

 Executive – 30th August 2018		Agenda Item No. 9A
Title	Rural/Urban Capital Improvement Scheme (RUCIS) Application	
For further information about this report please contact	Jon Dawson Finance Administration Manager 01926 456204 email: jon.dawson@warwickdc.gov.uk	
Wards of the District directly affected	Aylesford	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?	No	
Date and meeting when issue was last considered and relevant minute number	N/A	
Background Papers	RUCIS Scheme details. RUCIS Application file no. 239; correspondence with applicants.	

Contrary to the policy framework:	No
Contrary to the budgetary framework:	No
Key Decision?	No
Included within the Forward Plan? (If yes include reference number)	No
Equality Impact Assessment Undertaken	Yes

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive		Chris Elliott
Head of Service		Mike Snow
CMT		Chris Elliot, Bill Hunt and Andy Jones
Section 151 Officer		Mike Snow
Monitoring Officer		Andy Jones
Finance		Mike Snow
Portfolio Holder(s)		Cllr Whiting
Consultation & Community Engagement		
Community Partnership Team, Manoj Sonecha (Active Communities Officer), Stuart Winslow (Sports and Leisure Contract Manager) and Mair Evans (Arts Development Officer); Copy of report forwarded 2 nd August 2018.		
Final Decision?		Yes/No
Suggested next steps (if not final decision please set out below)		

1. Summary

- 1.1 This report provides details of a Rural/Urban Capital Improvement Scheme grant application by Playbox Theatre Limited to upgrade their technical infrastructure which includes new lighting, sound and AV equipment to replace failing and outdated equipment that has reached the end of its life span.

2. Recommendation

- 2.1 It is recommended that the Executive approves a Rural/Urban Capital Improvement Grant from the urban cost centre budget for Playbox Theatre Limited of 50% of the total project costs to upgrade their technical infrastructure which includes new lighting, sound and AV equipment, as detailed within paragraphs 1.1, 3.2 and 8, up to a maximum of £29,406 excluding vat subject to receipt of the following:
- Written confirmation from Warwick Town Council (or an alternative grant provider) to approve a capital grant of £1,960

As supported by appendix 1.

3. Reasons for the Recommendation

- 3.1 The Council operates a scheme to award Capital Improvement Grants to organisations in rural and urban areas. The grants recommended are in accordance with the Council's agreed scheme and will provide funding to help the projects progress.
- 3.2 The project contributes to the Council's Fit for the Future Strategy; without Playbox Theatre Limited there would be fewer opportunities for the community to enjoy and participate in arts activities which could potentially result in an increase in anti-social behaviour, an increase in obesity (including in children) and disengage and weaken the community. The project will provide new modern video and digital equipment which will add significant value to Playbox members' skills base and broaden the range of courses that can be offered, it will also modernise the quality of experience expected from families and audiences; this will increase the opportunities for the community to participate and enjoy arts activities which in turn will help to further reduce anti-social behaviour and obesity including within children. Playbox Theatre Limited is also recognised as a Key Client of the Council (Key Clients make up a small portfolio of professional arts organisations which are recognised as important to the sustainability & long term viability of the arts infrastructure in Warwick District).

4. Policy Framework

- 4.1 Fit for the Future (FFF):

The Council's FFF Strategy is designed to deliver the Vision for the District of making it a Great Place to Live, Work and Visit. To that end amongst other things the FFF Strategy contains several Key projects.

The FFF Strategy has 3 strands; People, Services and Money and each has an external and internal element to it. The table below illustrates the impact of this proposal, if any, in relation to the Council's FFF Strategy.

FFF Strands		
People	Services	Money
External		
Health, Homes, Communities	Green, Clean, Safe	Infrastructure, Enterprise, Employment
<u>Intended outcomes:</u> Improved health for all Housing needs for all met Impressive cultural and sports activities Cohesive and active communities	<u>Intended outcomes:</u> Area has well looked after public spaces All communities have access to decent open space Improved air quality Low levels of crime and ASB	<u>Intended outcomes:</u> Dynamic and diverse local economy Vibrant town centres Improved performance/productivity of local economy Increased employment and income levels
Impacts of Proposal		
All RUCIS applications are designed to encourage and support local communities and local not-for-profit organisations in developing cohesive and active communities. The details behind this are set out in appendix 1.	Through the delivery of RUCIS grants the aim is to deliver cohesive and active communities which in turn help to support and maintain lower levels of crime and ASB. The details behind this are set out in appendix 1.	N/A
Internal		
Effective Staff	Maintain or Improve Services	Firm Financial Footing over the Longer Term
<u>Intended outcomes:</u> All staff are properly trained All staff have the appropriate tools All staff are engaged, empowered and supported The right people are in the right job with the right skills and right behaviours	<u>Intended outcomes:</u> Focusing on our customers' needs Continuously improve our processes Increase the digital provision of services	<u>Intended outcomes:</u> Better return/use of our assets Full Cost accounting Continued cost management Maximise income earning opportunities Seek best value for money
Impacts of Proposal		
N/A	N/A	N/A

- 4.2 Supporting Strategies; each strand of the FFF Strategy has several supporting strategies and but none are directly relevant in this case.
- 4.3 Changes to Existing Policies; there are no changes to existing policies.
- 4.4 Impact Assessments; there are no new or significant policy changes proposed in respect of Equalities.

