



**South
Cambridgeshire**
District Council

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| Report to: | Council | 24 November 2022 |
| Lead Cabinet Member: | Councillor Bill Handley – Lead Cabinet Member for Communities | |
| Lead Officer: | Anne Ainsworth – Chief Operating Officer | |

Northstowe Interim Community Facilities

Executive Summary

1. The new town of Northstowe will benefit from a range of high-quality community buildings. In the early phases of the town this will include a sports pavilion, community centre and Civic Hub. The Civic Hub will provide public services including healthcare services and a library.
2. As funding to deliver community buildings is provided through an agreed schedule contained in the developer agreements (section 106 funding) interim community facilities were always necessary to ensure residents moving into the town before the permanent facilities were built had access to community space.
3. The Community Wing at Pathfinder Primary School has provided this interim space since 2017, but as planned, this area of the school was required from September 2022 for educational purposes as the number of pupils grow.
4. The Wing helped the community come together for a wide range of meetings and activities. It was used for activities ranging from Child and Family Centre run services, interim library and community café to providing workspace for Town Council, district, county council and health teams. There was also bookable space for a wide variety of community and voluntary led activities, including Food Bank, community larder, Scouts, church groups and services, physical activity classes for both adults and children and organised large scale community gatherings.
5. Due to several factors the delivery of permanent community buildings at Northstowe will be later than envisaged. The Council is now seeking the most effective way to provide further interim facilities at the town to allow thriving community groups and activities to continue to take place and grow.

6. A report was submitted to Full Council in March 2022, which included a number of options with regards to the delivery of Interim Community Facilities. The report recommended that two existing show homes, a marketing suite and adjacent land was purchased by the Council for this purpose.
7. During the Due Diligence process undertaken as part of this purchase, it came to light in early October 2022, that there were covenants placed on the buildings which would create a substantial risk to the delivery of the community facilities.
8. The decision was therefore taken to not proceed with the purchase of the buildings and the subsequent planning application and to re-visit the other options initially considered. This work has been undertaken, with a preferred option outlined within this report.

Recommendation

9. Council agrees:
 - a. To purchase/rent a modular building for the interim community facility and delegate to the Chief Executive Officer negotiation over the final contractual price (estimated cost in Table 1 of the exempt appendix).
 - b. An annual revenue budget for budget years [2023-2026](#) to cover the net costs of running the interim facility (estimated cost in Table 1 of the exempt appendix).
 - c. To place the interim facility on Council owned land at Northstowe (either Parcel 2 or Parcel 6), depending on the advice received through the Planning pre-application process.

Reasons for Recommendation

10. The Council's business plan states: "We will build vibrant communities in locations where people have good access to facilities and transport links, so they can genuinely afford to lead a happy and healthy life." One element of that commitment is the Council delivering the community facilities at Northstowe – sports pavilion, community centre and Civic Hub. Due to delays in the delivery of those facilities the Council wants to ensure adequate space is available at Northstowe for the period until permanent facilities are available.
11. The number of homes occupied now exceeds 1,150. Without sufficient community space at Northstowe, groups will not have access to suitable space to deliver thriving community activities. This will significantly constrain our ability to support the current levels of community activity and severely hamper its growth over the period of three years the interim provision is

anticipated to be required. This will impact residents' ability to integrate into their new community and so will have an impact on their health and wellbeing.

12. Some community space is available at Northstowe Secondary School, which will still be required to support further growth in community activity, providing a larger scale venue (sports hall, studio spaces and main hall/theatre) and will see the delivery of further dual use sports facilities within this period. However, daytime use of the community space at the school is limited which means it is not suitable to deliver all the provision needed to meet the needs of the town prior to the permanent facilities coming forward. Full utilisation of this space was explored as part of the previous report on Interim Community Facility options in March 2022.

Details

13. The Phase 1 section 106 agreement allowed for a wing of Pathfinder Primary School to serve as a temporary community facility, until such time that Cambridgeshire County Council's Education Place Planning Team determined that this part of the school would need to be returned to educational use. This notification was received, with the space required for refurbishment in readiness for the school year commencing September 2022.
14. The Wing was vacated in July 2022 and the activities run from there relocated to temporary accommodation within Northstowe Secondary College and to other spaces within Pathfinder Primary School.
15. This report refers to four buildings/projects which the Council is leading on (in the case of the Civic Hub with key partners from Health and the County Council):
 - a. The Enterprise Zone (EZ) and Local Centre
 - b. The Civic Hub
 - c. The Community Centre (adjacent to the EZ)
 - d. The Sports Pavilion (there is a Pavilion in Phase 1 and a Pavilion in Phase 2).
16. Work on the phase 1 sports pavilion at Northstowe has begun. The Council has also purchased the phase 1 Enterprise Zone and Local Centre land. Local engagement activity has been carried out to help develop the plans for this part of the town, which will also include the Phase 1 community centre. Further engagement activity will be carried out as these plans progress.
17. The Council currently expects to seek to award a 'design and build' tender for construction of the Civic Hub in 2023, with a likely completion date in 2025-26 (to include both planning and construction). The contract will include seeking input from the community prior to applying for planning permission.
18. The Community Centre is linked to the work to develop the Enterprise Zone at the town. The Council would like to develop the Community Centre as early as possible in the development of the Enterprise Zone and Local Centre, but

further work is continuing on the delivery timescales for this building. It is intended that like the Civic Hub, the Council will seek to award a 'design and build' tender for construction in 2023.

