with, various project partners. Attractive and generous circulation spaces will link the activity areas with the central open plan spaces at ground floor (particularly the recreation area) and will be able to offer members the opportunity for informal activity or simply the chance to socialise with friends in a bright, airy and attractive environment.
- 2.7 It is expected that between 1,500 and 2,000 children and young people will visit the Youth Zone each week and there could be up to 300 attending at any one time.
- 2.8 The facility is expected to have a full-time workforce of approximately 20 people and approximately 50 part-time positions. This will be supplemented by up to 100 active community volunteers. Staff and volunteers will work varying shift patterns and the vast majority will be involved exclusively in face-to-face work with young people. The Strategic need case and benefits generated by the Thurrock Youth Zone are set in more details in Appendix 1.

3. Issues, Options and Analysis of Options

- 3.1 The development of the Thurrock Youth Zone is being promoted by the Tilbury Towns Fund (TTF) Board and will be delivered by the National OnSide Charity. To assist with the development of Youth Zones, OnSide have typically obtained multiple grants from various sources, including Lottery Funding and local Councils (including both Towns Funds and Levelling-Up Fund grants) and sometimes additional grants from local Councils' own resources.
- 3.2 The build cost for the Thurrock Youth Zone is being funded through a grant as follow:
 - Tilbury Towns Fund - £5.6m
 - Thames Freeport Seed Fund - £2m
 - with the balance of £4m coming from private sector sources.
- 3.3 Typically, the overall value of the Grants received for each Youth Zone represents c.50% of the total project costs. The remainder capital required is then sourced from major trusts, foundations and high net worth individuals.

3.4 Site selection

The location for a successful youth facility of this type is influenced, in part, by various practical issues such as site availability/constraints and economic considerations and there is no single formula for suitability or success. However, based on the successful operation of OnSide's existing Youth Zones (and the unsuccessful operation of badly sited facilities elsewhere), the following three major criteria were applied in terms of location:

- Neutrality;
- Accessibility; and
- Prominence

- 3.5 Tilbury was the preferred location in Thurrock over Grays, and this was further supported by community consultation responses favouring improved youth facilities in this location. Based on the high-level site appraisal carried out by OnSide in the very early stages of discussions with Thurrock Council an initial shortlist of 4 options were identified as potential viable and taken forward for further assessment:
- Former youth centre site on Quebec Road, Tilbury
 - Children’s Centre, London Road, Tilbury
 - Former Police Station Site, Civic Square, Tilbury
 - Corner of Anchor Fields, Tilbury
- 3.6 Site 1 – Former youth centre located on Quebec Road, Tilbury
Before the Towns Fund initiative progressed OnSide looked at former youth centre site located on Quebec Road, but at 1,100sqm this site is far too small to site a new Youth Zone building and the location did not meet the criteria for prominence or neutrality. The site was discounted due to these aspects.
- 3.7 Site 2 - Children’s Centre, London Road, Tilbury
Within the Towns Fund initiative, potential sites were considered just off the Civic Square, with one on the site of a current Children’s Centre (c.2,000m² building footprint). This would require the Children’s Centre to be moved to another site south of the civic square. Whilst a prominent site with good accessibility and prominence, it was decided unfeasible to move the Children’s Centre.
- 3.8 Site 3 - Former Police Station Site, Civic Square, Tilbury
An ex-police station site located south of the Civic Square was considered. The site was suggested but this did not meet the criteria of being prominent in that any new facility would be hidden from the Civic Square and High Street approach by the adjacent residential block. More significantly, Thurrock Council do not own the Police Station site, so there would need to be a real estate transaction which would add further costs to the project even if the site were considered desirable.
- 3.9 Site 4 – Corner of Anchor Fields Park, Tilbury
A fourth option was presented for review in a plot on the corner of Anchor Fields Park, Tilbury. On review against the site selection criteria this option was positive in terms of plot size, accessibility (by public transport and foot), prominence (on a corner junction of larger roads), and in respect to neutrality (in the centre of town close to the Civic Square).
- 3.10 **Preferred Site**
- 3.11 The option of a Youth Zone located in Anchor Fields Park was taken forward with the agreement of Thurrock Council to be included in the “Tilbury Town Investment Plan” and approved as a preferred site by the Tilbury Town Fund Board. (Please refer to Appendix B). It was noted as part of the Cabinet (July 2022) report approving the submission of the Tilbury Town Fund bid that this selection was subject to planning and other regulatory approvals. A planning application for the Thurrock Youth Zone on the Anchor Fields site was approved by the Planning Committee on 26th October 2023 subject to the signing of a S106 Agreement.
- 3.12 **Fields In Trust Designation**

