

# Cabinet



St Edmundsbury  
BOROUGH COUNCIL

<b>Title of Report:</b>	<b>Newbury Community Centre Project</b>	
<b>Report No:</b>	<b>CAB/SE/16/040</b>	
<b>Report to and date/s:</b>	<b>Cabinet</b>	6 September 2016
<b>Portfolio holder:</b>	Cllr Robert Everitt Portfolio Holder for Families and Communities <b>Tel:</b> 01284 769000 <b>Email:</b> robert.everitt@stedsbc.gov.uk	
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<b>Purpose of report:</b>	To update Cabinet on progress with the project to replace the existing Newbury Community Centre and authorise next steps.	
<b>Recommendations:</b>	<b>It is <u>RECOMMENDED</u> that:</b>  <b>(1) progress with the Newbury Community Centre Project be noted;</b>  <b>(2) without prejudice to the Council's role as Local Planning Authority, and subject to obtaining relevant planning consent the principle of swapping land, releasing covenants on the school site and allocating existing Section 106 funding to enable a joint redevelopment scheme with neighbouring landowners, which will include a new community centre and public open space, be approved;</b>  <p style="text-align: right;"><i>Continued....</i></p>	

	<p><b>(3) subject to the conditions set out in paragraphs 1.2.7 and 1.2.8 of Report No: CAB/SE/16/040, and in consultation with the Portfolio Holder, Head of Resources and Performance and Monitoring Officer, the Director be authorised to:</b></p> <p><b>(i) negotiate, sign and implement the terms of any legal agreements needed to cover the Council’s executive functions in relation to facilitating such a scheme; and</b></p> <p><b>(ii) implement the Council’s previous decision to transfer ownership of the centre to the Newbury Community Association under the terms of the existing Memorandum of Understanding.</b></p>
<p><b>Key Decision:</b></p> <p><i>(Check the appropriate box and delete all those that <b>do not</b> apply.)</i></p>	<p><i>Is this a Key Decision and, if so, under which definition?</i></p> <p>Yes, it is a Key Decision - <input checked="" type="checkbox"/></p> <p>Likely to be significant in terms of its effects on communities living or working in an area in the Borough/District.</p>
<p><i>The decisions made as a result of this report will usually be published within <b>48 hours</b> and cannot be actioned until <b>five clear working days of the publication of the decision</b> have elapsed. This item is included on the Decisions Plan.</i></p>	
<p><b>Consultation:</b></p>	<p>The local community is strongly engaged through the leading role the Newbury Community Association (NCA) plays. The NCA has carried out community consultation to define the specification for the centre, and there has recently been consultation with local residents regarding site proposals (see report). H.E.A.R.T and Havebury tenants have also been engaged with the project, as have local elected representatives.</p>
<p><b>Alternative option(s):</b></p>	<ul style="list-style-type: none"> <li>• Not to replace the centre, although the NCA would not wish to take on responsibility in this context.</li> <li>• To seek to replace the centre as a standalone project, separate from proposals for the school site.</li> </ul>

<b>Implications:</b>			
Are there any <b>financial</b> implications? <i>If yes, please give details</i>		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> <li>The Borough Council is not providing capital funding, but has continuing responsibilities in respect of the existing centre.</li> </ul>	
Are there any <b>staffing</b> implications? <i>If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Are there any <b>ICT</b> implications? <i>If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Are there any <b>legal and/or policy</b> implications? <i>If yes, please give details</i>		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> <li>The project is already governed by a Memorandum of Understanding. A formal transfer agreement will be required at the point of completion.</li> </ul>	
Are there any <b>equality</b> implications? <i>If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
<b>Risk/opportunity assessment:</b>		<i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>	
<b>Risk area</b>	<b>Inherent level of risk</b> (before controls)	<b>Controls</b>	<b>Residual risk</b> (after controls)
Project does not proceed due to lack of funding	High	Seek alternative means of delivery to avoid need for taxpayer funding or large external grants	Medium
Cost for the local taxpayer	High	Include safeguards on funding liability in any agreements for proposed scheme	Low
An inappropriate scheme for the local community	Medium	Full engagement through the project board, which is NCA led, and full community engagement at key stages, followed by the normal planning process.	Low
<b>Ward(s) affected:</b>		Primarily St Olaves Ward, but also Northgate Ward	
<b>Background papers:</b> <i>(all background papers are to be published on the website and a link included)</i>		<a href="#">Cabinet Paper E154, 6 November 2013</a>	
<b>Documents attached:</b>		None	

