



## Assets Regeneration and Growth Committee

**30 November 2015**

<b>Title</b>	<b>Tarling Road Community Hub</b>
<b>Report of</b>	Chief Operating Officer
<b>Wards</b>	East Finchley
<b>Status</b>	Public
<b>Urgent</b>	No
<b>Key</b>	Yes
<b>Enclosures</b>	Appendix A – Tarling Road Community Hub Business Case Appendix B – Mobilise Old Barn Business Case Appendix C – Building Condition Survey Appendix D – Tarling Road Community Hub Programme Appendix E – Design Images Appendix F – GBL Community Profile Appendix G – FEE2 Ward analysis – East Finchley Appendix H – Tarling Road Community Centre Options
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### Summary

This report sets out the Business Case (BC) for the Council’s proposed redevelopment of the “Old Barn” community centre at Tarling Road. It follows the approval to proceed with a single community hub option in May 2015 by Assets and Capital Board to replace the current unsuitable facilities at the Old Barn centre.

Development of community hubs across the borough is a core part of the Council’s Community Asset Strategy (CAS). Hubs present opportunities to ensure that the Council’s community estate is being used in the most effective way by maximising the time during which assets are being used, as well as presenting opportunities for co-location of services in one building to facilitate integration and opportunities for voluntary and community (VCS) organisations to be at the heart of a holistic approach to meeting local needs. Co-location

within an asset could involve VCS organisations co-locating with public services, or developing partnerships other VCS groups and using the hub as a base from which to develop community led approaches to solving local challenges.

The approach set out in the CAS supports the Council's vision that, by 2020, local services will be more joined up, with public sector agencies - such as the Council, NHS, Job Centre, police and health and education advisers - embracing co-location and taking a more integrated approach by pooling resources, sharing staff and assets and developing joint solutions. It also supports the aim of the Council's Community Participation Strategy to develop neighbourhood level approaches that empower communities to have a greater role in designing or delivering services, harnessing the expertise of communities to identify the best solutions to local challenges.

The development of a Community Hub at Tarling Road will also enable the re-provision of the Coppetts Road Centre facilities which was subject to an arson attack in June 2013. This will alleviate pressures on Barnet House where the Somali Bravanese Welfare Association ("SBWA"), a local community group registered with the charity commission and a former Coppetts Road tenant, are currently based.

This BC has been completed in accordance with HM Treasury's Green Book 'five-case' business case principles and therefore includes the following:

- Strategic Case – setting out the context both in terms of the Council's Corporate Plan, Community Asset Strategy, arrangements and the case for change, constraints and investment objectives;
- Economic Case – appraising the options for a community hub at Tarling Road for Barnet, and the preferred option;
- Commercial Case – indicating the commercial implications of the option;
- Financial Case – indicating how the preferred option could be funded; and
- Management Case – outlining the initial plans for delivery to manage the way forward.

The BC outlines the preferred option of a community hub rebuild at Tarling Road to have a cost of £2.65m. This is proposed to comprise of :

- £1.1m capital funding assigned for the re-provision of the facilities of Coppetts Road,
- £0.6m insurance funds resulting from the loss of that facility and
- £0.95m capital funding equivalent to the refurbishment cost of bringing the Old Barn centre back into a usable condition.

Subject to approval the project is planned to be completed by Spring 2017 with construction commencing in summer 2016.

The BC also outlines the preferred approach to managing the facility by granting a head lease to a Management Organisation which will ensure the running of the centre. The head lease will oversee a number of sub-leases and licenses to community groups and organisations who will either deliver community benefit activities or be charged commercial rent so as to enable the Council to use some of the additional income raised to consider providing a subsidy to organisations which are clearly supporting the Council's objectives or assisting with service delivery and would not be able to do so without financial assistance.