19. The sports pavilion is due to be delivered in Summer 2023. This building will only be able to provide a partial solution to the provision of community facilities given the full range of community activity that was accommodated in the Community Wing. Martial arts and activity classes are natural candidates for transfer to this location, but the pavilion is designed to allow the flourishing of sports clubs using the associated Multi-Use Games Area, Artificial Turf Pitch, bowling green and grass pitches, which will then become the regular user of this space; this could be hampered if the building is housing wider groups.

20. Given the status of the current permanent community buildings it is envisaged that an interim facility will be required for around 3 years. This facility is not being proposed to replace any of the existing planned permanent facilities.

Temporary facility options

21. In March 2022, Council agreed to the purchase of two existing show homes, a marketing suite and adjacent land to provide interim community space.

22. During the Due Diligence process undertaken as part of this purchase, it came to light in early October 2022 that there were covenants placed on the buildings which would create a substantial risk to the delivery of the interim community facilities, both in the implementation stage and throughout the intended lifespan of the facilities.

23. The decision was therefore taken to halt the purchase of the buildings and the subsequent planning application and to re-visit the other options initially considered, alongside exploring whether any other opportunities had arisen since that decision was taken.

24. As part of this review, Council Officers have spoken with the newly formed Northstowe Delivery Group, which includes members of the Town Council and County Council, as well as the District Council. A brief outline of the progress and options was also provided at the Northstowe Community Forum which took place on November 9th 2022.

25. The Communities Team have sought input and advice from the various intended service users, which include both statutory and local community services and groups. This work has been key in outlining what space we need to provide and how it will be best configured (for example, there will need to be some private space made available, as well as larger communal spaces). This input has been crucial in helping to clarify which options would work best for the local community, and therefore inform the recommendation in this report.

26. It is also important to note that we have been asked to work at speed by the local Community. Whilst there were some concerns expressed about the previous

option, feedback suggests that residents are very keen to have something that meets their needs as soon as possible, while the permanent community building is being developed. We are therefore seeking to move as quickly as possible to deliver an interim solution. To assist with this, we have explored the various procurement routes we have available to us and a Planning Performance Agreement (PPA) has been agreed and submitted to the Local Planning Authority, which will provide advice and feedback to Officers and will help facilitate the delivery of this interim facility.

27. The options considered to provide Interim Community facilities included:

28. **Secondary College:** The Secondary College is located adjacent to the town centre in Phase 2 of the town. The Council's Communities Team has explored the feasibility of relocating current community activity to areas that may be available at the college. There is an area on the ground floor that Cambridge Meridian Academies Trust (CMAT) will be developing for a café, for which the community will have priority use. CMAT is supportive of the need for good community space at the town and has been willing to be flexible to achieve this objective. The college also has space that will be developed into a large-scale community gym. In the main the dual use spaces will be needed for educational purposes during the daytime (in line with the community access agreement) meaning that all community activity could not be relocated there. Larger meetings already take place at the secondary school and even with an additional facility this is expected to continue until the Civic Hub or community centre is completed. It is important to note that the Secondary College is also located around 24 minutes' walk from the Local Centre of phase 1 of Northstowe. Access by foot is also not ideal due to the walking and cycling routes to the school passing parcels of land which are still under construction.

29. **Residential property:** Officers have assessed the possibility of purchasing a large property that is located close to the main routes through the town. Homes at the new town have sold quickly off plan. Options near the main access route through the town are limited and these would not be available in the suitable timeframe. These homes are also close to the secondary college. This is some distance from the current centre of the population. Initial investigations through planning have also advised that this would require obtaining planning permission for a temporary community facility (use as a dwelling house would not have been established) and the level of car parking in the travel plan is likely to be the barrier to successfully obtaining permission for a temporary community facility at such a location. Based on available properties, this option would involve an initial investment in the region of £450,000 to purchase the property, plus on costs. Adaptations such as a disabled access toilet and emergency lighting would be required to transform the property for community use and a conversion budget would be required. At the end of the temporary community use the Council could carry out works to restore the property to a traditional residential layout and an application for a subsequent change of use to a dwelling would be required. The Council could then assess whether to sell the asset.

