

Title: Packmores Community Centre Update

Lead Officer: Bernadette Allen

Portfolio Holder: Councillor Sinnott

Wards of the District directly affected: Warwick Saltisford

Approvals required	Date	Name
Portfolio Holder		Councillor Jim Sinnott
Finance		Shebi Chowdry
Legal Services		Kathryn Tebbey
Chief Executive		Chris Elliott
Director of Climate Change		Dave Barber
Head of Service(s)		Lisa Barker
Section 151 Officer		Andrew Rollins
Monitoring Officer		Graham Leach
Leadership Co-ordination Group		Cllrs Wightman; Davison; Boad; Falp; Day.
Final decision by this Committee or rec to another Cttee / Council?	Yes	
Contrary to Policy / Budget framework?	No	
Does this report contain exempt info/Confidential? If so, which paragraph(s)?	No	
Does this report relate to a key decision (referred to in the Cabinet Forward Plan)?	No	
Accessibility Checked?	Yes	

Summary

This report is seeking to confirm the agreement in principle to:

- The use the land within or adjacent to Priory Pools Park, Warwick as shown at (Appendix 1 building options) as the agreed location for a new centre for the Packmores area of Warwick and that a lease for 199 years be provided accordingly at a peppercorn.
- support the creation of a Charitable Incorporated Organisation (CIO) which will work in partnership with The Gap to run the proposed new centre.
- extend the current Grant/Service Level Agreement with the Gap for an additional 3 years.
- release funds to the Gap to help progress the scheme to Royal Institute of British Architects (RIBA) stage 3.
- note the proposed draft timetable for delivery of the scheme.

Recommendation(s)

- (1) That Cabinet confirms agreement for the general location for a new centre for the Packmores area of Warwick as shown at plan 1 (see appendix 1).
- (2) That Cabinet supports the creation of Charitable Incorporated Organisation (CIO) and that in principle a lease is provided on a peppercorn basis for a period of 199 years for the site illustrated on plan 1, (see appendix 1) subject to the submission of, and, agreement to a full business case and plan. Appendix 2 is the Governance options paper and Appendix 3 outlines the preferred option C from the governance options paper.
- (3) That Cabinet agrees in principle to extend the existing Service Level Agreement with the Gap from July 2026 until June 2029 subject to the submission and agreement to a full business case and plan.
- (4) That Cabinet agrees that £48,344 (+VAT) is provided as a grant for the Gap, funded from the Council's New Homes Bonus Allocation to progress the proposed Scheme to Royal Institute of British Architects (RIBA) stage 3.
- (5) That Cabinet note the high-level draft timetable at Appendix 4, for progressing the scheme.

1 Reasons for the Recommendation

- 1.1 In 2007, a repurposed space in the basement of Sussex Court flats owned by Warwick District Council (WDC) was opened to provide residents with access to community support services. This was initially supported by the Council's Community Development team. However, in 2015, the Council Commissioned Warwick Percy Estate Community Projects Ltd (known as The Gap) to deliver support services for residents living in the Packmores and Cape area of Warwick. The target groups were primarily older people, young people not in education, employment or training (NEETs) and disadvantaged families.
- 1.2 The Gap has been responsible for delivering services within the Warwick West Area (including the Packmores) for the last eight years and the long-term purpose for the community hub is to develop a sustainable facility that supports the local community whilst also having the capacity to support those living further afield. This approach includes providing access to local services, facilitating social connections, reducing isolation, and promoting wellbeing.

- 1.3 The existing centre is much, much smaller than other Community Centres elsewhere in the district. However, despite the current size limitations, it has and continues to provide essential support services for the local community. There is, however, a need to develop new provision due to the following challenges:
- Issues re: space and capacity
 - Building is no longer fit for purposes due to increased demand for local community support.
 - A need for outdoor space (particularly in post pandemic world and relevance of how use of green space improves wellbeing)
 - Facilities do not align with level of need in the area, particularly in comparison to newer services in other new local communities.
 - Covid recovery has the potential to increase demand for local services and adapt to new and emerging needs.
- 1.4 At its September 2023 meeting the Cabinet agreed the following:
- 1 That Cabinet supports in principle the Packmores Project and agrees that a business case is produced for further consideration by Cabinet.
 - 2 That Cabinet supports, as part of the production of the Business Case, the work to identify match funding for the project.
 - 3 That Cabinet approves the proposed partnership and governance arrangements for the project outlined in Appendix 2.
 - 4 That Cabinet agrees to undertake exploration work including technical surveys to assess the suitability of a site identified within or adjacent to Priory Pools Park (shown on Appendix 1) as a potential location for a new Centre for the Packmores area in Warwick.
 - 5 That Cabinet agrees up to £25,000 by way of a grant to The Gap, funded from the Councils New Homes Bonus Allocations, to carry out exploratory survey work including: Geointegrity, CCTV, drainage & condition, arboriculture, ecological appraisal, Landscape Architect, topographical, site infrastructure and utilities and tree surveys.
- 1.5 That report also set out the next steps for the projects as being:
- Completion of the surveys.
 - Completion of the Business Case.
 - Agreement to a funding strategy.
 - Agreement to how the facility would be managed going forward.