## **Recommendations**

- 1. That the Committee approve the proposed Business Case for the Tarling Road Community Hub .**
- 2. That authority for awarding the Tarling Road Community Hub Construction tender and use of identified contingency to be delegated to the Chief Operating Officer in consultation with the Chairman of the Assets Regeneration and Growth Committee.**

### **1. WHY THIS REPORT IS NEEDED**

- 1.1 The Council is facing severe financial pressures and has a duty to ensure that it is realising best value from all its assets, including those that are used for community purposes. A key challenge is to ensure that the social and wider economic value provided by community assets is properly taken into account whilst maximising their contribution to helping the Council balance its books.
- 1.2 The Community Asset Strategy (CAS) outlined the need for a number of purpose built community hubs, and identified three potential opportunities for these, of which Tarling Road was one.
- 1.3 Community Hubs have a number of benefits for the Council:
  - 1.3.1 Residents are more easily able to access a number of different services if these are provided in a single location – which can facilitate a more holistic approach to residents’ needs
  - 1.3.2 Community groups gain opportunities to work together, by networking, cooperating with and supporting one another
  - 1.3.3 Services can be grouped together to meet the needs of a local area and share infrastructure, which enables community groups to operate in a more sustainable way
  - 1.3.4 It also enables the Council to rationalise its estate – using assets more efficiently could allow the disposal of those which are surplus to requirements and reinvestment in the remaining estate to improve the condition of community facilities.

### **2. REASONS FOR RECOMMENDATIONS**

- 2.1 This report recommends that the Assets Growth and Regeneration Committee approve the Business Case for provision of a Community Hub at Tarling Road, to replace the current unusable Old Barn centre, thereby improving the long-term approach to rationalising the Council’s estate and facilitating community benefit in Barnet.
- 2.2 Subject to the endorsement of the recommendations outlined in this report, the Director of Resourcing will seek to award the contract for the construction

of a Tarling Road Community Hub, planned to be completed in spring 2017. The budget allocations for this work have been approved by the Council's Policy and Resources Committee.

### **3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED**

- 3.1 The report outlines a number of alternative approaches to addressing the provision of community facilities at Tarling Road and re-providing those of the Coppetts Road facility.
- 3.2 A refurbishment option for the Old Barn centre with an additional new build annex was explored. This option would offer a way fulfilling the Council's commitment to re-provide the facilities of Coppetts Road and allow for community provision at the Old Barn site. It would also allow for the cessation of the current arrangements with the SBWA and Barnet House, relieving the pressures on that as an accommodation option.
- 3.3 Whilst it would also enable future utilisation of the Tarling Road Community Hub as part of the Community Asset Strategy, the increased operating costs of taking this approach would mean that the local groups providing community activities would be unlikely to be able to support themselves without subsidy. The divided nature of the facilities provided would also offer significant challenges in facilitating community usage of the proposed centre alongside not being in alignment with the wider strategic aims of the council around integration and participation. There are also increased risks centred on the management of the building, as a solution would have to be provided that enabled both elements of the centre to be operated effectively.
- 3.4 This refurbishment and annex option would incur higher capital costs than a new build (£2.95m), with likely increased running costs and a diminished footprint on the green space adjacent to the centre decreasing the centre's revenue opportunities.
- 3.5 Alternatively an option was proposed for the provision of an additional floor for the Old Barn centre with an overall refurbishment of the building. It is envisaged that the former Coppetts Road tenants such as the SBWA could be leased the additional floor.
- 3.6 This would enable an integrated facility that would meet current building regulations with an additional floor provided for the re-provision of SBWA activities. It would also allow for the cessation of the current arrangements with the SBWA and Barnet House, relieving the pressures on that as an accommodation option but there would also be challenges over the management of centre and the issues over integration that this segregated option would present.

- 3.7 A refurbishment with an additional floor would also incur a high capital cost of approximately £3.3m.
- 3.8 Analysing these options against the critical success factors of financial sustainability, community usage and management opportunity and alignment with the Council's strategic aims, alongside qualitative and quantitative appraisals, the BC demonstrates that the preferred option of a rebuilt community hub would offer the greatest public value for money. Although there will be more disruption than other options, due to the construction time involved in a new build, it is the only option that meets all of LBB's strategic objectives.

**Table of economic options for Tarling Road Community Hub**

	Option 2 - New build & Old Barn Refurbishment		Option 3 - Old Barn Refurbishment with build over		Option 4 - New Build	
<b>Indicative cost</b>						
<b>Demolition</b>					✓	£0.1m
<b>Old Barn refurbishment</b>	✓	0.9m	✓	Inc. below		n/a
<b>New Build</b>	✓	£0.6m	✓	£1.6m	✓	£1.6m
<b>External Works</b>	✓	£0.4m	✓	£0.4m		£0.4m
<b>Total cost (inc. Prelims/fees)</b>	930sqm	c. £2.95m	904sqm	c.£3.3m	904sqm	c.£2.65m
<b>Operations cost</b>	Running costs will be higher for option 2 which involves refurbishment of the Old Barn as well as running 2 buildings.					

