

Cabinet Meeting		Agenda Item: 8
Meeting Date	7 th October 2015	
Report Title	The Meads Community Centre Asset Transfer	
Cabinet Member	Cllr Mike Whiting, Cabinet Member for Localism, Sport, Culture and Heritage	
SMT Lead	Pete Raine, Director of Regeneration	
Head of Service	Emma Wiggins, Head of Economy and Community Services	
Lead Officer	Charlotte Hudson, Economy and Community Services Manager	
Key Decision	No	
Classification	Open	
Forward Plan	Reference number:	
Recommendations	<ol style="list-style-type: none"> 1. To transfer The Meads Community Centre to The Meads Community Centre Trust on a 125 year lease. 2. To delegate authority to the Head of Economy and Community Services and Head of Property in conjunction with Cabinet Member for Localism, Sport, Culture and Heritage and Cabinet Member for Finance to negotiate the final terms of the lease based upon the Heads of Terms in Appendix I. 	

1 Purpose of Report and Executive Summary

- 1.1 This report provides Cabinet with an update on progress of the Meads Community Centre Trust (MCCT) and recommendation for a community asset transfer of The Meads Community Centre to MCCT.

2 Background

- 2.1 As part of The Meads development in Sittingbourne, provision has been made through S.106 agreements to provide funding and land for a community centre to serve the development; this has been supplemented with further funds raised by the Trust from the KCC Village Hall grant scheme.
- 2.2 A project has been developed to design and build the community centre and the planning application was considered by the planning committee on 29 January 2015, at Cabinet in April 2015 BMR Construction Ltd were appointed as main

contractor and commenced on site in June 2015. The building is due for completion in November 2015.

- 2.3 Upon completion of the build it is proposed to transfer the centre to MCCT under the terms of the Asset Transfer Policy. MCCT was established in April 2011 to work with SBC to develop the design of the Community Centre, ensure resident's views were included within the project and develop as a Trust to manage the Community Centre upon completion. MCCT currently comprises of 5 trustees all who reside at The Meads and recently successfully registered as a Charitable Incorporated Organisation (CIO) with the Charities Commission. MCCT has also produced and adopted a business plan and is in the process of developing all the relevant policies including health and safety, equalities and safeguarding.
- 2.4 MCCT has requested a 125-year leasehold agreement based on the Heads of Terms in Appendix I and from their business plan have requested a grant of £15,000 in year 1 and £7,500 in year 2.
- 2.5 To enable the Trust to develop the centre and increase usage it is proposed that a grant of a maximum of £22,500 to cover the projected shortfall within their business plan is provided to the Trust. As the community centre is a new asset there is no existing base budget and funding has been secured from the Communities Fund.
- 2.6 The Heads of Terms are in-line with the principles of the asset transfer policy, although it should be noted that rent reviews will not be applied to the lease due to the exception of new build assets.

3 Proposals

- 3.1 To transfer The Meads Community Centre to The Meads Community Centre Trust on a 125 year lease.
- 3.2 To delegate authority to the Head of Economy and Community Services and Head of Property in conjunction with Cabinet Member for Localism, Sport, Culture and Heritage and Cabinet Member for Finance to negotiate the final terms of the lease based upon the Heads of Terms in Appendix I.

4 Alternative Options

- 4.1 The Community Centre is managed by SBC, this is not recommended as the officer resource used to manage and run halls has been re-deployed and does not align with the proposals set out in the Asset Transfer Policy.

5 Consultation Undertaken or Proposed

- 5.1 Consultation has taken place with the Asset Transfer Group, including representatives from Legal Services, Property Services and Finance.

5.2 Consultation has taken place with MCCT, who have also conducted community consultation.

6 Implications

Issue	Implications
Corporate Plan	The asset transfer of The Meads Community Centre assists with delivering 'The Community to be Proud of' priority within the Corporate Plan.
Financial, Resource and Property	<p>Grant funding to support the Trust has been secured from the Communities Fund.</p> <p>Officer time will be required from Legal services to draw up the lease and grant agreement based upon decisions within this report.</p> <p>The lease will not be subject to rent reviews as placing a rent on the asset will require VAT to be applied at the construction stage, therefore increasing build costs. As the organisation is a not for profit organisation any surplus will be invested in the centre.</p> <p>As the land and building have been acquired through s106 agreements there are no benefits or liabilities to the Council and therefore no financial implications relating to the community asset transfer. For this reason, and in accordance with the Community Asset Transfer policy, it has been unnecessary to obtain a valuation of the asset.</p>
Legal and Statutory	A lease and grant agreement will need to be prepared for the transfer and this will cover all statutory and legal obligations.
Crime and Disorder	<p>Design of the building has taken into consideration designing out crime and planning committee input also required additional security measures.</p> <p>Good management of the building will reduce the likelihood of damage to the property.</p>
Sustainability	Design of the building has taken into consideration within the constraints of the budget environmental and sustainability issues. Future grants will also be sought by MCCT to enhance the buildings energy efficiency.
Health and Wellbeing	The community centre will offer hireable space for a range of activities a number of which will enhance the health and wellbeing of residents in the borough.
Risk Management	A CDM-Co-ordinator is in place for the project to oversee Health

<p>and Health and Safety</p>	<p>and Safety documentation and the contractor will be responsible for the site until handover of the health and safety manuals to SBC and MCCT.</p> <p>Health and Safety risks will be the responsibility of MCCT going forward and policy will be in place at handover.</p> <p>The main risks to the asset transfer are that MCCT fail, the Trustees have a range of business experience and will also seek to further recruit trustees to assist with managing the centre. The grant agreement will provide an on-going dialogue with MCCT to monitor their progress and allow for mitigations to be put in place.</p>
<p>Equality and Diversity</p>	<p>The Asset Transfer Policy has been subjected to a Community Impact Assessment, no issues were identified. MCCT is developing an equalities policy and design of the building ensures the building is compliant with the Disability and Discrimination Act.</p>

7 Appendices

7.1 The following documents are to be published with this report and form part of the report:

- Appendix I – Draft Heads of Terms

8 Background Papers

None