30. **Temporary modular buildings:** The Council owns the Employment Zone and local centre land, providing a practical and rapid delivery solution for siting a temporary building. To facilitate costings, Officers have worked with planners to identify a preferred option for locating the temporary building on this land, although this remains subject to further discussions. The land will be subject to a ground investigation survey before the submission of the planning application. The survey report is due by 9 December 2022.
31. This preferred location option identified by officers has the benefit of being in line with the location identified in the existing outline planning consent for Phase 1 (REF: S/0388/12/OL) and will allow the Council to make use of existing accesses, minimising the cost risks of having to install new ones to achieve planning consent. It is also close to where the permanent community facility will be built. Consideration has been given to ensure that the erection and use of any temporary building will not interfere with the development of the permanent facilities or the Local Centre.
32. To obtain precise costings of this option an exact location is required on that site and the Council is exploring three options; one involving the hire of the building; one involving a purchase; and a third which would be to hire initially with the option of purchase in the future if deemed beneficial. An expression of interest has been issued which keeps these options open in order that we can determine best value at a later stage in the process when figures can be presented with greater accuracy.
33. **Community activity away from Northstowe:** The Council could choose not to provide any additional interim facilities. The Secondary College could accommodate some activities, albeit with limitations, and the Council could support arranging for activities to take place in locations away from the town. This option would not help build a sense of community at the town, would increase travel, which is likely to rely on the private car, and facilities in other nearby locations are already well used with limited additional capacity.
34. **Marketing suite and show home complex:** The Council had previously elected to pursue the purchase of the Taylor Wimpey show home and marketing suite which occupies a corner site on parcel H3, overlooking the corner of the Phase 1 Local Centre and Enterprise Zone. However, during the conveyancing process the wider implications of covenants restricting use to residential were fully explored. Whilst Taylor Wimpey and L&Q would not exercise the covenant, detailed legal advice indicated that community use of these premises could be subject to legal challenge by other beneficiaries of the same covenant, posing a threat at any point during the operational life of the facility and potentially beyond. For this reason, the Council withdrew from the sale and refocused on delivering an interim community facility by alternative means.

Recommended option:

35. It is recommended that the Council, through an established procurement route, enter into contract with a supplier to deliver a modular building on land owned by the Council at Northstowe.
36. Subject to council approval and planning the aim is to have the facility in place in Spring 2023.

Options

37. The recommended option is to pursue the modular building.
38. Alternative options are set out in paragraphs [28-34](#) of this report.
39. Council could instruct officers to do further work to explore further alternative options.
40. Council could reject all options and not provide any interim community facilities.

Implications

41. In the writing of this report, taking into account financial, legal, staffing, risk, equality and diversity, climate change, and any other key issues, the following implications have been considered:

Financial

42. The procurement of a modular building on Council owned land is recommended to support the delivery of high-quality community facilities at Northstowe. This is not an investment strategy proposal as the main aim is not to deliver a financial return to the Council.
43. There is no budget allocation for this project, following the decision not to proceed with the option previously agreed by Council in March 2022. The Capital Programme and Revenue budget (and MTFs) can be updated to reflect the preferred route (hire/purchase) once a decision has been made.
44. The Section 151 Officer has reviewed the proposals. He has assessed that the recommended option is most likely to be funded from usable capital receipts, particularly in the event of the purchase of a modular building. If the building is hired, it will require ongoing revenue funding for the lease. Both options require ongoing revenue costs for the operation of the building.
45. We have submitted a bid under the Shared Prosperity Fund for the Interim Community facilities (further details are included in the Exempt section of this report).

46. It is proposed that advice be sought in relation to the VAT implications of the purchase of the modular buildings and the effect on the Council of the lettings being treated as exempt income for VAT purposes.

Legal

47. The Localism Act 2011 introduced the general power of competence and empowered local authorities to do anything as long as it is not specifically prohibited (either under that Act or other legislation).

48. Legal and other professional costs will be incurred in relation to the purchase or hire of a modular building and if the transaction does not conclude, these will be abortive and charged to the established revenue feasibility budget.

Staffing

49. If the recommended option is selected, the most appropriate facilities management structure will be agreed.

Risks/Opportunities

50. All investments and/or developments involve a degree of risk. The aim of this investment is to deliver the highest quality interim facilities at Northstowe.

51. A key risk is that officers are still in the early phases of bringing forward the modular option, and therefore full costs are not available. Costs are also subject to change, as there are significant fluctuations in the market due to the macro-economic situation and the Council have not yet entered into a procurement process. Due to the pressing need to deliver the facility for the community and the timing of Council meetings, this risk has been mitigated by allowing a contingency sum for both hire and purchase of a building.

52. The recommended option allows the Council to procure a suitable modular building for community use, on land already owned by the Council. This reduces the risk as we do not require any separate purchases or agreements with other land-holders.

53. The Council will need to apply for planning permission for the modular building. If unsuccessful, this will delay the delivery of any interim facilities and will mean that another option needs to be explored.

Consultation responses

54. Local members and the representatives on the Northstowe Delivery Group have been updated on the options. A high-level overview of the preferred option was discussed at the Northstowe Community Forum in November 2022.

Alignment with Council Priority Areas

Housing that is truly affordable for everyone to live in

55. The Council's business plan states: "We will build vibrant communities in locations where people have good access to facilities and transport links, so they can genuinely afford to lead a happy and healthy life. The business plan also commits to delivering a new sports pavilion, community centre and civic hub (containing health, library, and community facilities) at Northstowe.

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Background Papers

Northstowe acquisition to deliver interim community facilities; Council; 23 March 2022