#### **4. POST DECISION IMPLEMENTATION**

- 4.1 Following the decision, the project will proceed with initiating the tender process for awarding the contract for construction of integrated Community Hub on Tarling Road. The contract will only be awarded subject to approval via planning for the proposed designs.
- 4.2 A period of engagement will follow leading up to lease arrangements being finalised for the centre in 2016 prior to the completion of construction.

#### **5. IMPLICATIONS OF DECISION**

##### **5.1 Corporate Priorities and Performance**

- 5.1.1 The Council's Corporate Plan sets out its vision for delivering its objectives. There are three areas particularly related to the delivery of Community Hubs;
- *Greater community participation, engagement and involvement will be an essential part of the change the Council will need to achieve over the next five years.*
  - *The Council will work with residents to increase self-sufficiency, reduce reliance on statutory services, and make the best possible use of community*

*strengths and knowledge to tailor services to need.*

- *The Council's vision is to develop a new relationship with residents that enable them to be independent and resilient and to take on greater responsibility for their local areas. This is not about the Council shifting its responsibility to residents – it is about recognising that residents want to be more involved in what happens in their local areas.*

5.1.2 To deliver the Corporate Plan requirements for Community Hubs, it is essential the Council delivers opportunities to make more efficient use of its estate by maximising the times during which its assets are being used by community groups. A 'community hub' arrangement would encourage different groups to co-locate within an asset. This could involve a community group using the same facility as a Council or public sector service or could involve a range of groups working together.

5.1.3 Health and Wellbeing Strategy for Barnet states two overarching aims relevant to the project :

5.1.4 Keeping Well – A strong belief in 'prevention is better than cure. Aiming to give every child in Barnet the best possible start to live a healthy life, to create more opportunities to develop healthy and flourishing neighbourhoods and communities and to support people to adopt healthy lifestyles to prevent avoidable disease and illness.

5.1.5 Keeping Independent –Aiming to ensure that when extra support and treatment is needed, this should be delivered in a way which enables people to get back up on their feet as soon as possible supported by health and social care services working together

5.1.6 The BC outlines the needs of the east Finchley ward and wider catchment area for the proposed centre. Although the centre is envisaged to deliver community benefit outcomes in line with a number of local needs, key themes that support Barnet's Health and Wellbeing Strategy are outlined below:

**5.1.6.1 Children and Young People :**

- Language based classes for school children
- After school and additional educational support for young people
- Events & activities for young people
- Additional FEE provision for 2 year olds

**5.1.6.2 Wellbeing & integration:**

- Activities that create circumstances which enable residents to be healthier
- Increase inclusion into local communities, overcome language barriers and develop stronger inter-generational support
- Community cleanup activities

**5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)**

5.2.1 These proposals commit the Council to capital funding, previously identified at Policy and Resources Committee, to address the needs and strategic

direction outlined by way of a Community Hub at Tarling Road with a total project cost of £2.65m

5.2.2 Additional risks has been quantified and included in the report to outline the potential for additional spend.

5.2.3 The BC demonstrates that the centre will be able to deliver a number of community benefit outcomes which are planned to be delivered at no additional ongoing revenue cost to the Council. Should the community benefit offered by the centre not be fully utilised there is an opportunity to draw in revenue from the centre from a commercial or part-commercial yield which could be used to subsidise further community benefit activities in line with the Council's strategic direction of travel.

5.2.4 There is good potential for the investment to unlock further grants and external funding for community organisations and activities delivered from the centre.

### 5.3 **Social Value**

5.3.1 The procurement process will consider social value implications and contain weighting to the affect for the construction of the proposed hub.

5.3.2 As part of the procurement of a management organisation it is envisaged to use representatives of community organisations and charities drawn from the Project Working Group to select a preferred organisation to take on the head lease for the centre

### 5.4 **Legal and Constitutional References**

5.4.1 The Council has power under S122 of The Local Government Act 1972 to appropriate land from one statutory purpose to another where:

- (i) The land is no longer required for the purpose for which it is currently held: and
- (ii) The purpose for which the land is to be appropriated is one for which the authority is empowered to acquire land by agreement.

