

**EXETER CITY COUNCIL
REPORT TO: EXECUTIVE
DATE OF MEETING: 14 February 2017
REPORT OF: Assistant Director Finance
TITLE: NEWTOWN COMMUNITY CENTRE**

Is this a Key Decision?

No

* One that affects finances over £1m or significantly affects two or more wards. If this is a key decision then the item must be on the appropriate forward plan of key decisions.

Is this an Executive or Council Function? Council

1. What is the report about?

1.1 The report seeks approval of additional funding up to a maximum of £100,000 towards the building of a new Community Centre in Belmont Park.

2. Recommendations:

2.1 That the Executive recommends and Council approves :-

- A budget of £100,000 to support the building of a new Community Centre in Belmont Park;
- That authority to pay the grant is delegated to the Chief Finance Officer in consultation with the Leader of the Council and Deputy Chief Executive;
- That the grant is only payable after completion of a development agreement to the satisfaction of the City Surveyor.

3. Reasons for the recommendation:

3.1 The Council has allocated £120,000 from the New Homes Bonus Local Infrastructure Fund towards a replacement Community Centre in Belmont Park. Despite the best efforts of fundraisers and a revised and much reduced project plan, there is still a potential shortfall. Some of the external funding is guaranteed only to the end of March 2017 and achieving full project financing would secure these funds.

4. What are the resource implications including non financial resources.

4.1 The maximum requirement will be £100,000, which allows all works to be completed and a contingency sum. It is planned to use unallocated New Homes Bonus for the project.

5. Section 151 Officer comments:

5.1 Funding is available to finance this one-off project. However funds do remain limited at the Council.

6. What are the legal aspects?

6.1 please see the Monitoring officer comments below.

7. Monitoring Officer's comments:

The community centre is to be built on land owned by Exeter City Council. Given that, it is essential that the Council protects its interest in its land by ensuring that the building work is completed once works start on site. For this reason, it is essential that a development agreement is entered into before start of any works to the satisfaction of the City Surveyor.

8. Report details:

1. For a number of years, Newtown Community Association have been working on plans to replace the Centre in Belmont Park, with a more modern, fit for purpose building. The original plan envisaged a much larger building at a cost of around £650,000. However fundraising did not raise nearly enough funds and the Council was unable to find the funds to compensate. The Council therefore asked the Association to revisit their plans to find a more affordable solution.
2. The Community Association have now designed a smaller building, which still meets their objective of being a larger space than the existing building and turns the building 90 degrees to enable parents to use the café whilst allowing their children to make use of the play equipment close by.
3. The building is estimated to cost £318,000 including VAT along with £40,000 of additional costs. The Council is exploring ways to enable the VAT to be recovered to reduce the cost of the building.
4. Funding for the building is as follows:

New Homes Bonus	120,000
S106 monies – the Printworks	46,074
S106 monies – Kingfisher House	45,270
Other external funds raised	69,693
Less Preliminary works to date	(30,738)
Total Available	250,299

5.

5. The Association will continue to raise funds and negotiate with the developers, primarily of student accommodation in the area, to raise additional funds, which will reduce the amount required from the Council.

9. How does the decision contribute to the Council's Corporate Plan?

9.1 Supporting local communities is an integral part of the Council's Corporate Plan.

10. What risks are there and how can they be reduced?

10.1 Risks are the same as for all building projects. External factors may cause delays and increased costs. The Association will need to manage these risks via their project manager. Failure to secure this back stop funding risks losing some of the external funding secured.

11. What is the impact of the decision on equality and diversity; health and wellbeing; safeguarding children, young people and vulnerable adults, community safety and the environment?

11.1 The new facility will provide a safe space for existing groups to use whilst enabling parents to use the facilities whilst maintaining a permanent view of their children using the park.

12. Are there any other options

12.1 There is a risk some of the external funding will fall through if there is no commitment from the Council, which will either delay or end construction of the building.

Dave Hodgson, Assistant Director Finance

**Local Government (Access to Information) Act 1972 (as amended)
Background papers used in compiling this report:-**

Contact for enquires:
Democratic Services (Committees)
Room 2.3
01392 265275