

Economy and Property Committee	
Meeting Date	8 th October 2025
Report Title	LUF Programme Update
EMT Lead	Emma Wiggins, Director of Regeneration and Neighbourhoods
Head of Service	Joanne Johnson, Head of Place
Lead Officer	Inger Lorraine, Capital Programme Manager
Classification	Part Exempt
Recommendations	1. That Committee note the update and provide comment as appropriate.

1 Purpose of Report and Executive Summary

- 1.1 This report summarises the continued progress of the Levelling Up Funded Sheerness Revival programme, highlighting milestones and achievements to date and outlining the benefits of the social value contributions.

2 Background

- 2.1 On 8th March 2023, Regeneration and Property Committee (as was) agreed “to utilise the UK Leisure Framework to identify and recommend a delivery contractor for the [Sheerness Revival] Beachfields and public realm projects, to be appointed following Committee approval”.
- 2.2 This was followed by Committee approval on 17th December 2024 to appoint Etec to deliver the Beachfields and Public Realm project, subject to the final contract value being within the available budget and with financial due diligence being undertaken to the satisfaction of Committee Chair and Director of Resources prior to contract award.
- 2.3 Additionally on 17th December Committee approved the appointment of Building Associates Limited for the alteration and refurbishment of obsolete garages at Masters House.

Contractual undertaking

- 2.4 At the end of 2024, East Kent College (EKC) appointed Jenner Group to undertake the expansion works at Sheppey College, which will offer an additional 900 square metres of educational space for learners to explore a wider range of courses that have been informed by local skills needs. This is principally related to further education provision, but will also enable the creation of junior college facilities and the introduction of adult education opportunities.
- 2.5 In May 2025 the council entered into a Delivery Management Agreement with Alliance Leisure to instruct Etec Group to progress the stage 5-7 construction

works at Beachfields, following receipt and approval of the final stage 4 costs report.

- 2.6 The JCT contract to undertake refurbishment works on the garages at Masters House was also signed in May 2025 between the council and Building Associates Ltd, with agreed start on site in July to complete the workshops at the end of November.

Progress to date

- 2.7 Planning consent was granted for Beachfields and the Public Realm in January 2025 which enabled the start of early works to prepare the site for stage 5-7 construction.
- 2.8 Similarly main works began at Sheppey College following the legal progression of the land transfer from the Council and a value engineering exercise to ensure the project remained within budget and to scope. A spade in the ground event was held in February 2025 to mark this milestone moment.
- 2.9 Progress on site has seen the full steel structure and brickwork installed. A 'blue roof' will support with rainwater drainage by collecting excess water which is then utilised to water vegetation. Works to install the windows and internal fitout began in September, while further works continue at pace.
- 2.10 Full refurbishment is underway at Masters House where the old roof has been removed in preparation for the new roof to be installed and the garages will start to take form, with the impressive steel and glass frontage showcasing the full industrial and modern design.

Temporary Relocation of Beachfield Occupants

- 2.11 The occupiers of the Healthy Living Centre which includes the charity, Sheppey Matters, the GP surgery, Minster Medical Practice and the leisure provision decanted the building and relocated to alternative temporary locations in January to continue their services and operations whilst the works are ongoing.
- 2.12 The leisure operators are continuing administrative operations from temporary porta cabins onsite, and the gym and studio are operating from the sports hall maintaining as much of the leisure offer as feasible during construction. The pool remains fully operational and accessible.
- 2.13 Minster Medical Practice took up occupation at their sister site at Minster Community Hospital to continue to provide GP service to the local community.
- 2.14 Meanwhile, Sheppey Matters are conducting their community support from a prime position on the high street with administrative operations carried out at Sheppey Gateway.

