

5th June 2024

Report of	Head of Health Partnerships and Wellbeing	Author	Tom Tayler
Title	St Johns and Highwoods Community Centre Investment		
Wards affected	Highwoods		

1. Executive Summary

- 1.1 This report seeks approval for an investment of £200k into St Johns and Highwoods Community Centre to support its provision of community facilities for those in North Colchester.
- 1.2 The investment into St Johns and Highwoods Community Centre is in lieu of the proposed St Marks Community Facility that had been conceptually developed for the site of the old Mill Road Rugby Club. Due to significant increase in materials and construction costs this project was paused and will be considered again as part of the wider Northern Gateway Master Plan. However, an investment into local community facilities is still required.
- 1.3 If approved, the £200,000 investment into the scheme will be added to the Council's Capital Programme for 2024/25.

The scheme will be financed from:

- Available Section 106 Receipts (£18,000); and
- (assumed) External Borrowing (£186,000).

Borrowing £186,000 has an ongoing revenue cost over 20 years. Interest on the borrowing will have to be paid and the Council will also need to set aside a statutory provision from revenue each year to repay the principal element of any loan (known as "Minimum Revenue Provision" or "MRP"). Based on prevailing interest rates as of 19th April 2024, the overall annual revenue cost is estimated to be £17,990 as follows:

Revenue Consequences of Capital Investment (due to Borrowing Requirement)	Estimated Revenue Cost (£'s)
Borrowing Costs – Interest	9,390
Minimum Revenue Provision (MRP)	8,600
Annual Revenue Cost (Total)	17,990

- 1.4 The MRP period and life assumption may be revised on review. Regardless the investment will extend the life and improve the condition and viability of the existing community facility, with works to replace the boiler (to improve heating efficiency and costs) make roof repairs and improvements to the car park or other parts of the centre.
- 1.5 There are no alternative options if this is rejected. St Johns and Highwoods Community Centre will continue to provide provision and facilities for residents and community groups but their longer-term viability could be affected and they would need to seek

alternative investment for any of the proposed upcoming developments / repairs.

2. Recommended Decision

- 2.1 It is recommended that the £200,000, as detailed above, is committed to the St Johns and Highwoods Community Centre to be invested in improving available facilities and that the scheme be added to the Council's Capital Programme for 2024-25.

3. Reason for Recommended Decision

- 3.1 The reason for this recommended decision is to continue to provide investment and opportunity for improvement and development into Community Facilities within North Colchester. This is to ameliorate the impact of the pausing of the potential St Marks/Old Rugby Club site development. This development has now been paused and will be considered again as part of the wider Northern Gateway Master Plan.

4. Alternative Options

- 4.1 There are no alternative options if this is not agreed. The £14,000.00 can still be provided for the Community Centre but the Council is unable to offer any other alternatives for the remaining financial requirements. St Johns and Highwoods Community Centre will need to continue to provide provision and facilities for residents and community groups however they will need to seek alternative investment for any of the proposed upcoming developments / repairs.
- 4.2 There is a current existing draft S106 agreement for Colchester Northern Gateway (CNG) south that has a clause to provide £200k towards a community centre on site. There would be an option to explore this being redirected to St Johns & Highwoods Community Centre via the S106 agreement that follows as part of the reserved matters submissions in due course. This assumes that the existing hybrid planning permission will be implemented. A new scheme with a significant housing element could also seek to provide an enhanced community facility at Highwoods as opposed to onsite as planned. These options are subject to longer term plans and timescales with an estimated release of contributions in 4-5 years. Consequently, this not considered to meet the needs of this project at the current time.

5. Background Information

5.1 This report is to provide an overview with decision recommendation for Cabinet in relation to an investment of £200k to St Johns and Highwoods Community Centre to support its provision and community facilities for those in North Colchester.

5.2 The investment into St Johns and Highwoods Community Centre is in lieu of the proposed St Marks Community Facility that has been conceptually developed for the site of the old Mill Road Rugby Club. Due to enhancements in materials and manufacturing costs this was paused and will be considered again as part of the wider Northern Gateway Master Plan. However, an investment into local community facilities is still desired.

5.3 As part of the £200k investment from Colchester City Council we have been able to offset:

- £14,000.00 - S106 Community Contribution funding that has been aligned from a nearby development (Old Betts Factory site)
- This leaves a balance of £186k to be allocated from the Capital Programme budget in 2024/25 budget.

5.4 The investment will extend the life and improve the condition and viability of the existing community facility, with works to replace the boiler and make roof repairs and improvements to the car park or other parts of the centre.

5.5 Section 106 contributions are normally aligned to additional works, extensions and new projects to increase capacity but is appropriate in this case as the “purpose” includes enhancements to the building that will enable increased usage and that fits with the project and requirement needs put forward from Highwoods CC.

5.6 There are no alternative options if this is rejected. St Johns and Highwoods Community Centre will continue to provide provision and facilities for residents and community groups but their longer-term viability could be affected and they would need to seek alternative investment for any of the proposed upcoming developments / repairs.

6. Equality, Diversity and Human Rights implications

6.1 As this is an investment and not a new policy and / or major change an EIA is not required at this point. St Johns and Highwoods Community Centre may need to devise this themselves before commencement of the project.

7. Strategic Plan References

7.1 This decision directly relates to “Creating Safe, Health, Active Communities” as it will contribute to an enhancement of a facility that residents and community groups can access for various initiatives and programmes. In addition to this some of the proposed works to the facility including upgrading some systems will contribute to “Tackling Climate Change and Leading Sustainability”.

8. Consultation

8.1 Consultation and discussions have taken place with selected ward members, officers and representatives from St Johns and Highwoods Community Centre.

9. Publicity Considerations

9.1 There has been previous press interest linked to the proposed St Marks development that is now unattainable so it would be reasonable to expect there may be some media interest in this as will be linked.

10. Financial implications

10.1 If approved, the £200,000 investment into the scheme will be added to the Council's Capital Programme for 2024/25.

The scheme will be financed from:

- Available Section 106 Receipts (£14,000); and
- (assumed) External Borrowing (£186,000).

Borrowing £186,000 has an ongoing revenue cost over 20 years. Interest on the borrowing will have to be paid and the Council will also need to set aside a statutory provision from revenue each year to repay the principal element of any loan (known as "Minimum Revenue Provision" or "MRP"). Based on prevailing interest rates as of 19th April 2024, the overall annual revenue cost is estimated to be £17,990 as follows:

Revenue Consequences of Capital Investment (due to Borrowing Requirement)	Estimated Revenue Cost (£'s)
Borrowing Costs – Interest	9,390
Minimum Revenue Provision (MRP)	8,600
Annual Revenue Cost (Total)	17,990

10.2 The wider financial implication is that the originally proposed St Marks project will now not be taking place so originally planned investment allocation has been removed from the Medium-Term Financial Forecast and Capital Investment Programme.

11. Health, Wellbeing and Community Safety Implications

11.1 Not Applicable.

12. Health and Safety Implications

12.1 This investment will improve the health and safety measures within the current facility.

13. Risk Management Implications

13.1 Not Applicable.

14. Environmental and Sustainability Implications

14.1 This investment will improve the environmental and sustainability features of the current facility.