

Leicester
City Council

**WARDS AFFECTED
ALL WARDS (CORPORATE ISSUE)**

FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:

Cabinet

10th March, 2003.

**HAMILTON DISTRICT CENTRE
PROVISION OF A COMMUNITY HALL AND LIBRARY**

Report of the Corporate Director of Environment, Regeneration & Development

1. Purpose of the report

- 1.1 To obtain Cabinet approval in principle to the funding and provision of a community hall and library at the Hamilton District Centre.

2. Summary

- 2.1 A number of planning benefits for community facilities have already been secured from housing development sites in Hamilton (Quakesick Valley and North Hamilton), as well as from the development at the District Centre by Tesco. Further contributions will also be obtained from other future developments.
- 2.2 Approval is now sought from Members on the preferred way forward for the proposed community hall and library facility at the District Centre.
- 2.3 A separate report on this evening's Cabinet agenda, from the Corporate Director of Resources, Access and Diversity, details the various property and legal issues involved in the required land agreement for the proposed community hall and library as well as for a doctors' surgery on the same plot of land – see plan attached. This report anticipates the acceptance by Members of the various recommendations made in that report.

3. Recommendations

- (a) That Members agree their preferred option to be the GPI "offer" to provide the community hall and library so that officers can commence detailed negotiations.

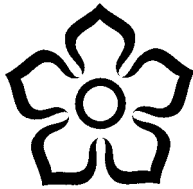
- (b) That the principle of funding revenue costs through a combination of measures, as described in paragraph 1.4.1 of the Supporting Information document, is accepted by Cabinet.
- (c) That the Director of Education and Lifelong Learning, in consultation with the Cabinet Lead for Education, be asked to bring forward to Cabinet during the two year transitional period worked up proposals designed to achieve a self-financing situation at the end of that period.

4. Financial Implications

- 4.1 As the result of contributions from various developers at Hamilton, the City Council secured in excess of £4 million to provide community facilities. A substantial part of this amount will contribute towards site provision for a new primary school as well as for a subsidized bus service between Hamilton and the city centre.
- 4.2 Contributions from developers, towards the provision of community facilities and services, where the need for these is generated by new development, is acceptable under planning legislation. This is to ensure the adequate provision of new community facilities and infrastructure in new developments and that strain on existing facilities is avoided. Contributions can only be sought where they meet the following tests:-
 - Relevant to planning;
 - Directly related to the development being proposed; and
 - Fair and reasonably related in scale and kind to the proposed development.
- 4.3 It is important to note that planning benefit contributions are time limited (e.g. most of the contributions have to be used within 5 years of receipt; failure to do this means that they have to be returned to the developer).

5. Author

Peter Connolly,
Corporate Director of Environment, Regeneration and Development.
Ext. 6500.



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SUPPORTING INFORMATION

2. REPORT

- 1.1 Concerns by local residents about the lack of community facilities at Hamilton have been growing for some time. Two public meetings were held during 2002, and further meetings will be called by the local MP on behalf of the (recently formed) Hamilton Residents Action Group to review the City Council's response to the concerns of residents.
- 1.2 Within the City Council a Working Party of Service Directors has been meeting regularly (chaired by the Corporate Director of Environment, Regeneration and Development) to co-ordinate progress on the delivery of most of the community facilities that were discussed at the public meetings. Appendix 1 gives details of the progress achieved on the provision of other community facilities at Hamilton.
- 1.3 The City Council has secured a range of planning benefit contributions (via Section 106 planning agreements) relating to housing developments at North Hamilton and Quakesick Valley. Further contributions will be sought from East Hamilton and Manor Farm developments.
- 1.4 **Delivery of Community facilities**
 - 1.4.1 **Doctors' Surgery**

The City Council has the option to purchase 1.2 acres of land at Hamilton for community development. This is now proposed to be exercised to locate a proposed doctors' surgery – see separate report on this evening's agenda from the Corporate Director of Resources, Access and Diversity.

The local doctors' practice (Dr. Fraser & Partners) wishes to develop a stand alone health centre, without any involvement with the LIFT (Local Improvement Finance Trust). However, their building will be designed to allow future expansion to incorporate LIFT at a later date, if agreement can be reached between the relevant parties. The main reason why the doctors are following this course of action is that they are in discussion with a specialist health centre developer called GPI, who can provide a building in time for their target opening date of April 2004 (subject to securing the necessary consents, including planning permission).