School / Public Engagement

- 2.15 Earlier this year officers engaged local school students in the design of the Adventure Golf course where their feedback and suggestions resulted in an historically themed course that celebrates the Island.
- 2.16 The design was completed in early Spring followed by a survey to establish an appropriate name for what would be the first commercial activity to come forward at Beachfields.
- 2.17 Following suggestions from the public, 'Sheerness Shipwreck Adventure Golf' was chosen from a short list of names. Installation of the intricate and challenging course began in April and 'Sheerness Shipwreck Adventure Golf' was unveiled at the highly successful formal opening of the course in July to coincide with the school summer holidays and capitalise on peak commercial trading. Visitor numbers over the summer months exceeded 1,000 a week.

Project Programme

- 2.18 All three projects have been granted planning permission with Sheppey College and Masters House receiving their planning outcome in September 2024 and Beachfields in January 2025
- 2.19 The current programme details key milestones on the critical path with the current overall programme completion shown as July 2026. Officers have been advised that spending of the government investment can be up to March 2027.
- 2.20 The Sheppey College project, although delayed by several months, is expected to complete in December and open its doors to students in January 2026. This is due to the time spent value engineering with the appointed contractor to keep costs within budget, and challenges with constructing on an operational site. EKC have ensured the scope remains in accordance with the expected LUF outcomes and outputs.
- 2.21 Despite the Masters House project running behind schedule, owing to contractor delay in signing the contract and lengthy material lead times, works commenced in July and are on track to complete at the end of November.

The overall project programme key milestones are as follows:-

Project	Works	Key Dates
Beachfields	Adventure Golf Complete / Open	July 2025
Masters House	Completion / Handover	November 2025
Sheppey College	Completion / Handover	December 2025
Beachfields	Completion / Handover	July 2026

Governance process

- 2.22 Following Committee members agreeing the detail of the governance arrangements as introduced in the Levelling-Up Fund business case, the Economy and Property Committee is shown as one of the three pre-existing bodies that provide strategic oversight and accountability for programme delivery (with the others being the internal Executive Management Team and the External Steering Group, consisting of stakeholder representatives).
- 2.23 A Member Working Group was established to take on this function, comprised of one representative from each group and chaired by the Chair of the Committee with the principle advantage that it can be agile, convened quickly when required and meeting schedules adapted to be in line with LUF reporting timescales and other requirements.
- 2.24 The Member Working Group carries out the following functions: -
- support the delivery team in monitoring progress against agreed output and outcome indicators (as set out in the Memorandum of Understanding with central government), spend against profile and progress against schedule
 - review progress against the agreed Communications and Engagement Plan (which the Working Group would also initially approve)
 - approve project adjustment requests which are considered to constitute a material change, and for which central government approval is required

The Member Working Group continues to play an important role in the progress and achievements across the projects.

Social Value

- 2.25 As part of our procurement activity contractors across the programme are required to contribute to social value in meaningful ways to support the local area socially, economically, and environmentally.
- 2.26 Officers have collaborated with contractors and delivery partners to realise their strong commitment to social value in real terms, which creates positive soft outcomes for the projects, additional to those committed to in the LUF business case.

Contributions realised so far include:

- Provided cost free logistical support for the temporary relocation of Beachfields' partners
- Supporting public engagement for planned activities across the projects
- Prioritising the use of local supply chain contractors with locally sourced goods and services at Beachfields and Masters House

- Five local labourers working at Beachfields and Masters House
- Supported engagement of primary and secondary school students, through a series of site visits
- Charitable donation to Launch It for use of space at Masters House
- Student participation in bricklaying work at Sheppey College to gain knowledge and experience

Further contributions expected as projects progress include:

- Construction workshops and careers advice at EKC Secondary
- Work experience opportunities at Beachfields and Sheppey College
- Contractor to install anti climb paint and defence guard as part of project works to support with ASB at Masters House and install noticeboard for Launch It charity.
- Officer / contractor collaboration to engage 'hard to reach' young people through targeted activities
- A commitments community events that will benefit a broader demographic including the prison population and elderly residents

Programme officers will support a forthcoming multi-agency meeting to explore methods of engagement and wider approaches to help reduce ASB across the project areas.