- 3.13 The proposed site for the Thurrock Youth Zone is currently on land designed Field in Trust. Following lengthy discussions on replacement options there is agreement in principle with the Fields in Trust on the disposal of the site and the replacement land. This was subject to the following conditions:
1. Planning Permission will be obtained for the new building and copy provided to Fields in Trust
 2. A Deed of Release and Dedication to be agreed regarding the variation to the existing dedication
 3. The Deed of Release and Dedication will include a covenant that Thurrock Council will carry out the enhancement works offered by them
 4. Fields in Trust's costs in the sum of £3000 plus VAT in connection with this matter will be covered by Thurrock Council
- 3.14 The legal team at the Fields In Trust has drafted the Deed of Release and this has been agreed with the Council's Property and Legal teams to sign and seal. We will continue to work with legal and asset colleagues with regards to any additional regulatory requirements needed to access the site.

3.15 **Development Costs**

As the Youth Zone has progressed through the various design stages (RIBA 1-3) the design team have used cost consultants to produce a revised cost plan against which the budget forecast has been validated. Table 1 below is a summary of the estimated costs of the scheme base on the RIBA Stage 3 design, please refer to Appendix 2 for further detail.

Following the Planning Committee decision to grant planning on 26 October 2023 the scheme will now progress to RIBA stage 4.

Table 1. Summary Capital Project Costs RIBA Stage 3 Report

	Original Budget	Stage 2		Stage 3 (Current)		Diff.
		GIA: 1,730	m ²	GIA: 1,802	m ²	
	Capital Cost Summary (£)	Capital Cost Summary (£)	£/m ²	Capital Cost Summary (£)	£/m ²	£
Capital Project Budget						
Construction Costs	5,776,000	5,768,000	3,334	6,194,000	3,437	426,000
Novated Fees	150,000	150,000	87	150,000	83	0
Site Abnormals	0	719,355	416	937,000	520	217,645
Construction Total	5,926,000	6,637,355	3,837	7,281,000	4,041	643,645
Professional Fees (excluding novated fees)	550,000	550,000	318	550,000	305	0
OnSide Youth Zone Fees	1,100,000	1,100,000	636	1,100,000	610	0
Fixtures, Furniture and Equipment	320,000	320,000	185	320,000	178	0
Contingencies	110,000	110,000	64	110,000	61	0
Subtotals	2,080,000	2,080,000	1,202	2,080,000	1,154	0
Non-recoverable VAT	394,000	394,000	228	394,000	219	0
Total Capital Costs	8,400,000	9,111,355	5,267	9,755,000	5,413	643,645
Total anticipated Project Expenditure	8,400,000	9,111,355		9,755,000		643,645
Variance From Original Project Budget	0	711,355		1,355,000		643,645

3.16 The original budget forecast for the Thurrock Youth Zone has increased from £8.4m to £9.75m based on the most recent cost estimate. The cost estimate has been prepared by the OnSide professional team who are actively delivering two other OnSide facilities and are considered to be accurate. The majority of the increased costs are due to site abnormalities (the need for deep pile foundations and cost price inflation).

3.17 Development Funding

3.18 Thurrock Council have entered into a grant agreement with OnSide Charity to provide a grant from the Tilbury Towns Fund for £400k to cover the early-stage planning, design and project development work and the planning application.

3.19 OnSide have since sought the release of a further grant allocation of £400k from the Tilbury Towns Fund to be able to develop the scheme up RIBA Stage 4-5 to allow for detailed mechanical and electrical design and the tendering and selection of a main contractor. This has been approved.

3.20 The release of further capital funds is subject to final approval of Cabinet and the approval of the terms of the lease and implementation and operational agreements.

3.21 Capital

3.22 The original Town Fund contribution to the Thurrock Youth Zone submitted as part of the Towns Fund application in 2021 was £5.2m. However, as Table 1 above indicates there have been cost increases due to a combination of onsite abnormalities and cost price inflation. This

has resulted in the proposed contribution from the Tilbury Town Board being increased to £5.6m of capital and £1m of revenue. The forecasted capital budget for the scheme is now £10.75m and the capital funding split is set out below.