1.4.2 **Community Hall and Library**

Discussions have taken place between officers from the City Council and GPI about the possibility of them building the community hall and library, while they are building the health centre. This would be on the same area of land obtained through the Council exercising the option described at 1.4.1 above. These discussions have reached the stage where GPI have "offered" to build a community hall and library building of some 600 square metre internal capacity at a fitted out cost of £650,000 (including fees). The building would be built at the same time as the health centre (i.e. it would be completed by April 2004).

The City Council has a total of £747,000 available from developer contributions to provide the community hall and library.

The building "on offer" from GPI would include: completed floors; painted plastered walls; electrics; lighting; a kitchen and associated facilities. It would not come equipped with books, bookshelves, desks or computers. The space required for a library is 250 square metres. Reception, office, storage, kitchen and toilets will require a further 160 square metres – leaving approximately 190 square metres for community use; which, if provided with the flexibility to be sub-divided, would be large enough to accommodate a range of activities. Suggestions made at the recent public meetings with Hamilton residents included: youth club; play group; mother and toddler group; after school club; meeting room; and, function/reception room.

Whilst some of these, or similar activities, might be privately or voluntarily operated and funded, there is an expectation that the Council would be responsible for the overall management of the centre as well as for running a number of specific uses.

It is important that the Centre should be seen both as a long term facility (i.e. serving present and future needs of a completed Hamilton within the next decade), and as a district wide facility, (able to serve existing communities in adjoining neighbourhoods). Excluding schools, the only nearby community facility is Humberstone Library which is approximately ¼ of a mile from the proposed new community hall and library. It is a temporary, portacabin type timber building which is approximately 100 square metres in area and was erected in 1985. There are no other community facilities within ½ a mile of the proposed new community facility.

The balance of the £747,000 (i.e. £97,000) could be used to supply, equip and run the facility (including the library service and community support elements).

In respect of revenue funding it is estimated that an annual sum of between £30,000 and £57,000 would be required to support the library, depending on opening hours (i.e. from 21 hours to 42 hours per week). Those figures exclude the cost of running any associated community facility.

Unfortunately, there is currently no identified provision in the Director of Education and Lifelong Learning's budget to meet that level of funding. Consideration has been given by officers to how the running costs of a community hall and library might be financed through a combination of measures. For example, part of the £97,000 "balance" could be used to provide revenue support for a transitional period (say two years). The estimated cost for opening a library for 42 hours a week is £57,000 p.a. A sum of £32,000 p.a. has been approved in the existing library budget; leaving a shortfall of £25,000. If it were decided to supplement this provision for the two years proposed (i.e. total £50,000) the remaining sum from the "balance" of £97,000 would be £47,000. This could then be used to equip the library. To date, of course, no quotes have been sought pending a resolution to this matter. If the suggestion to use part of the "balance" for revenue funding proved to be acceptable to Members the two year "transitional" period could then be used to:

- (a) establish a revenue funding stream;
- (b) build capacity within the local community to enable it to establish, fund and manage a range of activities. These activities should at least be "break even" in terms of running costs, but ideally would be income generating. The recently appointed Neighbourhood Co-ordinator could have an important part to play in this capacity building;
- (c) explore the potential for introducing commercial ventures into the building (e.g. private nursery and/or crèche);
- (d) develop opportunities for grant funding the provision of particular educational services through initiatives such as Excellence in Cities and Connexions; and
- (e) work up Social Care & Health options for using the centre for various child care/family services.

In summary, a two year transitional period would enable a package of measures to be developed on a corporate cross-service basis, to ensure that the centre was, thereafter, self-financing.

The Director of Education and Lifelong Learning, in consultation with the Cabinet Lead for Education, should be asked to bring to Cabinet during the two years transitional period worked up proposals designed to achieve a self-financing situation by the end of that period.

Of course, if it became necessary to provide financial support over a longer period, there is no reason why, in principle, any Section 106 monies from the further developments in Hamilton (i.e. Manor Farm and East Hamilton) could not be considered for this purpose.

Although the GPI 600 square metre proposal is the provision route preferred by officers, there are three other options which should be identified for Members' consideration.