Security

- 2.27 Anti-social behaviour and crime has been an issue across all three projects. Sheppey College has seen one incident since works commenced, while there are persistent activities of varying degree at Beachfields and Masters House.
- 2.28 It is recognised that ASB is an issue being experienced across the island. However, the Beachfields site in particular has seen unprecedented activities where incidents escalated in nature and frequency over the summer months.
- 2.29 Security provision has been in place since the early works which consisted of a security guard and dog detail to provide surveillance and act as deterrent for low level ASB. However, as incidents increased and changed in nature, an additional security guard was introduced in particular to support with the security of the adventure golf course during installation through to opening and operation where monitored security cameras are now place.
- 2.30 The main building design has 'designing out crime' features and the Adventure Golf was installed with vandalism and ASB mitigation measures in place including increased fencing height around the golf area and CCTV installed and linked to the Council surveillance team.

- 2.31 Officers are adopting a multi-agency approach to security and the protection of assets by working with the contractor, internal community safety and CCTV teams and the police.
- 2.32 It is the intention of officers to engage with young people and the wider community to instil a sense of ownership and responsibility in the care of the newly improved facilities and encourage participation from 'hard to reach' young people to help deter ASB and vandalism to support a more sustainable approach to security and maintenance once the project is complete.

Achievements / Highlights / Lessons Learned

- 2.33 Across the projects we have seen much progress and acknowledge the opportunity to pause and celebrate the achievements so far, as well as recognise key learning points.

Activity	Area	Achievement / Highlight / Learning
Successful launch of Adventure Golf	Beachfields	<p>High quality commercial asset for the council</p> <p>Community in the main happy and expressing pride in place.</p> <p>Visitor number far exceeding expectation, with over a thousand visitors to the course per week over summer</p> <p>Attracting visitors from surrounding areas and from the mainland bringing much needed eyes to the island and seen as "putting Sheppey on the map"</p> <p>Accelerated pace to achieve opening prior to the summer school holidays was well managed.</p> <p>Set the benchmark for standard and encourages similar success with TAG and soft play leisure activities still to come</p> <p>The introduction of a brand new asset has made some public realm elements which sit outside of the programme's scope of works appear dated and poorly maintained. These detract from the newly enhanced offers and activities coming forward</p>
Successful relocation of Beachfield occupants	Beachfields	<p>Sheppey Matters shop front on the high street has afforded them more visibility and enabled additional support services to be introduced.</p> <p>Minster Medical continues to provide GP services and maintain patient care.</p> <p>Leisure operations continue onsite with gym facility with classes still being conducted</p>

'Sledgehammer' Event to mark milestone for Beachfields	Beachfields	Significant project progress following an extended pause and change of contractor to complete stage 3 design and progress to finalising stage 4 costs and transition to construction Changing contractor enabled the project to remain within budget.
Construction works continued at pace during summer exam period	Sheppey College	Exams were undertaken over the summer with no impact from ongoing works due to the experienced management of the contractor
Milestone Event to mark start on site	Masters House	Event took place to mark the works commencing on the garages with Masters House being the first of the three projects expected to complete.
Communications and Engagement	Full Programme	Overall increase in social media activity across a variety of platforms with improved engagement from residents.
Governance	Full Programme	Membership of working group was expanded part way through to include more Island reps.
Pausing at stage 3 design to refocus and switch contractor	Beachfields	An agile approach to switching contractor when it appeared financially prudent was the right thing to do from a budget perspective. Although this led to additional work and delay, it was on balance the right approach to take to progress the project and remain within budget.
Delays in signing contractor after committee approval to appoint	Masters House	Following delays by the contractor in contract for Masters House, it was recognised that having an approved process by which to appoint the second highest tenderer would be useful to support programme timescales and budget constraints. This has now been introduced Council-wide.

