

<b>TITLE</b>	<b>SDL Community Facility, North Wokingham Matthewsgreen</b>
<b>FOR CONSIDERATION BY</b>	The Executive on 26 July 2018
<b>WARD</b>	Emmbrook; Norreys;
<b>DIRECTOR</b>	Director of Locality and Customer Services – Josie Wragg
<b>LEAD MEMBER</b>	Executive Member for Business, Economic Development and Strategic Planning - Stuart Munro

## **PURPOSE OF REPORT (INC STRATEGIC OUTCOMES)**

Delivery of new community facilities within North Wokingham, in line with the Shaping Our New Communities strategy.

## **RECOMMENDATION**

It is recommended that Executive resolve to:

- 1) agree in principal the Heads of Terms for the agreement with Kings Church Wokingham to be the operator for the Matthewsgreen Community Centre; and
- 2) agree that subject to 1) being satisfactorily concluded, a final agreement with Kings Church Wokingham will be written and approved by the Director of Locality and Customer Services and the Executive Member for Business, Economic Development and Strategic Planning.

## **EXECUTIVE SUMMARY**

The new neighbourhood centre within the North Wokingham Strategic Development Location (SDL) will have a joint primary school / community centre. The reserved matters planning application for the building was approved by the Planning Committee in February 2018.

In line with a recommendation for partnership management for the new SDL community centres in the Shaping Our New Communities strategy, the Council invited expressions of interest to manage the new Matthewsgreen community centre, following engagement with the local community and interested stakeholders.

Kings Church Wokingham (KCW) was selected to be the provider for the new community centre by the Council's Executive Committee on 22 February 2018. KCW's proposal includes an addition to the building. Planning consent was granted for the addition on 7 June 2018.

The KCW addition to the building will provide local residents an enhanced community centre, with the addition of a café and some additional office space.

The community centre will serve the local community with preference given to local people and organisations. KCW would have use of the facility on Sundays for faith activities. This approach already happens successfully in other parts of the borough and is consistent with the principles detailed in the Shaping Our New Communities document.

The attached draft Heads of Terms state that the lease will be for 30 years, for an annual rent of £1, that the premises will be used as a community centre consistent with the principles outlined in the 'Shaping Our New Communities Strategy' section 2.2, that the community use will be monitored by the Council and that KCW will pay for the cost of the addition.

The draft Heads of Terms will be finalised by the end of September 2018, once the Council knows the total cost of the KCW addition to the community centre.

The Council's Executive selected Kings Church Wokingham to be the operator for the Matthewsgreen Community Centre at their February 2018 meeting, with further details on the agreement with KCW still to be agreed.

The purpose of this report is to provide further detail on the Heads of Terms and the lease agreement.

## **Heads of Terms**

The draft Heads of Terms for Agreement to Lease relating to the Community Centre is included in full with this report. Below is a summary of the relevant points.

### **The Land and Building**

The lease would cover only the part of the joint community centre and school building that is to be exclusively used as a community centre, shown verged in blue on the attached plans. The community centre would also have access to the car park, which is discussed in a later section.

### **Term and Rent**

The lease would run for 30 years, for an annual rent of £1. As KCW will be making a significant investment in the building, a 30 year lease for a peppercorn rent is appropriate. Once the lease expires, any new agreement will be covered by the Landlord and Tenant Act legislation, which would revert to a fair market rent for the use at the time.

### **Repair and Decoration**

KCW would be responsible for the repair and decoration of the interior of the building and the exterior decoration. Because the building is shared with the primary school, the Council will be responsible for all repair and maintenance of the exterior of the building. KCW will be required to contribute the fair and reasonable costs pro rata for the repair and maintenance.

### **Community Use**

The building will be restricted to use as a community centre consistent with the principles outlined in section 2.2 of the 'Shaping Our New Communities Strategy'. KCW will be required to submit annual reports to the Council to ensure the community use is consistent with the 'Shaping Our New Communities Strategy'. An internal governance group will be created to review the reports and monitor the community use of the centre. If the use of the centre is not in line with our requirements for a community centre, the Council has the ability to terminate the lease.

### **Parking and Access**

The Council will keep ownership of the carpark adjoining the community centre and the primary school. The school will have exclusive access to part of the carpark (marked on the attached drawings) Monday to Friday from 7am to 6pm during school term time. The rest of the carpark will be available for users of the community centre, as well as for the future retail centre across the road. The Council will keep ownership of the carpark and charge a nominal amount to the community centre and the school for maintenance.

A right of access will be granted to the community centre through the carpark to users of the community centre.

## Completion Date

As KCW is investing a significant amount in the building, if the work is not completed by the beginning of September 2020, unless due to delays caused by KCW, the Council will pass along up to 20% of any fees the contractor will be required to pay for the late completion. The works are actually scheduled to be complete by 1 July, which provides a two month grace period.

## Timeline

Planning consent has been granted for the entire project and the Council's tender process began in late March. The contract is expected to be awarded in September. Detailed design work will then begin, with construction expected to start at the end of the year. The building is expected to be completed in time for the September 2020 school year.

## The Council's Corporate Strategy/Vision

The lease terms are consistent with the Council's corporate strategy and vision. A new community centre in the North Wokingham SDL will make Wokingham Borough a more attractive place to live, work and do business. The investment Kings Church Wokingham will be making in the community centre will improve the amenity value of the community centre for local residents.

## Revenue and capital budgets over the next 3 years

KCW are proposing to invest up to £1m in the community centre, which will add a cafe and additional meeting rooms to the facilities available to the community.

The cost of building the joint primary school / community centre is funded primarily through developers' contributions and is budgeted for in the capital programme.

## FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

***The Council faces severe financial challenges over the coming years as a result of the austerity measures implemented by the Government and subsequent reductions to public sector funding. It is estimated that Wokingham Borough Council will be required to make budget reductions in excess of £20m over the next three years and all Executive decisions should be made in this context.***

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial Year (Year 1)	None		
Next Financial Year (Year 2)	None		
Following Financial Year (Year 3)	None		

## Other Financial Information

None

<b>Stakeholder Considerations and Consultation</b>
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The community centre has been discussed at a number of the North Wokingham community forums, including most recently the June 2018 forum where Kings Church Wokingham presented their approved plans. The residents attending the forum were positive about the enhanced community centre, with some residents already discussing hiring the new centre and different uses they would like to see offered.
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<b>Resourcing and Timeline for Next Steps</b>
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The Council's legal team will prepare the final Heads of Terms, to be approved by the Director of Locality & Customer Services and the Executive Member for Business, Economic Development and Strategic Planning. This will be complete by September 2018.
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<b>Timeline for Review and Evaluation</b>
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Not applicable
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<b>List of Background Papers</b>
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Draft Heads of Terms, with site plan drawing
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