- (i) The provision (through GPI) of a smaller facility of around 470 square metres, with a similar sized library and support services but with only a modest 60 square metre community room (sufficient to seat up to 25 people). This would allow a limited number of uses, which from a community point of view would be a much less desirable proposition. The main benefits of this option would be in lower running costs and in a reduced capital cost, allowing greater potential revenue subsidy. This option provides more flexibility given the provisional nature of the 600 square metres "offer" and the possibility of adverse changes to this equation as specifications are detailed and agreed.
- (ii) Following the City Council's traditional procurement route to supply the building. At an indicative cost of £1,600 per square metre this would suggest a building of only approximately 310 square metres, allowing a smaller library with minimal service/office space and no community element. Whilst this would provide a facility of higher build specification, the much smaller size would not meet community expectations.
- (iii) Do nothing. There is no imperative on the Council to provide a library/community facility at all if it determines, for example, that revenue funding should not be made available in the light of greater needs elsewhere. The Section 106 monies would, in this case, have to be repaid to the Hamilton Trustees and Tesco. In this scenario the credibility of the Council and the goodwill beginning to be generated with the local community, would be severely compromised. There might also be an adverse effect on the Council's ability to negotiate future Section 106 funding for other development schemes across the city.

As stated earlier the view of officers is that the GPI 600 square metre "offer" is preferable to any of the three options described above and Members are recommended to agree in principle to its adoption at this stage as the preferred means of procurement so that detailed negotiations can be entered into with GPI aimed at delivering an agreed contract.

1.5 **Recommendations**

- (a) That Members agree their preferred option to be the GPI “offer” to provide the community hall and library building so that officers can commence detailed negotiations.
- (b) That the principle of funding revenue costs through a combination of measures, as described in paragraph 1.4.1 of the Supporting Information document, is accepted by Cabinet.
- (c) That the Director of Education and Lifelong Learning, in consultation with the Cabinet Lead for Education, be asked to bring forward to Cabinet during the two year transitional period worked up proposals designed to achieve a self-financing situation by the end of that period.

1.6 **Other Implications**

OTHER IMPLICATIONS	YES/NO	Paragraph References within Supporting Information
Equal Opportunities	YES	} No specific reference but provision of these facilities will impact on most of these aspects.
Policy	YES	
Sustainable and Environmental	YES	
Crime and Disorder	YES	
Human Rights Act	NO	
Elderly/People on Low Income	YES	

1.7 **Consultations**

Relevant officers within:

Education and Lifelong Learning
Cultural Services and Neighbourhood Renewal
Resources, Access and Diversity

1.8 **Report Author**

Peter Connolly,
Corporate Director of Environment, Regeneration and Development.
Ext. 6500.

Appendix

Progress on other Community Facilities at Hamilton

A number of planning benefits for community facilities have already been secured from housing development sites in Hamilton (Quakesick Valley and North Hamilton). Further contributions will also eventually be received from the other development sites, where planning applications are currently being considered (East Hamilton and Manor Farm).

The details and timescale for delivery of the community facilities are set out below

Hamilton Sports Hall

Funding for both a new sports hall and associated changing facilities has now been secured.

Planning permission has also been secured and the contract for the work is about to be let. The target date for completion of this facility is Autumn 2003. This will be available for college use during normal college hours and for community use outside of these times.

Other Community Facilities

A sum of £50,000 from the N. Hamilton s106 agreement has been earmarked to provide a new 'ball court' in the Netherhall area. This is currently being designed and community consultation has been carried out. A planning application is shortly to be submitted and it is anticipated that it will be constructed and available for use by Summer 2003.

The Hamilton Trustees have also offered to re-allocate £80,000 (intended for 2 additional play areas at East Hamilton) towards youth facilities in the wider Hamilton area. An initial idea is to provide a further 'ball court' at Hamilton Park on the site of the existing builder's compound. This is currently being investigated.

Another issue that needs addressing relates to the 3 football pitches that have been laid out in Hamilton Park. These are currently unused because there are no changing facilities. However, there are no further planning contribution monies available at this stage to fund such facilities. Enquiries into other possible sources of funding (i.e. external grant regimes) are being pursued.

Bus Service

A bus service linking North Hamilton to the District Centre (via East Hamilton) and onwards to the City Centre began operation on 2nd September 2002. contributions have been secured to subsidise this service for the first 6 years.

