

<b>13 December 2017</b>		<b>ITEM: 14</b> (Decision 0110447)
<b>Cabinet</b>		
<b>Aveley Community Hub Business Report and New Build</b>		
<b>Wards and communities affected:</b> Aveley and Uplands	<b>Key Decision:</b> Key	
<b>Report of:</b> Councillor Coxshall, Portfolio Holder for Regeneration		
<b>Accountable Assistant Director:</b> Not applicable		
<b>Accountable Director:</b> Steve Cox, Corporate Director of Environment and Place		
<b>This report is Public</b>		

### **Executive Summary**

Previously, Cabinet considered a report on the Thurrock Library Service. The report outlined that the Council was working closely with Aveley Village Community Forum (AVCF) to progress plans for a new community building which would contain a library within a new community hub. Cabinet approved the approach outlined in the report, including the proposals for the Aveley scheme.

Planning permission was approved 24<sup>th</sup> November 2016. Bennesse (UK) Ltd were appointed to work with the steering group to conduct a further review of the business plan for operation of the new building to check that is viable and that it meets community needs. The business plan demonstrates viability and the next sages will be to review and complete technical design and to procure and appoint a building contractor to commence the construction of the new community centre. The business plan will continue to evolve to take account of changes to design and to ensure viability.

This report updates Cabinet on the project, seeks support for the business plan and requests Cabinet approval to procure a building contractor for the scheme.

#### **1. Recommendation(s)**

- 1.1 Note the work completed to date and to support the development of a new building for the Aveley Community Hub;**
- 1.2 Agree to the Council procuring a building contractor for the scheme and to delegate authority for appointment to the Corporate Director of Place in consultation with the Portfolio Holder for Regeneration, Highways and Transportation subject to budget provision.**

## **2. Introduction and Background**

- 2.1 The Community Hubs programme aims to build and develop strong and sustainable partnerships between the voluntary sector and local communities in order to better meet the needs of local residents. The programme is overseen by the Community Hubs Strategic Board and a tailored approach to the development of hubs in each locality has been taken depending on existing arrangements, local groups and the dynamics of each situation.
- 2.2 In Aveley the development of the hub has been led by the Aveley Village Community Forum (AVCF) who have a long held aspiration to develop an intergenerational centre in Aveley. Approximately £1M of Section 106 (Developer's Contribution) is available to support the development of a new build facility and this, coupled with the aspirations of the AVCF and the conclusions of public consultations in the area combine to form the rationale for the identification of Aveley as the first purpose build hub facility.
- 2.3 The development of proposals has been informed by extensive consultation. The most recent community engagement survey was conducted in December 2015 by ngage. Besides an overwhelming demand for health and GP services the report highlighted demand for a number of services that could be delivered from a community hub:
- (57%) – GP Services
  - (35%) – Health Services.
  - (15%) – New joint adult social care, health and housing team which will work within the community to improve services before people hit severe problems.
  - (15%) – Housing and library services changed to provide a modern approach.
  - (15%) – Benefits advice
  - (8%) – Youth and children activities
  - (5%) – Community activities such as Arts and Crafts, Bingo, lunch clubs all ages, drop in for chats and more computer access
- 2.4 The overwhelming majority (71%) supported the suggestion that the car park and part of the recreation ground should be the location for a new hub building to deliver these services.
- 2.5 With growth in the population of Aveley there is recognition that good public facilities and services are required in the area. A number of public consultations have concluded that there is demand for a multi-functional building to act as a Community Hub and provide a modern flexible and digitally enabled space for community health services, wellbeing, youth services, family social activities and nursery provision. Feedback to date has also demonstrated support for the library to be part of the hub. The

proposals also demonstrate the Council's ambition to strengthen the relationship between the hubs and libraries and to ensure there is coverage across the borough through modern, digitally enabled buildings for the future that support growing communities.

### **3. Issues, Options and Analysis of Options**

- 3.1 Two parallel work streams have been developed to progress the project – development of design proposals and business planning to assess the long term viability of the building operation.