Capital Funding allocation August 2023

Capital	Overall (£)
Towns Fund	5,600,000
Freeport Seed Fund	2,000,000
DP WORLD	1,300,000
Pledge A	500,000
Pledge B	350,000
Pledge C	100,000
Pledge D – To Be Confirmed	900,000

- 3.23 Since the original bid submission the Thames Freeport has been established and endowed with an initial £25m of Seed Funding to support the delivery of key employment and educational initiatives in the Freeport area. One of the projects that has been selected for Seed Funding is the Thurrock Youth Zone. Capital funding of £2m was approved by the Freeport Board on 23 January 2024. This will go to DLUHC for verification following approval of this report by Cabinet.
- 3.24 DP World have confirmed their commitment to £1.3 million of Capital Funding.
- 3.25 OnSide are responsible for the securing the funding pledges from the private sector donors and these will need to be the subject of binding grant agreements prior to the signing of the Development Agreement and any construction contracts.

3.26 Revenue

- 3.27 It is proposed that the initial startup revenue costs covering the first 3 years of the operation of the Thurrock Youth Zone will be met from a combination of Tilbury Towns Fund grant of £1m and an allocation from private sector pledges of £450k. From the fiscal year 2026/27 onwards is proposed that ongoing revenue cost will be met from a combination of funding from Founders Patron's grant, membership fees and an allocation of £400k pa from the Thames Freeport Business Rate Relief scheme. This is set out in Table 2 below:

Table 2 Current and Future Revenue Costs and Funding Contributions

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
	Young People's Engagement Work	Pre-Opening Staffing, Branding etc.	Soft Openings from Dec 2025	First full year open			
Towns Fund Revenue Allocation	90,000	450,000	450,000				
OnSide Private Sector Fundraise (Founder Patron's)			450,000	800,000	800,000	800,000	800,000
Youth Zone Member £5 & 50ps, café, room hire etc.				100,000	100,000	100,000	100,000
Freeport Business Rates				400,000	400,000	400,000	400,000
	90,000	450,000	900,000	1,300,000	1,300,000	1,300,000	1,300,000

3.28 OnSide are responsible for securing the private sector contributions and securing grant agreements to ensure the long sustainability of the income stream. One full time OnSide staff member is recruited to solely work on funding. OnSide expect to secure around 34 patrons at £25k per annum. OnSide have a track record with regards to this model, it has been tried and tested therefore it is at very low risk of not being achieved. Revenue risk will sit with OnSide.

3.29 The future revenue allocation from the Thames Freeport Business Rate Relief scheme is subject to Thames Freeport Board approval, but the project has been accepted as being eligible and identified as a Freeport priority.

3.30 Deliverability & Procurement

3.31 Following competition of the S.106 agreement and the funding agreement Onside and the Council will enter into a Development Agreement. This will allow Onside access to the site to undertake construction works. The lease will be granted on satisfactory completion of the works.

3.32 Onside has successfully delivered fourteen new build Youth Zone facilities across England representing a capital investment more than £80 million. OnSide's Property and Construction Team will lead delivery of the design and construction element of each Youth Zone. OnSide's Property & Construction team of chartered surveyors and project managers will act as client lead for the new Thurrock Youth Zone. They are responsible for financial control of the project's capital budget and employ robust change management processes to ensure each project is delivered to specification, on time and on budget.

3.33 Although neither OnSide nor Thurrock Youth Zone will be bound by public procurement rules, both are subject to (and will diligently adhere to) obligations under Charity Law to ensure proper application of charitable funds and achieve value for money. The vast majority of the 'spend' will be on the cost of construction and the construction services will be procured on a competitive basis (single stage competitive tender).

3.34 The procurement route has been discussed with the Council's procurement and legal services. In addition, the Council as the grant provider has expectations as to how it wants to be

informed, involved and the process it will expect the provider to undertake to give it the assurance of value for money and deliverability of the project. OnSide are aware of these conditions and the Tilbury Towns Fund Board will be kept informed throughout. This will be set out in the funding agreement

3.35 Operating Principles and Legal Agreements

3.36 All the Youth Zones in the OnSide network have been built on land that has been leased by the local authority to the operating charities that run the Youth Zones for 125 years at a peppercorn rent, with very restrictive user provisions, appropriate covenants and forfeiture rights to ensure the land is only used for the purpose as originally intended, to deliver positive activities and better life chances to young people on a charitable basis.

3.37 These principles are carried forward into the proposed legal structures and proposed Lease Heads of Terms set out below.

