

WILTSHIRE COUNCIL

CABINET CAPITAL ASSETS COMMITTEE

24th May 2012

Subject: Rudloe Community Centre

Cabinet Members: Councillors John Thomson and Toby Sturgis

Key Decision: No

Executive Summary

Rudloe Community Centre (RCC) is in the Corsham Community Area and is run by the Rudloe Community Association (RCA), a registered charity.

The existing community centre is not fit for purpose and is not serving the community as a hub for community activities. NWDC leased the building to the RCC for an annual rent of £12,000 which is currently waived.

The proposal is to work with GreenSquare to explore ideas and options to find a solution that will enable transfer of the ownership of the centre whilst retaining a facility for the full use of the local community. This could include building some new homes on land adjacent to the community centre and converting the tenure of some of the existing GreenSquare properties in order to cross-subsidise the works required to the community centre. It is intended that, should the proposal be agreed in principle, those options would be reviewed by a working group and brought back to this meeting for Members to consider.

GreenSquare own and manage the majority of the homes in the area surrounding the community centre and are keen to work with the council and the local community to remodel the community centre to ensure it is fit for purpose.

There is a high military personnel presence in the adjacent community, which could benefit from using the community centre which will help integrate the community. A new community centre will complement the Corsham Campus as another hub for community working.

Proposal

The proposal is;

1. To seek approval to work with GreenSquare and the local community to explore options to remodel and to deliver a successful, well used and well resourced community centre

2. To explore options to use council owned land together with GreenSquare assets to generate funding to enable remodelling of the community centre
3. To explore options to transfer the ownership of the community centre
4. To explore opportunities to create wider links in the community e.g. with military personnel and their families.

Reason for Proposal

The existing layout of the community centre is not fit for purpose and it is not being used as a hub for community activities. New designs could create a layout which maximises the space within the centre and provides facilities that benefit different community activities. There is an established community in Rudloe with many local people wanting to see the community centre used to its full potential.

Rudloe is an area where the community would benefit from a well run, fully functioning community centre. Data from the 2001 census shows that Rudloe has a high percentage of vacant dwellings, which may be a result of the high turnover of military personnel within the area and a low percentage of ownership. The military accounts for almost 14% of the housing stock and is likely to be associated with a high turnover of population. The second is that of the total housing stock, Rudloe has a high proportion of social housing.

In 2011 the founding and long standing trustees of RCA stood down and a new group has since been formed. This group is keen to work with the council to find a solution to the current issues.

This proposal could help link Rudloe with the wider community to help create a sustainable community and provide a fully functioning community centre.

James Cawley: Service Director - Strategy & Commissioning

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Key Decision: No

1. To seek approval to work with GreenSquare to explore options to re-develop the RCC in conjunction with GreenSquare's assets and some Wiltshire Council land in the immediate area. A GreenSquare ownership plan is attached see Appendix A.

Background

2. Prior to Wiltshire Council becoming a unitary authority GreenSquare and the district council had been working together to find solutions to the issues with the community centre. GreenSquare, who own and manage the majority of the housing stock in Rudloe, are keen to continue to work with the council and the local community to explore options to remodel and manage the community centre.
3. Currently the centre represents a cost to the council. NWDC leased the building to the RCA for an annual rent of £12,000 which is currently waived. Minor structural repairs are carried out at the council's expense (£3,294 in 09/10).
4. As early as 2006 it was identified that the RCC was not able to function as anticipated. This was considered at the time to be partly due to the design of the building. It was also considered that the community rooms were too small. This contributed to a worsening financial situation for the RCA.
5. A feasibility study was commissioned by Westlea Housing Association and NWDC. This was carried out by Dome Consultants in October 2006 which offered several options to move forward including a 60 page report outlining some key issues about attitudes, the community surrounding the centre, boundaries to the centre activities, income, opportunities and barriers and some conclusions.
6. Four options were considered in the report.

Option 1. Retention by NWDC with changes to internal layout and a bid for external funding.

Option 2. Retention by NWDC with changes to internal layout, no external funding.

Option 3. Disposal to Westlea Housing Association

Option 4. Open Market disposal

7. In the conclusion only options 2 and 3 were considered to provide a sustainable future for the centre. However, none of the options were taken up.

