

Community Building Development Projects Update

REPORT OF: Head of Corporate Resources
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Wards Affected: Ardingly and Balcombe, Cuckfield, Haywards Heath Franklands, Hurstpierpoint and Downs
Key Decision: No
Report to: Cabinet

Purpose of Report

1. To provide Cabinet with an update on four community building development projects and to seek additional funding toward costs.

Recommendations

2. ***Cabinet are recommended to:***

- (a) Award Slaugham Parish Council a grant of £65,660 towards the additional costs incurred as a result of relocating the Finches Field Community and Sports Pavilion made up of £4,515 from Section 106 and £61,145 General Reserve;***
- (b) Allocate £54,071 from Section 106 and increase the capital budget for the proposed Community Building at Court Bushes by £96,650 to enable Estates and Facilities to complete the capital works***
- (c) Note that work continues to bring forward facilities at Ansty Village Hall and St Francis Sports and Social Club.***

Finches Field

3. Finches Field in Pease Pottage is owned by the District Council and in March 2014 Cabinet resolved to agree the Heads of Terms for a lease to Slaugham Parish Council for a completed building. The budget for the building work was approved by Council in April 2014. It was later agreed that the Parish Council would undertake the construction of the building and a Development and Lease Agreement would be issued for the site of the building and car park area. Work started on site in March 2018 and the project is due to be completed by Spring 2019.
4. The total cost was estimated to be £708,000, but project costs increased and total expenditure for the building, car park and hard standing is now estimated at £786,695. This increase is primarily the result of a Planning requirement to relocate the building due to the electricity pylons at this site. The Parish Council had to re-submit the plans which incurred additional design fees, late start costs and increased the external landscaping costs. They were also required to install a secondary heat/power source and had to invest in a mains gas supply.
5. To date, the Council has awarded the following Facility Grants to the Parish Council to fund the project:

£	Approval route	Date
472,842	Cabinet Grants Panel	21/03/2016
143,593	Cabinet Grants Panel	14/02/2017
50,000	MCR – delegated authority (toward car park)	01/06/2017
54,603	Cabinet Grants Panel (toward additional hard landscaping)	16/10/2018
£721,038	TOTAL	

A grant agreement for £666,435 was signed on 29 June 2017 (for the first three amounts).

6. The plans submitted included 44-46 car parking spaces but WSCC Highways Authority only require a minimum of 21 spaces so the Parish Council has obtained estimate of £108,621 for a reduced car parking scheme (previously £185,000), which will require a planning condition variation. The revised scheme has reduced the total project cost and results in an overall budget shortfall of £65,658.
7. Within pooling restrictions, there is one more Section 106 Local Community Infrastructure contribution available for £4,515 which could be released toward the car park costs (received in respect of Land at CUC House Ref: P35/698). The remaining £61,143 could be covered through use of the Council's General Reserve.
8. A second grant agreement is needed in relation to the £54,603 previously committed and Cabinet approval is needed to vary the terms of the previous grant offer as the overall cost of the external landscaping has been reduced since the application was considered by the Cabinet Grants Panel.
9. It is recommended that the Council offers Slaugham Parish Council £61,145 plus a further £4,515 in Section 106 to fully fund the additional project costs. This will make the total amount of the second grant agreement £120,263.

Court Bushes Community Building

10. The Ex-Servicemen's Club, at Court Bushes Recreation Ground, Willow Way, Hurstpierpoint was paid for by the members and constructed on Council owned land. The Trustees of the Ex-Servicemen's Club signed a 99 year ground lease for the site in 1984 but in 2017 they faced substantial financial difficulties including debts to HMRC and the Council formally forfeited the lease for the non-payment of rent.
11. In December 2017, a fire destroyed the inside of the building and it was closed to the public, at which time the property was removed from the rating list for NNDR. The Corporate Estates & Facilities Business Unit made an insurance claim to secure funds to repair the damage. Estates Officers consulted with Hurstpierpoint & Sayers Common Parish Council and representatives of potential stakeholders (The Point Church, Clarion Housing and the Ex-Servicemen's Club) to produce designs to make the building suitable for community use.