Primary School

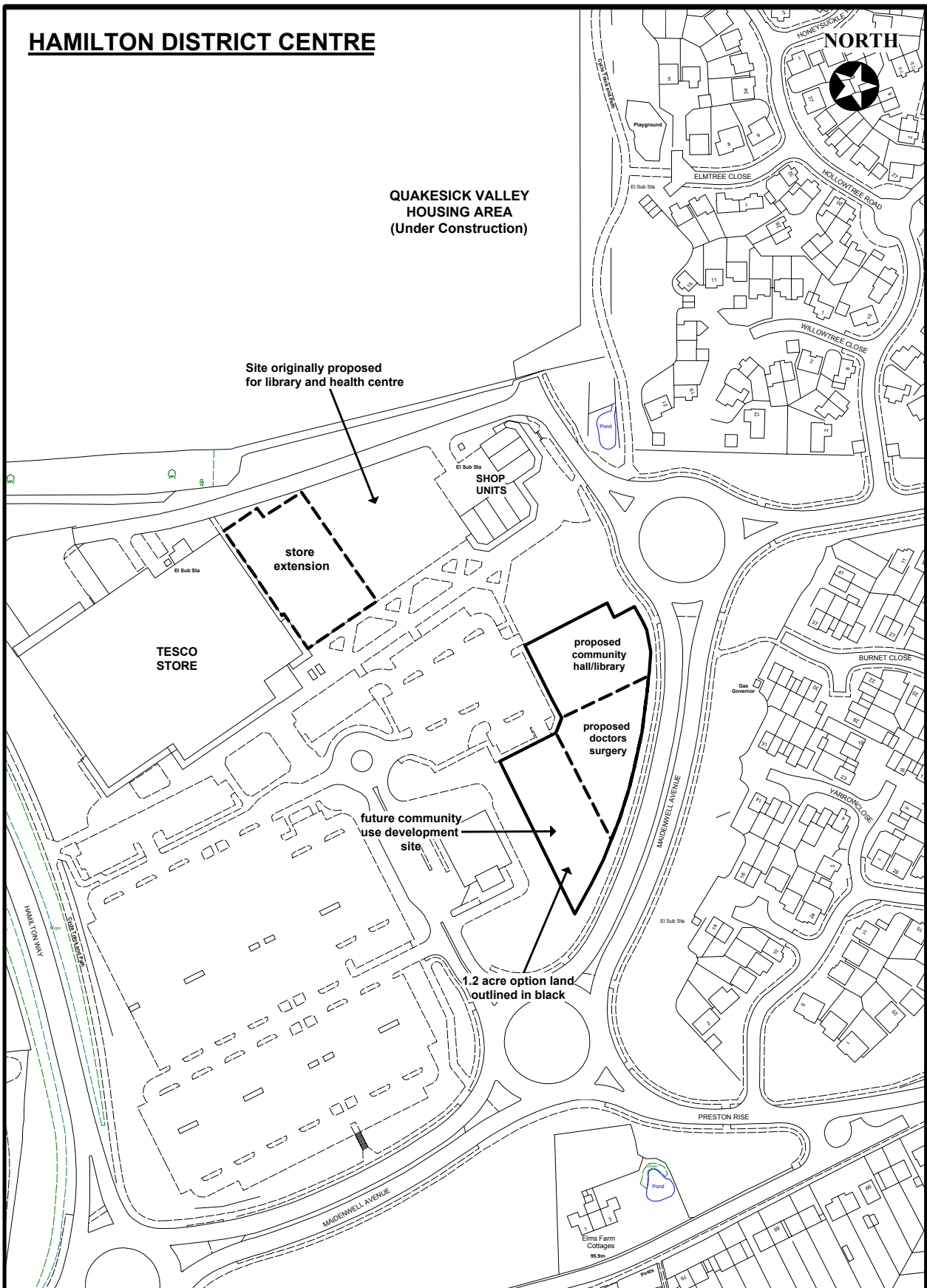
A planning application has been submitted and all necessary consents have been sought by the Diocese of Leicester for a new primary school to be built in North Hamilton.

The target date for opening is the start of the autumn term in September 2004.

HAMILTON DISTRICT CENTRE

QUAKESICK VALLEY HOUSING AREA (Under Construction)

NORTH



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NOT TO SCALE

PETER CONNOLLY, DIRECTOR OF ENVIRONMENT, DEVELOPMENT AND COMMERCIAL SERVICES LEICESTER CITY COUNCIL