Main Considerations for the Council

8. The proposal seeks to look at options to explore transfer the ownership of the community centre to Greensquare and to look at options to remodel into a functioning centre for the community.
9. The existing RCC is not fit for purpose. Working with GreenSquare to explore options to provide a new community centre will provide a fit for purpose community hub, which could attract local groups to rent the rooms and generate some income in the future to maintain the building.
10. Greensquare's options could include a change of tenure of some of the rented properties in the area to shared ownership or open market housing, which will generate capital to reinvest back into remodelling of the community centre. This will also address the tenure imbalance in the area to create a more mixed tenure community.
11. A new community centre will attract local community members and groups to utilise the centre to its full potential.
12. There are a number of regular groups of the community who will benefit from any proposed upgrades, which may bring additional funding to maintain the community centre.
13. Discussions have been held with the Corsham Campus officers who appreciate the benefits of the interlinking of the centre and the future Corsham Campus proposal.
14. Procurement and Legal advice has been sought regarding potential ownership transfer. The view is that a land transfer is outside of both the Council's procurement rules and the European procurement regime.
15. However the transfer of land by the Council at an undervalue to a commercial organisation is on the face of it contrary to State Aid rules. However, two factors counter this assertion. Firstly, the value of the land and income from the project is likely to be less than the "de minimis" value

above which the state aid rules have force. (The de minimis value is Euro 200,000 in any three year rolling period).

16. Secondly, recent communications from the Commission indicate that projects that are entirely of a social nature and operate within a very restricted geographical area will be considered to fall outside of the state aid prohibitions. The project has a restricted geographical catchment and is entirely social in nature.
17. It can be demonstrated that the land will be used for social housing aimed at local people and so this will not be state aid.
18. Any proposals to transfer council land or assets as part of any plans agreed by the community will be brought back to Capital Assets Committee for consideration and approval.
19. Greensquare own and manage a high proportion of stock in the area and have a strong management presence in the area.

Environmental Impact of the Proposal

20. There are no known environmental impacts as a result of this report which is just seeking approval in principle to explore options to retain and improve the community centre. It is intended that the quality of the community centre will be high using local labour and local materials creating an efficient building.

Equalities Impact of the Proposal

21. The proposal in this report is to approve in principle, the opportunity to work with GreenSquare to explore options to enable the retention and improvement of a community centre in Rudloe to better meet the needs of the local community. Retention and improvement of the centre will enable a range of groups and members of the community to access the facilities.

Risk Assessment

22. Any proposals may not be approved by the council. However, GreenSquare are fully funding the viability work. Therefore if the scheme does not proceed there is no financial loss to the Council.
23. The community may not support changes to the community centre. However the council and GreenSquare will fully engage through thorough consultation events and it is Wiltshire Council's and GreenSquare's understanding that the community do want to see improvements to the community centre. Responses to any initial consultation will be reported back to Members as part of a future options appraisal report.

Financial Implications

24. GreenSquare are fully funding the viability work at no cost to the council.
25. There are no known financial implications at this stage as this paper is seeking approval in principle to work with GreenSquare to develop some options for retaining and improving the community centre. A further paper will be required to approve any proposals for the community centre, once options have been explored, together with the impact of any disposal at less than open market value of either the Community Centre or the Council's surrounding land.

Legal Implications

26. By the Local Government Act 1972 the Council has the ability to dispose of sites in its ownership at less than the best consideration that can reasonably be obtained for those sites. If the disposal is at an undervalue of less than £2,000,000 then the "general consent" may be used to allow the sale. However, if the undervalue is greater than £2,000,000 then an application to allow the sale will have to be made to the appropriate Secretary of State.
27. In this case the undervalue is such that the Council may dispose under the general consent.
28. It has been shown above there are no procurement or state aid issues.

Options Considered

29. There is an option not to proceed with this proposal. However, this will lose the opportunity to provide a remodelled fit for purpose community centre for the Rudloe community. In addition, the costs of managing and maintaining the centre will continue to fall on the council.
30. An alternative option would be to dispose of the council owned site which will generate a capital receipt. However, the community centre will be lost and is considered by the local community to be a vital part of community cohesion.

Conclusions

31. It is recommended that approval is given to working with the local community and GreenSquare to explore options to remodel the existing community centre into a functioning hub for the local community and to work up a financial appraisal to show how this will be funded.
32. A further report will be brought to the Cabinet Capital Assets Committee outlining the outcomes of the further feasibility work and seeking approval to any proposals to transfer ownership of and/or remodel the community centre.

James Cawley
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Background Papers

None

Appendices

Appendix A – land in GreenSquare ownership in Rudloe