## **1. Key issues and reasons for recommendations**

### **1.1 Background**

- 1.1.1 In November 2013 the Council agreed to become a signatory to a Memorandum of Understanding (MOU) with the Newbury Community Association (NCA), and other partners, to set out the terms of a project for the replacement of the Newbury Community Centre, at no capital cost to the Borough Council taxpayer. The existing centre is owned by the Council but is managed by the NCA. After replacement, ownership of any new centre would transfer to the NCA, as with other recent community centre transfers. It has already been agreed by the Local Planning Authority that s106 funding from the North-West Bury St Edmunds growth site for community facilities will be applied to the improvement of the Newbury Community Centre as it becomes available from staged payments.
- 1.1.2 The MOU was signed in 2014 by the Council and NCA, and Havebury Housing Partnership and Suffolk County Council are also signatories. Good progress has been made since that time, with the community agreeing a specification for a new centre (ideally to be shared with the children's centre) and a feasibility study being prepared. The project is overseen by a project board, with an independent chairperson and a majority of its members nominated by the NCA. An independent project manager was appointed to assist in the preparation of a business case for the delivery of the new centre.
- 1.1.3 The project is now looking to commit to a delivery mechanism, and the preferred option of the project board is to work in partnership with Suffolk County Council on a combined regeneration of the community centre, children's centre and soon to be vacated school site. This will provide a new community facility, open space and housing. Although viability has yet to be confirmed, this option has the potential to deliver a centre, at no additional cost to the Borough Council taxpayer, by the original target date of 2019, and also to avoid a loss of community facilities during redevelopment.
- 1.1.4 The alternative would be to pursue a redevelopment of the centre within the existing curtilage. While technically feasible, this fall-back option would be likely to result in a temporary loss of facilities and, even with available s106 funding and a capital receipt from some new flats as part of the scheme, it would also be likely to require the receipt of significant external grant funding.

### **1.2 Joint Scheme with Suffolk County Council**

- 1.2.1 The County Council has engaged a social investment company, Cornerstone Property Assets Ltd, to facilitate the redevelopment of the Howard Primary School on St Olaves Road, which is adjacent to the community centre site, as well as the children's centre. In this context, the project board has engaged with Cornerstone to see if there is potential for a joint scheme.
- 1.2.2 Working with the project board, Cornerstone carried out a community consultation in July 2016 for a proposal to create a mixed development on the combined sites, with housing, a new community centre and public open

space. Cornerstone is now examining whether such a scheme is capable of delivering a return on investment sufficient to generate not only a capital receipt for education but also to provide a combined community and children's centre (without the need for any external funding other than the existing developer contribution from the nearby Vision 2031 site).

1.2.3 As part of the consultation, a drop-in session was held over several hours at the centre, which was well attended, and there was also an online survey. Nearly 80 responses were received to the supporting questionnaire, as well as really helpful feedback on design matters. General themes were:

- Very strong support for replacing the centre (around 90% of respondents)
- Strong support for a mixed development of the whole site if it funds a new community centre (around 75% of respondents)
- Strong support for the centre to stay open throughout the redevelopment (around 80% of respondents)
- Over 55% of respondents in favour of the initial concept plans, and lots of other comments on design, layout, positioning of elements, parking and traffic, community facility mix, etc, which will now be used to improve the scheme.

1.2.4 To enable this scheme, the Borough Council would need to enter into a mutually beneficial land-swap arrangement with the County Council, as the intention would be to rebuild the community centre on part of the former school site. The Borough Council would also be requested to release educational covenants on the school site which were put in place when the estate was built in the 1960s.

1.2.5 The Borough Council's objective in the project has always been to replace the community centre at no additional cost to the taxpayer and then, as with other community centres, transfer it into full community ownership. Delivering this outcome as part of a wider regeneration project would be an additional bonus provided that this accorded with local community wishes. Accordingly, it is felt that, from the Borough Council's point of view, the Cornerstone proposal would, in principle, be consistent with the existing MOU, subject to certain conditions which protect the interest of the local community and preserve the position of the planning authority.

1.2.6 Also, it is worth noting that, other than agreeing to the land-swap and release of covenant, the Borough Council would not play any direct role in delivery of the Cornerstone scheme. Such Cabinet approvals would also be without prejudice to the Council's separate roles as Local Planning Authority and Housing Authority (under which the scheme would be assessed entirely on its planning and housing merits).

1.2.7 While the main legal agreements and negotiations would be between NCA and Suffolk County Council, to take the scheme forward, the Borough Council, as land owner, would still need to be a signatory to a new legal document with the partners (most likely a Heads of Terms, MOU or equivalent) to cover land ownership/use issues and the release of the existing s106 funding which is available. This new agreement would be needed in autumn 2016 before the submission of any planning application,

and would be entirely without prejudice to the planning process. It is proposed that delegated authority be given to the officers to enter into this agreement, in consultation with the Portfolio Holder. It would also need to be subject to conditions including (but not limited to):

- (a) continued engagement with, and support of, the community and NCA in respect of the scheme;
- (b) delivery of a community centre to a specification agreed with the NCA;
- (c) receipt of planning consent;
- (d) provision of affordable housing and public open space in compliance with existing planning policy (and a mix of homes which is supported by the Housing Authority);
- (e) phasing of the development to prevent any loss of access to a community centre during the construction period;
- (f) a land-swap which ensures community use/ownership in perpetuity for the new community centre site and public open space;
- (g) adequate resourcing being provided for the project support which the NCA will need to engage in the project on behalf of their community;
- (h) no capital risk/liability to NCA in terms of delivery of the centre i.e. any shortfall in project funding will be the responsibility of the developer; and similarly
- (i) no capital or revenue risk/liability to St Edmundsbury Borough Council Taxpayers in respect of the community centre or the new public open space (as per the existing MOU); and
- (j) any additional external funding raised for the community facilities will be used to add further value to the scheme, rather than reduce the cost to the developer of providing the community centre e.g. by adding sports changing facilities to the core specification for instance, if Sport England or football grants could be obtained.

1.2.8 On completion of the new centre, the Borough Council would also need to transfer the new facility to the NCA, if this is not already covered by the new legal agreement.

1.2.9 There are no new resource implications from this proposal. The Borough Council will be required to make a continued commitment to staff and councillor time for the project and would also retain its liabilities as owner of the existing community centre while it remains open, as per the existing MOU.