3.38 As part of the successful operational of 14 Youth Zones the Onside Charity require the facilitating local authority to enter a series of legal agreements covering the following items:

- Lease of the Site
- Development Agreement / Capital Grant Funding Agreement
- Funding Agreement

3.39 Lease of the Site

A Lease of the Thurrock Youth Zone site will to be granted to the new operating charity. The Heads of Terms for the lease are as follows:

1. A term of 125 years
2. No premium and a peppercorn rent
3. No break clauses but provision for forfeiture in the event of significant breach covenant and/or fundamental failure of the project.
4. Restrictive user clauses to ensure that there is no material deviation from the original intended charitable use
5. Step-in rights for OnSide to cover a situation in which the local operating charity fails but demand for the Youth Zone remains and OnSide believes it can operate and sustain the facility

3.40 Development Agreement / Capital Funding Grant Agreement

3.41 This agreement (which will be conditional on planning and securing the remaining capital funding) will cover the following:

1. The agreed contributions to capital including the mechanics of payment
2. Permission to enter the site and carry out works to an agreed specification
3. The agreement to grant the lease after practical completion of construction
4. The agreement to enter into the Operational Agreement after practical completion
5. Development plans, specification and provisions for the regulating the methods of construction
6. The Landowner's title to the property

7. Dispute resolution procedure.
8. Freedom of information and confidentiality provisions.

3.42 Funding Agreement

3.43 This agreement will regulate the early years of the project partnership. The principal parties will be the new Thurrock Youth Zone operating charity, the Council and Onside Youth Zones. It will cover the following items:

1. The Council's support of the project both in general terms and specifically its agreed revenue contributions through The Towns Fund
2. Onside contributions to the development of the project and ongoing support.
3. The new Thurrock Youth Zone charity's obligations in relation to the development and future operation of the youth zone, including its responsibility to raise the remaining revenue requirement
4. Branding and publicity methods
5. Normal freedom of information, prevention of corruption, confidentiality and dispute resolutions provisions
6. Appropriate indemnities and provision for termination on insolvency or material and persistent default.

3.44 Subsidy Control

3.45 Based on previous legal opinion OnSide have provided a position statement in relation to Subsidy Control which states that neither OnSide nor the Youth Zone charities in their Network are "enterprises" within the meaning of the Subsidy Control Act meaning that, in turn, the grants are not "subsidies." In support, Onside have provided an advice letter from Addleshaw Goddard and this will be subject to further review by the Council's legal support team Brown Jacobson.

4. Reasons for Recommendation

- 4.1 The development and delivery of the proposed Youth Zone programme provides an exciting opportunity to secure much needed funding to address long standing issues and provide opportunities for Tilbury and Thurrock's young residents, supporting the successful regeneration of Tilbury.
- 4.2 The deadline for the TTF is to be spent by March 2026 as set by DLUCH. Programme progress and spend is reported to DLUCH bi-annually. Delegated authority to sign off and agree terms, legal agreements, grants, contracts for progressing projects is requested to ensure that the Council is able to respond and deliver the project within the required timeframes

5. Consultation (including Overview and Scrutiny, if applicable)

- 5.1 An update report was considered at the Planning, Transportation and Regeneration Overview (PTR) and Scrutiny Committee 15 November 2023. This report was considered at PTR on 21st February 2024.

Feedback and comments on this report to the PTR meeting to be reported verbally to Cabinet.

5.2 The following table provides consultation undertaken with regards to the Youth Zone:

June/July 2021	Over 1000 young people from Thurrock consulted
March – July 2022	Community consultation: 8 separate events, surveys and community visits to Future Youth Zone
July 2022	Project approved at Cabinet as part of Tilbury Town's Fund programme
Jan-Feb 2023	Public consultation with site plans – online for 3 weeks, and with 3 daytime face to face drop in events
May 2023	Planning Application Submitted – this includes consultation (and responses) from statutory agencies including the Police and Fire Brigade

6. Impact on corporate policies, priorities, performance and community impact

- 6.1 The Thurrock Local Plan and Economic Growth Strategy identify Tilbury as a Growth Hub where economic regeneration and housing growth are to be focussed. The Tilbury Development Framework produced in October 2017 sets out a vision for Tilbury and describes a range of proposed interventions that follow a strategic arc from the station gateway down to the riverfront. The current programme aligns with the priorities set out in this document. The Thurrock Transport Strategy supports improvements of the transport interchange at Tilbury Station including the quality of the public realm and delivering improved and safer accessibility.
- 6.2 The emerging priorities and schemes in the programme are consistent with The Council's strategies and priorities, provide a means for close community engagement, and importantly provide a vehicle for securing funds to support delivery.