All of the above steps, plus public consultation, would need to be undertaken before an application for planning permission could be made and before WDC was able to give formal consent as a landlord and to drawdown the rest of the allotted funds for this scheme. However, to achieve these next steps a number of issues need a steer for and support from this Council.

- 1.6 Since September 2023, a Project Delivery Group (PDG) has been established to provide practical and operational support to progress the Business Case, complete the specific site surveys to clarify where the building exactly should be located, taking account of a lot of site-specific issues bearing in mind the sensitivity of the area. The PDG has also taken responsibility for coming up with proposals for the structure to run the centre, the identification of funding and most importantly the communication and involvement of residents in the development of the centre.
- 1.7 The Project Board has also been established and met for the first time on 9th November. The Board involves, representatives of residents, local Councillors from all 3 Local Authorities, and officer representatives from WDC Housing and Green Spaces teams as well as representatives from the Gap and King Henry VIII Endowed Trust. The Board meeting was followed up with a site visit on 29th November to the Priory Pools Parks to view the potential locations in person. Plan 1 (Appendix 1) illustrates the proposed general location of the new community centre given the information available to date and as assessed by the site visit. The precise location will need more survey work to be confirmed and the steps to be taken to design it to RIBA stage 3. During that process it would involve local community consultation to help inform the specific design. It will of course require planning permission.
- 1.8 The Project Board is aware of WDC's emerging Net Zero Carbon Planning Policy and will ensure this is the minimum standard applied to the design and performance of the building. However, subject to an assessment of cost, it is intended to go beyond this to deliver a scheme that will not only minimise operational carbon but will also minimise operational costs for the building's operators. In preparing the RIBA Stage 3 report, the designers will be expected to take account the Council's aspirational building standards currently being prepared and therefore liaison with the Programme Director for Climate Change during the RIBA stage 3 work, will be necessary.
- 1.9 Regarding biodiversity, there are opportunities using adjoining land owned by WDC to offset and enhance biodiversity and this will form part of the proposals as will opportunities to enhance access to other areas nearby e.g allotments. The land identified is WDC General Fund though the parking would require the existing Housing Revenue Account (HRA) garages to be demolished. The cost of taking the plans to RIBA stage 3 is £48,344 (+VAT) and it is proposed to be financed from the £225k allocated for 2024/25 by way of a grant to the Gap.
- 1.10 At that meeting, a paper on the proposed options for a new governance structure for the new centre was also discussed (see appendix 2) and it was agreed to progress option C by creating a new Charitable Incorporated Organisation (CIO) to work in partnership with The Gap (see appendix 3). WDC would also need to be prepared to agree to lease the land proposed to be used at a peppercorn to the proposed CIO to enable the organization to raise the funds from other entities. If supported, work will be undertaken to formally register the CIO. There will need to be a Memorandum of Understanding between the CIO and the Gap.
- 1.11 However, there is a complication in this approach in that it relies upon the Gap as a partner organisation to effectively run the facility (at least initially) and when bidding for funds to be the community organization with a track record. However, the Gap's current contract with WDC runs out in June 2026 and at this stage it won't be known who the successful re tenderer would be. That could be addressed by the Council being willing to extend the Gap's contract by another 3 years at the current budget allocation (so no more money than is

currently budgeted). That would require the Council to waive the procurement code of practice to enable this to occur.

- 1.12 The proposed draft timetable for the project to the point of delivery is set out at Appendix 4, to be noted as it requires further discussion and agreement by the Project Board.

2 Alternative Options

- 2.1 The Cabinet could decide against any or, all the recommendations. To do so would hinder the progression of the community facility for the Packmores Community who have been waiting for many years.
- 2.2 Appendix 2 does set out other options that were considered for the future governance of the community centre. The Project Board unanimously supported the option proposed in this paper.
- 2.3 Other funding would be required if the Council choose not to enable the drawdown to take the project onto the next step. There is none immediately available from other sources. Experience of other community projects does demonstrate that an initial investment to get the "ball" rolling does lead to other bodies investing in such schemes.
- 2.4 The Council has already agreed in principle to the general location though the terms need to be agreed in detail.
- 2.5 The extension of the Gaps' SLA could be refused but this would create a very difficult situation for the future running of and the bidding for funds, for the proposed new community centre.