5. Budgetary Framework

- 5.1 The budget for the Rural/Urban Capital Improvement Scheme applications for 2018/19 is £150,000 (£75,000 for rural projects and £75,000 for urban projects).
- 5.2 There is £48,744 available to be allocated for Rural/Urban Capital Improvement Scheme Grants from the urban cost centre budget in 2018/19. If the application from Playbox Theatre Limited of 50% of the total project costs up to a maximum of £29,406 (excluding vat) is approved, £19,338 will remain in the urban cost centre budget.
- 5.3 There is £28,645 available to be allocated for Rural/Urban Capital Improvement Scheme Grants from the rural cost centre budget in 2018/19.

As per appendix 2.

6. Risks

- 6.1 There are no main risks for this proposal.

7. Alternative Option(s) considered

- 7.1 The Council has only a specific capital budget to provide grants of this nature and therefore there are no alternative sources of funding if the Council is to provide funding for Rural/Urban Capital Improvement Schemes.
- 7.2 Members may choose not to approve the grant funding, or to vary the amount awarded.

8. Background

Playbox Theatre Limited has submitted a RUCIS application to upgrade their technical infrastructure which includes new lighting, sound and AV equipment to replace failing and outdated equipment that has reached the end of its life span.

The application is for 50% of the total project costs up to a maximum of £29,406 excluding vat.

Playbox Theatre Limited has committed £17,556 to the project costs from their cash reserves; these funds have been evidenced through the provision of a recent bank statement.

Playbox Theatre Limited is registered for vat (705 2465 54) and will be reclaiming vat in connection to this project; the award will therefore be excluding vat. The vat will initially be paid from the club's cash reserves; these funds have been evidenced through the provision of a recent bank statement.

Playbox Theatre Limited have made a formal request to Warwick Town Council for a £1,960 financial contribution to the project; they are now waiting for a decision.

Playbox Theatre Limited have never previously had a RUCIS grant award.

In the 2014 to 2016 annual accounts provided, within the Note 1.1 Accounting Convention section, it notes "Although the company is technically insolvent, the accounts have been prepared on a going concern basis. The company has now been trading in excess of five years and the Directors believe they will be able to generate more income and obtain further grants in order to enable the Company to operate at least at break even level in the future." The draft accounts provided for the year ended 31st December 2017 do not contain this note.

A previous credit check on Playbox has proven sound with the main points being:

- There is little reason to doubt that the company will prove equal to engagements
- This company pays faster than the industry average
- There is a consistent payment pattern
- This company has 0 accounts placed for collection
- This company has 0 outstanding unpaid accounts
- This company pays within its terms

At the 7th February 2018 Executive meeting, Members agreed, after discussion of the business plan presented, to make a £100,000 loan available to Playbox Theatre Limited to enable the construction of a new access drive to an overspill car park and delivery area in accordance with the granting of planning approval of application W/15/0808.

The business plan stated; "The reduced number of events shown since 2015 is a direct result of the gradual erosion of access to the rear car park for daytime/weekend classes and the congestion issue that has been caused by the total closure of the rear access from June 2016. All areas of Playbox's business are suffering either direct or collateral damage."

The new access road and car parking, which is being built at present, will improve the drop off zone for parents, visitors and café customers and provide sufficient staff parking and delivery bays. On completion of the access road (August 2018) and the improved car parking, Playbox Theatre anticipate increased daytime footfall in the café and increased membership numbers for workshops, events and box office bookings compared to last year.

The business plan and the February Executive report considered by Members also referred to a further initiative entitled "Playbox Futures". The purpose of this project is to expand the offer to a wider range of young people by developing digital media, sound performance and theatre production opportunities. This requires additional facilities, equipment and building alterations and so fundraising, including a bid to the Council's rucis scheme.

Under the Companies Acts 1985 to 1989, Playbox Theatre Limited is a company limited by guarantee with no share capital (Company Registration Number 3462037). The accounts do not show any bonuses or remunerations from surpluses made. The club is a not-for-profit organisation thereby meeting the rucis scheme criteria.

It is therefore recommended that the Executive approves an award of a Rural / Urban Capital Improvement grant to Playbox Theatre Limited of 50% of the total costs of the project excluding vat up to a maximum of £29,406.