7. Implications

7.1 Financial

Implications verified by: **Mike Jones**
Assistant Director – Finance

29 February 2024

The financial implications are set out in the body of the report. The Council believes it is prudent to revise the Youth Zone programme as recommended. The use of Anchor Fields as the youth zone site is consistent with the Council's Asset Strategy: Reuse, Retain or Release.

The mixed funding model is in line with the Council's operating model ensuring public, 3rd sector and private sector partnerships. Given the cost price inflation being experienced across all the programme projects, changes to the budgets do provide the Council and Town Board

with a degree of financial flexibility to reallocate funds, whilst ensuring that the key transformational aspects of the original bid are still delivered.

Work continues to refine the individual elements of the project and budgets have been reviewed and adjusted, with appropriate contingencies applied to ensure delivery within the funding available. Contingencies are reviewed and based on the stage of design, detailed cost assessments and projected procurement timelines. The cost plans for the Thurrock Youth Zone have been adjusted to reflect Construction and Tender Price index for Q3 2023, the estimated tendering timeline. Overall the programme contingency has been set at 20% of the total programme budget.

The programme will need to be continually reassessed through each stage of the detailed design and tendering process to ensure projects remain within budget and maximum efficiencies are made. Continued cost price inflation pressure has been identified as a significant and ongoing risk to programme delivery. The Board in refining and reprioritising the project have provided the flex to respond to further cost challenges, whilst delivering key projects. For example, the increase in capital costs the original Town Fund contribution to the Thurrock Youth Zone submitted as part of the Towns Fund application in 2021 was £5.2m. There have been cost increases due to a combination of onsite abnormalities and cost price inflation with the balance of capital funds coming from the Onside private sector contribution.

It is noted the financial risk associated with the delivery of the proposed projects attaches to the Council (as the Accountable Body) and, consequently, must and will be managed by the Council as part of the capital programme, this will occur within the Tilbury Towns Fund budget.

As part of the operational agreement with the Onside Charity there is a revenue provision with the Town Fund allocation of £1m until 2025/26 and a further revenue provision of £400k per annum expected from the Freeports Business rates allocation until 2029/30. Onside will provide £900k per annum revenue for 4 years. The required capital funding from the Council, up to a ceiling of £6.6m will be funded from the Town Fund allocation. Options to cover the revenue shortfall post 2029/20 are being examined.

7.2 Legal

Implications verified by: **Kevin Molloy**
Principal Lawyer / Manager Contracts & Procurement Team

29 February 2024

The Council by entering into the Heads of Terms with OnSide will create formal obligations on the Council. The proposals whilst bringing forward the potential for significant benefits does carry risk for the Borough, and the Council. In considering this report Members must be mindful that there are several areas of developing detail within the proposals which may leave the Council exposed to material risks or continuing liabilities in the future.

However, the Youth Zone project is being developed with a view to limiting any future contractual or financial liability falling to the Council. Specific terms of any formal agreements between will need to be carefully reviewed to ensure that the Council is protected against risks

which may arise through contract tendering and implementation (including cost increases, and third party risk).

To this extent, external legal advice has been procured and is working with the internal legal team to formally appropriate land assets and to formalised legal agreements. Accordingly the Council can only make a decision in principle to agree outline heads of terms and delegate authority to negotiate the lease terms and associated development agreements and tender packages.

The Council has undertaken statutory consultation under s123 of the Local Government Act 1972 and considered any representations received. The Council is the accountable body for significant public funds from government, the use of some of which may be managed by partner organisations potentially including those in the private sector.

Whilst risk can be mitigated through the use of appropriate contracts the ultimate risk will remain with the Council if deliverables are not met. There is scope for the Council to have to repay funds or ensure delivery of the project with the resultant implications. This type of arrangement exists in a number of settings and can be managed effectively.

The Council has in principle the necessary statutory powers to engage in these arrangements at this point, and partner to deliver the project.

Where projects require works to be undertaken, or the entering into of long term service contracts formal procurement rules will have to be followed by the Council, following both the statutory requirements and the Councils procurement policies.

Any contracts to be entered into will need to be in accordance with national procurement law and the Council's own internal procurement rules, and Legal Services will need to be consulted to ensure compliance as this project proceeds.

7.3 **Diversity and Equality**

Implications verified by: **Roxanne Scanlon**
Community Engagement and Project Monitoring Officer
29 February 2024

The TTFB and its Advisory Group include a full range of representation of stakeholders. The Advisory Group is open to others to join. Stakeholder engagement has built on existing engagement exercises carried out in Tilbury over recent years.