Next Steps:

- 2.34 The work continues at pace with Masters House coming forward in November, Sheppey College in January and Beachfields in May 2026 to complete the programme.
- 2.35 To enable further progress of the projects, the following next steps are planned:
1. A series of engagement activities over the coming months and into 2026 that includes: -
 - Information stalls at careers fairs to promote work in the construction and engineering industry
 - Assemblies within secondary schools to help promote women and girls within STEM

- Activities to engage 'hard to reach' young people to support efforts to combat ASB and vandalism in Sheerness
 - Local business forums to engage the High street and independent business owners to showcase the Sheerness Revival programme and highlight its potential to contribute positively to the local economy
2. Design of TAG Active and soft play will begin to take shape, with contributions from young people.
 3. Procurement of contractor to install the outdoor gym which will be accompanied by the Multi-Use Games Area (MUGA) with contributions from wider youth groups. These outdoor activities will be accompanied by a revamped tennis court and paddling pool area.
 4. Landscaping works to enhance the public realm at Beachfields to commence with collaboration from local businesses to further improve the look and feel of the area.
 5. Multi-agency work to look at immediate and long term solution to combat ASB in the area around Beachfields and Masters House and .
 6. Potential Renaming of Sheppey Healthy Living Centre (Beachfields).
 7. Conclude new lease agreement for returning occupants of Beachfields.

3 Proposal

- 3.1 That Committee note the update and provide comment as appropriate.

4 Alternative Options

- 4.1 As this is a 'to note' report, there are no alternative options.

5 Consultation Undertaken or Proposed

- 5.1 As this is a 'to note' report, there is no consultation undertaken or proposed.

6 Implications

Issue	Implications
Corporate Plan	Effective governance arrangements support Priority 5 – Running the Council - of the Corporate Plan 2023 – 2027. This in turn will promote effective LUF delivery and respond to Priority 3 – Economy, Using the Levelling Up Fund as a catalyst for further regeneration on the Isle of Sheppey.
Financial, Resource and Property	The £20m LUF investment is complimented by over £2m match funding (in kind and cash) from Swale Borough Council and £400k from EKC Group. Effective management and oversight arrangements (as set out in the project business case) are key to securing maximum impact from this investment. Two full time staff members are supporting delivery (to be reduced from April 2026), including servicing governance arrangements and leading procurement. Specialist support from other Council departments (e.g. Legal) is being covered from existing resource.
Legal, Statutory and Procurement	The current governance arrangements form part of the project business case and by consequence part of the Memorandum of Understanding with government.
Crime and Disorder	This site / area is known to attract anti-social behaviour and this project aims to help improve this via physical improvements and new stewardship of a vacant site and through the social value contributions from the contractor.
Environment and Climate/Ecological Emergency	The LUF business case demonstrates how the programme aligns to and supports net zero ambitions.
Health and Wellbeing	The LUF business case demonstrates the accessibility improvements that the project will make to the GP Surgery within the Healthy Living Centre and the improved leisure and community facilities will support health & wellbeing
Safeguarding of Children, Young People and Vulnerable Adults	None identified
Risk Management and Health and Safety	A Sheerness Revival risk register exists and is regularly reviewed and reported to government. Each project also has a project specific risk register with the highest priority risks feeding into the Sheerness Revival risk register.
Equality and Diversity	None identified
Privacy and Data Protection	None identified

7 Appendices

7.1 The following documents are to be published with this report and form part of the report:

Appendix I: Images of ongoing progress

Appendix II: Budget position (Exempt)

8 Background Documents

- Sheerness Revival Business Case - [here](#) (appendixes available upon request from ingerlorraine@swale.gov.uk)
- 8th March 2023 Committee paper (link) [Public reports pack 08032023 1900 Regeneration and Property Committee.pdf](#)
- 17th December 2024 Committee paper (link)
[Sheerness Revival - Beachfields and the Public Realm Contract Award](#)
[Sheerness Revival - Masters House Contract Award](#)