

To: Communities Policy Overview and Scrutiny Committee

From: Mike Hill - Cabinet Member for Communities Services
and Amanda Honey - Managing Director, Communities

Date: 5th April 2011

Subject: This report is to update POSC on the progress made to date on the Edenbridge Centre.

Classification: Unrestricted

Summary:

This report looks at the work undertaken on the construction of the Edenbridge Centre.

FOR INFORMATION AND COMMENT

1. Introduction

1.1 Since the closure of Eden Valley Secondary School in 2002 it has been a long term ambition of KCC to make the site available for community use. The requirement for the facility was subsequently entered into the Capital Programme as part of the Medium Term Financial Plan.

1.2.1 As the site is within the Green Belt, it directly affected by restrictive general planning policies. These restrictions have resulted in delays to the scheme. Following planning consent in July 2009, a revised consent was obtained from Sevenoaks District Council (SDC) on the 15th November 2010 for a 1,400m² Community Centre with 40 residential dwellings by way of enabling development.

1.2.2 The project is included in the current budget funded from capital receipts generated from the enabling development. The previous consented scheme had a financial deficit of some £1.6 - £2.3m and despite the current economic conditions impacting on land values, the deficit has now been resolved through optimising build costs and by attracting internal and external investment.

2. Work to date

2.2 Working with internal and external partners has secured approximately £1m (subject to contract), while long term revenue costs of the building will be kept low by renting or leasing out spare capacity. An agreement has also been reached for over 100 square metres of photovoltaic cells which will capture

and store sunlight. This measure will ensure energy costs are minimised to the users and any surplus power is sold back to the national grid.

- 2.3 Having agreed Heads of Terms for the land and the Community Centre, Kent County Council is currently finalising the contract with Orbit Homes for the sale of the land and the building of the community centre which would be undertaken by Hill Partnerships. In going back to planning on the site, considerable value engineering has been achieved which has seen the cost of the building fall from its original estimate of £3m, to its current level of £2.3m.
- 2.4 It is envisaged that a not for profit organisation is likely to manage the site and it is hoped that this will ensure it works in tandem with the neighbouring leisure centre to maximise benefits to the local community. KCC will also benefit from any income generated by the centre as these funds will be used to offset costs, but as the income - which is VAT exempt - is not directly received by KCC, it will not have an impact on KCC's partial exemption limits. There will also be additional costs savings via lower business rates.
- 2.5 The proposed tenure and management framework for the facility can be seen in the appendix.

3. Next steps

- 3.1 Moving forward the indicative timeline is shown in the following table with possible earlier target dates subject to confirmation from partners.

Action	Target date
Sign land contract	Mar 11
Sign build contract	Mar 11
Sign leaseholds with ext partners	Mar 11
Start on site	April 11
Building complete	Spring 12
Building open	Summer 12

4. Finance

- 4.1 Subject to investment from partners being secured and building costs being agreed at £2.3m, the plans now being developed are anticipated to cost approximately £3.3m (this includes: construction, legal costs and fit out of the building).
- 4.2 The contract currently locks the developers into the project, with a long stop date, but allows KCC the flexibility to exit the scheme subject to a lack of investment being secured or revised building costs exceeding expectations.
- 4.3 As part of the planning process Orbit will pay 75% of the planning fees. Should KCC decide to pull out of the scheme at a later date we will be liable for approximately £75k of the planning costs.

5. Learning points

5.1 Project Management

Strong project management requires clear vision and understanding of the deliverables in order to bring forward the final product. The initial promise spoke of delivering “a community facility” and this has provided project managers with a broad remit which has ensured that what is currently proposed will meet the needs and aspirations of both KCC and the local community.

5.2 Risks

Formerly a school, the site is located in the Green Belt and considered to be a flood plain. Expected to meet requirements from numerous statutory consultees, ensuring that numerous requirements were met at the planning stage was key to the successful granting of planning permission. The land, Centre and housing have been subject to numerous conditions and a falling housing market, the risks have been mitigated and removed and the project has moved forward.

5.3 Partnership & communications

Working in partnership with stakeholders has been a fundamental part of ensuring such a complex project could be brought forward. From building strong political support at the Town and District Council level, to developing a good relationship with planners, effective communication has been invaluable in ensuring that the final outcome meets the required needs.

The consultations with community groups internal and external has helped to maximise the number of opportunities to form and shape the final outcome of the building. In addition, it has helped to secure much needed investment income into the facility.

5.4 Timing

The proposed solution recognises that the work and dedication of previous project managers set in place the principals and parameters for the current site. While the timeline for the site is to be acknowledged, the diverse requirements of the stakeholders prior to this made a final solution difficult to achieve.

6. Recommendations

- 6.1 Members of the Policy Overview and Scrutiny Committee are asked to NOTE and COMMENT on progress made to date on the project.

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Appendix - Management framework