#### **Design of the new building**

- 3.2 The Council (working with AVCF) appointed ECD architects to design a new building and all parties have worked with the professional team to design a functional and sustainable hub building. The building design was developed taking into account the public consultation that had taken place, available capital and the need to generate income to offset maintenance costs and staffing of the new building. Taking into consideration previous public consultations the final design included:

- Hall, Common room and Youth Centre
- Hub Office
- Reception with self-serve library facility
- Ancillary facilities Kitchen, WC's, Plant and Storage
- External works
- Community Café – shared kitchen and terrace
- Nursery

- 3.3 Whilst the consultation outcomes had indicated that health services are required, Aveley residents will be served in future by the Integrated Medical Centre to be built in Purfleet. However the hub building has been designed with flexible spaces to support community health provision for a range of services to be delivered locally.

- 3.4 In November 2016 Thurrock's Planning Committee granted permission to build the new hub building in Aveley. The plans approved by the Planning Committee from Appendix 1 to this report.

- 3.5 Through the design process the cost of the new build was continually assessed and feedback was provided to the project group. The cost of the new building was estimated at approximately £2.2m which is in excess of the available S106 funding secured for the new building. As a result the project group decided to split the building into two phases with the potential to build only phase 1 if the additional funds required for phase 2 were not available.

- 3.6 The facilities for Phase 1 would consist of the hall, youth centre, reception, kitchen and ancillary facilities. Phase 2 would include a community café and potentially a nursery to generate rental income to support the ongoing operation of the building. Phase 2 would be funded from any underspend in Phase 1, external funding and support from the Community Hubs capital programme.
- 3.7 The current plans and planning permission restrict the build to one level. However, enhanced footings will be explored through the tender process should scope to extend higher become feasible.
- 3.8 The Community Hubs Strategic Board have indicated they are able to provide capital funding to fund Phase 2 of the building in order to secure accommodation that will generate an income for the sustainable operation of the hub in the long term. The financial viability of the hub is of critical importance and in order to secure the additional funds from the Hub Strategic Board the business plan has been reviewed and refreshed.
- 3.9 The next stage in the development of the building will be to complete technical design and any changes required by the Business Plan. The Council will then tender for the works contractor and delegate award of the contract to Corporate Director of Place in consultation with the Portfolio Holder for Regeneration, Highways and Transportation for the new build subject to budget provision.

### **Business Plan**

- 3.10 It was recognised early in the design process that the proposed facility should be multi-functional - capable of accommodating different activities alongside each other. AVCF have historically focused on youth provision and community events such as St George's day and Christmas markets. These and their existing programme of activity had informed and driven the development of the Business Plan proposed for the new building.
- 3.11 However the Community Hub will provide a broader range of services and activities than originally envisaged and the group have recognised the importance of being financially sustainable in the long term. Therefore the Council appointed Benesse UK Ltd to support a review and development of the Business Plan for the Aveley Community Hub.
- 3.12 Working with AVCF and Council Officers, Benesse UK Ltd developed a business plan which forms Appendix 2 to this report. The business plan considers options to generate income and recommends adjustments to the building design which could improve the financial prospects and viability of the centre in the long term.
- 3.13 The business plan recognises that whilst the floor plan is comprehensive a number of changes and improvements could be considered to enhance the viability of the hub operation. These include:

- Enhanced provision for those with learning and physical disabilities
- Integrated library
- Consultation booth/room(s) offering confidential areas
- Flexible meeting rooms to accommodate ad hoc bookings, for example, community health provision.

3.14 Benesse UK has made a number of assumptions in the refresh of the business case:

- The financial analysis in the business plan assumes that the recommended changes are made to the building design.
- That the building will cost approximately £2.3m including all professional fees and surveys;
- The new building can be paid for through a mixture of S106 funding and grant support from the Community Hubs Capital Budget;
- That the trustees will be able to raise 13% of revenue funding from fund raising activities;
- That no other grant income will be available ;
- That the Library Service contributes approximately £14,000 each year once the service moves into the Hub building.

3.15 The Business Plan provides a detailed analysis of the first five years of operation with higher level predictions for years 6-20. Revenue will be generated by a broad range of activities including the opportunity to let contracts on commercial terms for catering and nursery facilities which have been market tested with initial positive feedback.

3.16 In the first three years it is not expected that revenue will be sufficient to offset costs. However, thereafter the building is expected to generate a small surplus which offsets the loss in the early years and can also be used to re-invest in the building and the services provided in the longer term.