As part of the process of developing the Tilbury Investment Plan (TIP) the Council and the TTFB have carried out extensive community engagement.

The TTFB has committed to ongoing engagement through the process for submission and project development. The Youth Zone project will seek to ensure that proposals understand and, where possible, improve equality and diversity. Community equality impact assessment has been undertaken.

7.4 **Risks**

The key issues and risks to project delivery and benefit realisation, together with mitigating strategies to minimise their impact are outlined in the table below:

Key Risks	Risk Management Activity and Migrating strategies	Accountability & Monitoring
<p>Insufficient capital committed to complete the building</p>	<ul style="list-style-type: none"> • Identify risks early • Pro-actively manage these risks • Inform the design and delivery process accordingly to mitigate risk • Increase certainty • Avoid additional cost • Inform timely change control; and • Ensure sufficient contingency management • Experience of previous Youth Zones programme and spend 	<ul style="list-style-type: none"> • Reports and discussion at the Tilbury Towns Fund Board (every 6 weekly) • Project meetings between the Council and OnSide (bi-weekly) to monitor project progress, manage key risks on the risk register and to ensure action is taken in good time to mitigate risks • OnSide Project Team and Thurrock Youth Zone trustees will be collectively charged with identifying and managing risk throughout the project, so that it is avoided, mitigated and/or minimised. • Council governance (e.g. Strategic Property Board and Cabinet) consider next steps at key gateway points for example once the grant decision is confirmed, at the end of RIBA 3 and on receipt of main construction contract tenders • Communications to stakeholders and the community
<p>Insufficient revenue funding to run the Youth Zone in the long term</p>	<ul style="list-style-type: none"> • Identify risk early • Pro-actively manage these risks • Ensure sufficient contingency management • Experience of previous Youth Zones revenue programmes and issues • 70-80% of revenue is staffing, much of 	<ul style="list-style-type: none"> • The current view is that the Council will not be able to fund in the long term – The Council will work with OnSide to secure an enabling partnership with further private / 3rd sector funders • Financial modelling has been undertaken and will continue to do so to ensure revenue is available. • The private sector contributions are coming from the Founder Patron which is a campaign. One full time OnSide staff member is recruited to solely work on this. OnSide will

	<p>which is sessional, this can temporarily flex to keep within available resources.</p>	<p>secure c.34 patrons at £25k per annum. OnSide have a track record with regards to this model, it has been tried and tested therefore it is at very low risk of not being achieved.</p> <ul style="list-style-type: none"> • Outcomes and outputs from the Youth zone will be monitored to ensure sustainability
Planning / local authority liaison	<ul style="list-style-type: none"> • Identify risks early • Pro-actively manage these risks 	<ul style="list-style-type: none"> • OnSide's Property & Construction team will work alongside the appointed quantity surveyors (to quantify costs associated with each risk) and project managers to maintain development of the risk register • Mitigating actions will be assigned to the individual Project Team members to discharge, with regular review undertaken to monitor progress • The OnSide risk register template has been customised for this early stage of Thurrock Youth Zone and presents an initial identification of risks/events, attributing a gross risk score which reflects the likelihood and impact of the said risk • Actions/mitigation measures required to control the risk will be identified and attributed • to named personnel in the project team. Further net risk is also considered alongside further action to be taken as and when required. • Reports and discussion at the Tilbury Towns Fund Board (every 6 weekly) • Project meetings between the Council and OnSide (bi-weekly) to monitor project progress, manage key risks on the risk register and to ensure action is taken in good time to mitigate risks
Design	<ul style="list-style-type: none"> • Inform the design and delivery process accordingly to mitigate risk 	
Commercial		
Highways and public realm	<ul style="list-style-type: none"> • Increase certainty • Avoid additional cost 	
Services	<ul style="list-style-type: none"> • Inform timely change control; and 	
Ground risks	<ul style="list-style-type: none"> • Ensure sufficient contingency management 	
Programme	<ul style="list-style-type: none"> • Experience of previous Youth Zones programme and spend 	

7.5 Other implications (where significant) – i.e. Staff, Health Inequalities, Sustainability, Crime and Disorder, or Impact on Looked After Children

None

8. Background papers used in preparing the report (including their location on the Council's website or identification whether any are exempt or protected by copyright):

- Tilbury Town Fund Programme Cabinet Report 13 July 2023

9. Appendices to the report

- Appendix 1 - Strategic Case and Benefits

Report Author:

Helen McCabe

Head of Tilbury Towns Fund

Place