The land meets the requirements above and is now no longer needed for planning purposes.

5.4.2 In accordance with the Council Constitution, Responsibility for Functions Annex A –The Assets Regeneration and Growth Committee has responsibility for “Asset Management – all matters relating to land and buildings owned, rented or proposed to be acquired or disposed of by the Council.

5.4.3 The Council Constitution, The Management of Asset, Property and Land Rules, Appendix 1, Table A sets out the authorisation thresholds and requires the disposal of an asset to be authorised by the Assets Growth and regeneration committee.

### 5.5 **Risk Management**

5.5.1 The Strategic Risks for LBB to manage and mitigate as it considers the

proposed Community Hub at Tarling Road are:

- Reputational impact of failing to deliver an acceptable solution in line with the CAS criteria
- Objections from the local community about the new Community Building during planning approval process, which may defer planning consent.
- Inability to gain sufficient funding to deliver the preferred option
- Failure to obtain sufficient commitment from community organisations to ensure the proposed Community Hub is sustainable
- Potential cost and time overruns resulting in new accommodation not being available on time and budgetary pressures

5.5.2 Detailed risk analysis, with mitigations is found in Section 7, Management Case of the Tarling Road Community Hub Business Case.

Risk has been quantified and costed against its probability of occurring. The Council will retain this risk element in case these costs occur.

## 5.6 Equalities and Diversity

5.6.1 Pursuant to the Equality Act 2010, the council and all other organisations exercising public functions on its behalf must have due regard to the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act; advance equality of opportunity between those with a protected characteristic and those without; promote good relations between those with a protected characteristic and those without. The relevant protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. It also covers marriage and civil partnership with regard to eliminating discrimination.

5.6.2 We anticipate that the planned new Community Hub will have a positive impact on equalities because it will provide facilities and be designed to reflect the needs of the broad diversity in the community. The options have been evaluated against the principles of Fair treatment as outlined in the Equalities Policy and the Strategic Equalities objective and at this stage there are no equalities and diversity issues relevant to this decision. The equalities impact will be kept under review and updated as the proposals develop.

5.6.3 The proposed works will comply with all relevant legislation including disability requirements.

5.6.4 The proposed works will enhance the Borough's reputation as a good place to live and work.

## 5.7 Consultation and Engagement

5.7.1 Engagement has taken place with local community stakeholders to enable feasibility studies to be produced and preferred options to be identified, further engagement with these stakeholders have continued to 'fine tune' the design up to the planning process. This includes:

- Public engagement event to present previous new build option – Nov. 2014



- Public engagement event to share feedback from local organisations interested in using the Old Barn and to further understand the community's expectations for new build – Feb. 2015
- Two public exhibitions to present the revised building option taking into account residents' feedback at the previous consultation sessions – Jul. 2015
- Public event to showcase some of the potential interested groups' activities alongside with presentation of Stage 3 designs. Q&A session with the Council's Chief Operating Officer, Community Participation Lead and the project team– Oct. 2015
- Workshop with groups interested in running activities at the new community hub - Oct. 2015

## 5.8 **Insight**

5.8.1 Opportunities for a community hub at Tarling Road to meet local needs and achieve Council commissioning priorities have been identified through consultation with Council commissioning leads and delivery units.

5.8.2 This is alongside data from local community mapping provided by community organisations and data from the Council's Insight team.

## 6. **BACKGROUND PAPERS**

6.1 Agenda item - Report from Cabinet - 25 February 2014: Business Planning 2014/15 – 2015/16 - London Borough of Barnet  
 Agenda item - Report from Cabinet - 25 February 2014: Business Planning 2014/15 – 2015/16 – London Borough of Barnet

6.2 Assets Regeneration and Growth Committee 15th December 2014, Re – Provision of Community Hall in Tarling Road N2, previously in Coppetts Road N10

6.3 New Community Centre, Tarling Road Building Options , Assets & Capital Board, 06 May 2015

6.4 Community Asset Strategy, Appendix 2, Assets Regeneration and Growth Committee, 7<sup>th</sup> September 2015