12. The design layout includes a nursery space, function room, office, storage, toilets, kitchen and bar area. The project has planning approval to enable it to be used as a nursery (planning permission ref: DM/18/2623) and refurbishment started in September 2018 with completion scheduled for end of February 2019. The aim of the project is to enable and encourage the delivery of community services and activities for the local community through the provision of improved local facilities. It is considered that the provision of a new community facility for the benefit of the local community will help to promote the economic and social well-being of the area.
13. The Parish Council has been in discussions with the West Sussex County Council Early Years' Service and has received two expression of interest from potential nursery providers who are interested in hiring the space to run a year round children's nursery service and offering subsidised places to parents on low incomes.
14. The Parish Council has submitted a proposal to lease the building, surrounding land and car park for a period of 35 years with effect from 18 March 2019. The Parish Council has prepared an operations manual, business plan and budget to illustrate how the building will be used and managed.
15. Positive discussions with the Parish Council are ongoing and a separate report with a recommended option for disposal under Section 123 of the Local Government Act 1972 Act (the 1972 Act) with purposes of operating the property as a Community Building will be brought to Cabinet in due course.
16. The total capital project cost is £409,712, the Council will receive a financial settlement from the insurers of £259,000 and has £54,071 in S106 funds which could be allocated to the project - P35/748 £2,974.92, P35/778 £17,702.00, PL12-000366 £25,354.34, PL12-000578 £8,039.86.
17. This leaves a budget shortfall of £96,641 which it is recommended to be met through Council Reserves.

Ansty Village Hall and Sports and Social Club

18. The existing Ansty Village Hall is the freehold property of the Ansty Village Hall Trust (AVHT). The building is dilapidated and in Feb 2009 the Council awarded AVHT a Facility Grant of £17,440 toward the cost of rebuilding the village hall.
19. Ansty Sports & Social Club, on the same site, has a bar and sports changing rooms which service the football and cricket pitches on the recreation ground. These facilities also need upgrading so they agreed to work with the Parish Council and AVHT to develop a sports and social facility. The combined scheme aims to replace the existing village hall and sports pavilion with updated facilities.
20. The partner organisations have established a new Charitable Incorporated Organisation called, the Ansty Village Centre Trust (AVCT), to develop and manage the new facilities and in May 2013 the Council awarded the AVCT a further Facility Grant of £127,000 toward the project, funded through Section 106 contributions received in respect of the Sandrocks development.
21. The project has planning approval (DM/16/4609) and Officers continue to work with the stakeholders to help bring this project forward to the point that a full funding package is assembled and construction can start.

22. Cabinet will be updated with a progress report at the earliest opportunity.

St Francis Sports and Social Club

23. On 14 February 2017, the Cabinet Grants Panel agreed to award the St Francis Social and Sports Club Community Interest Company a grant of £1,120,000 toward the construction of a new community hall and sports changing facilities at the St Francis Sports Ground in Haywards Heath, on the condition the project was completed by December 2019. The site is owned by the St Francis Sports and Social Club and £824,000 of the S106 funds allocated to this scheme are intended to provide a replacement for the Norman Hay Hall at this site.

24. The project has planning approval (ref: DM/17/0852) and the estimated cost was £1,650,000 to be delivered in two phases:

- £1,270,000 - Phase 1 for the design and construction of the Ground Floor including a large community hall, two meeting rooms, small history centre, toilets, kitchen, café area and upgraded swimming pool changing rooms, the shell of the Lower Ground Floor (this needs to be structurally complete but will be unfitted), associated landscaping and car park
- £380,000 - Phase 2 is for the completion of the Lower Ground Floor comprising a small hall/meeting room and junior changing facilities.

25. The Club set up a new Community Interest Company (CIC) to develop and manage facilities and has signed a 30 year lease agreement to enable them to build the new hall. The Club loaned the CIC £50,000 to cover design and consultancy fees and confirmed that the remaining £100,000 needed to deliver the project would be raised through a further loan from the Club or individual loans by Club members.

26. In October 2017, after receiving tenders from three building contractors, the CIC submitted revised costs showing an increase of £540,755 for Phase 1. The CIC suggested it might be possible to borrow further funds from the Club but this raised a number of issues regarding financial security and viability. To date the CIC has been unable to secure the match funding needed to deliver the project or fulfil the Council's grant conditions.

27. Officers continue to work with the stakeholders to help bring this project forward to the point that a full funding package is assembled and construction can start.

Policy Context

28. The Council has had a long standing policy of leasing facilities and providing capital funds through the S106 mechanism and community grants to sports club and community organisations since the early 1990's. This enables communities to provide space for the uses and needs of the local residents. Recommendations contained within this report are consistent with that long standing policy.

Financial Implications

29. The financial implications are included within the report and referenced in the Budget Management report elsewhere on this agenda.

Risk Management Implications

30. None – the awards of grants are not considered to be of material risk .

Equality and customer service implications

31. Finches Field and Court Bushes Community Buildings will be and/or are anticipated to be managed by Parish Councils or charitable organisations for the benefit of local residents

32. As part of the grants assessment process the organisations in receipt of funding have submitted equal opportunities statements and the Court Bushes Community Hub operations manual includes an Equal Opportunities Policy.

Background Papers

- Grant applications and associated documentation.