3.17 Alongside the financial analysis the Business Plan also considered governance and operation of the building. The business plan has identified a lack of commercial and business expertise on AVCF Board and Benesse have offered invaluable advice on strengthening the skills mix. The Board are committed to the scheme and have a long track record of successfully securing external funding for community activity in the area. The Board expect to apply for external funds to support the capital build if opportunities arise which, if successful, could reduce the Council's financial contribution.

#### **4. Reasons for Recommendation**

- 4.1 Approximately 50% of the funding to secure the new building will be drawn from S106 contributions for provision of a new community facility in Aveley. These contributions are time bound and legal advice is that in order to comply with the relevant agreements a building contractor will need to be procured by February 2019 or funding could be at risk.
- 4.2 A new purpose built building in Aveley will enable the Community Hub programme to be rolled out to another part of the borough and will support the modernisation of the library service in Aveley. The building will enable the AVCF to continue to deliver some of the services that have been a focus in the past including provision for young people in a modern facility capable of generating some income to help offset costs.

#### **5. Consultation (including Overview and Scrutiny, if applicable)**

- 5.1 The proposed new Aveley Community Hub building has been designed in consultation with AVCF and steering group and a public consultation was held to inform the development of plans December 2015. Planning permission was granted November 2016. The Planning, Transportation and Regeneration Overview and Scrutiny Committee considered the report November 2017. The committee were keen to see a board range of services delivered in the building including community and public health provision. As the first purpose built Community Hub in the area the proposal received a positive response.

#### **6. Impact on corporate policies, priorities, performance and community impact**

- 6.1 The building supports the Council's Community Hub programme by developing a bespoke facility in Aveley which will provide the facilities required to deliver services and activities to residents. A new purpose built Community Hub will meet the Council's Corporate Priorities:
- Create a great place for learning and opportunity: The intergenerational centre provides accommodation for youth provision and other community activities as envisaged in the community hub programme and in the s106 agreement. The new multi-use hall will allow social activity whilst the library offer will provide self-study;
  - Encourage and promote job creation and economic prosperity: With the inclusion of a nursery and café the project would support an SME and create minimum of 3FTE jobs. This excludes the potential for 3 FTE post within the nursery. The number of jobs created within the nursery would depend upon the age of the children using the facility. The facility may

also enable parents in Aveley to use a local nursery to look after their children and therefore find or remain in work;

- Build pride and respect to create safer communities: a multi-functional building that provides a focus for the local community. The particular focus is on education through library provision;
- Protect and enjoy our clean and green environments: the ethos of this project is to create a sustainable building. The intention is to build a highly energy efficient community centre therefore reducing its ecological footprint and reduce the overall costs of running the building. The building would be built on the site of an existing paved area in the playing fields currently used as car-parking by the local community and therefore the impact on the leisure facility would be minimised.

## **7. Implications**

### **7.1 Financial**

Implications verified by: **Mark Terry**  
**Senior Financial Accountant**

There is approved Section 106 money of £1.061m which has been included in the capital programme. The s106 money will partially fund the build whilst the balance will be from the Community Hub Capital Budget.

As outlined in the business plan, there will be a variety of income generation sources these include nursery, hall hire and library.

### **7.2 Legal**

Implications verified by: **Vivien Williams**  
**Planning and Regeneration Solicitor**

The value of the proposed works is above the £750k threshold and therefore will require Cabinet approval. However the value at £2.2m is below the European Thresholds. The procurement of the capital works will need to be carried out in link with the Council's procurement process.

### 7.3 **Diversity and Equality**

Implications verified by: **Natalie Warren**  
**Community Development and Equalities  
Manager**

The proposed new Aveley Community Hub building is a modern, purpose build facility that reflects the aspirations for the local community. The final design will be subject to a community equality impact assessment.

### 7.4 **Other implications** (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder)

- None.

### 8. **Background papers used in preparing the report** (including their location on the Council's website or identification whether any are exempt or protected by copyright):

- None.

### 9. **Appendices to the report**

- Appendix 1 - Extract of proposed Aveley Community Hub Building
- Appendix 2 - Aveley Community Hub Business Plan

### **Report Author:**

Jacqueline North  
Senior Project Officer  
Regeneration