3 Legal Implications

- 3.1 The procurement of contractors and consultants to carry out these works and surveys will need to accord with the Council's Code of Procurement Practice, in addition to any other statutory obligations. Appropriate contractual arrangements will need to drawn up. Future reports and decisions may give rise to additional legal implications, but these will be addressed at that time.
- 3.2 A small part of the site is held within the HRA. The Centre would be for wider community use and not provided primarily for the benefit of the Council's own tenants. If the garages are genuinely surplus and not required to meet housing purposes, it will be necessary to pass a formal resolution appropriating this parcel to the General Fund. This could, perhaps, be part of the process to approve the business case. Following appropriation, the General Fund would need to compensate the HRA for the value of the land transferred. A valuation will therefore be required.
- 3.3 In relation to the proposed lease, the Heads of Terms must be prepared. The value of the asset is important in assessing whether there is a transaction at an undervalue, given the duty on local authorities to secure best value. Such transactions must be specifically approved citing the relevant provisions in the General Disposal Consent 2003 i.e. whether the disposal at less than market value is in the interest of the economic, social or environmental well-being of the whole or any part of its area, or any or all persons resident or present in its area. Further, the amount of undervalue must be assessed with evidence i.e. a valuation. Provided the undervalue is £2 million or less, the Council has authority to make the decision. Above that, it has to be referred to the Secretary of State.

- 3.4 In addition, the proposed terms of the lease must be assessed against subsidy control principles – to determine whether there is a subsidy and, if so, whether it is a permitted subsidy.
- 3.5 If the intention is that The Gap or future provider occupies part of the centre under a lease, the Council may wish to consider including a form of approved sub-lease as part of the head-lease to the CIO.
- 3.6 The objects, establishment and constitution of the CIO may benefit from legal advice.

4 Financial Implications

- 4.1 £25k has been allocated in the 2023/24 budget to enable the development of the Packmores Community Scheme. Provision has been made in the Community Projects Reserve for another £225k in 24/25. The £25k for this year has already been drawn down and it is proposed that another £48,344 (+VAT) is needed to finance the immediate next stages of the scheme. This should be fundable from the £225k allocated for 2024/25.
- 4.2 It is likely that a new community centre will cost in the region of £1.5 to £2m. Funds will need to be raised from a range of sources including Warwickshire County Council who have indicated that such a scheme may attract funding from their Social Fabric scheme. However, in order to raise funding, there needs to be a clear proposition in terms of a business case and in terms of a proposed facility. This needs a site to be identified and the early stages of a RIBA scheme to illustrate what can be provided. Without this there is no scheme for which to seek funding.
- 4.3 The Gap's current Service Level Agreement runs to and costs £30k per annum. It is proposed to extend this by 3 years at the same annual cost which is budgeted for until June 2026 to provide evidence of sustainable funding to support funding bid.

5 Corporate Strategy

- 5.1 This proposal fits well with Strategic Priority 2, linked to low cost, low carbon energy across the district. It is proposed that the new build design will find new ways to reduce energy consumption and that renewable energy generation capacity will be introduced.
- 5.2 The proposal also supports Strategic Priority 3, linked to, creating vibrant, safe and healthy communities of the future. A diverse range of community interventions, models and methods can be used to improve health and wellbeing or address the social determinants of health. Community Centres play a key role in improving the quality of community life, social support and social networks that are major influences on individual and population health, both physically and mentally.

6 Environmental/Climate Change Implications

- 6.1 The proposal helps to maintain biodiversity and remove carbon dioxide emissions from the atmosphere. The scheme will be designed to be Net Zero Carbon drawing on low carbon energy. And as part of the survey work on the site it is proposed to look at renewable electricity and heating for the new build.
- 6.2 The Biodiversity Net Gain provisions will also be addressed as part of the scheme given that it will involve the Priory Pools Park.
- 6.3 It is also anticipated that active travel to the site will be supported by

examining the opportunities to improve the linkages to other open spaces and to the wider footpath and cycling network.

7 Analysis of the effects on Equality

- 7.1 An Equality Impact Assessment is not required; there are no new or significant policy changes proposed in respect of Equalities arising as a result of this report at this stage.

8 Data Protection

- 8.1 There are no data protection implications.

9 Health and Wellbeing

- 9.1 The provision of a new Community Centre for the Packmores will provide multiple health and wellbeing benefits to the local community. Associated improvements to the Priory Pools Park open space will also support the local community to access free, active lifestyle opportunities.

10 Risk Assessment

- 10.1 There would be a direct risk to the Council should Cabinet decide not to support the development of a new centre at the Packmores; it will adversely impact on the delivery of a more comprehensive service offer to one of the more deprived Local Super output Areas in Warwick District.
- 10.2 There could be risks that if funding is not raised to the degree that may be needed to build a new facility, the onus may fall on the Council to fill any funding gap. This is, however, a risk that the Council takes with all its support for community schemes. In other examples, the Council has either decided that it is appropriate to fill the funding gap or to make it clear that it will contribute a specific sum and no more depending on the circumstances. The mitigation point to this risk is that the Council is not exposed to incurring further expenditure by accident.
- 10.3 There is a risk that the money expended or proposed to be expended does not lead to a successful community centre project. This is impossible to avoid at this early stage, but the mitigation is that via the project governance to constantly check that the scheme designed is purposeful, fundable and achievable.
- 10.4 The Business case when complete will have a full risk register.

Background papers: Cabinet Report on Packmores Centre – 20th September 2023

Supporting documents: None