

## Business Case for Redeveloping Wynhill Town Pavilion Community Facilities

### Background

Bingham Town Council (BTC) own the land and town pavilion at Wynhill with a proportion of the land and the clubhouse leased to the Bingham Rugby Union Football Club on a full maintenance and repair arrangement. The current lease was signed in 2000 for 30 years.

BRUFC has been located at Wynhill Playing Fields for over 30 years in a town pavilion that was bought 2<sup>nd</sup> hand and transported to site. It is a panelled wooden structure in an increasingly poor state of repair with tired facilities. Nevertheless, the town pavilion is a popular community facility as a meeting place for local interest groups and for hire to individuals to host parties and events.

### Issues and demand at the Wynhill Facility

Whilst the town pavilion is in demand as a community facility, the internal layout of the communal rooms now limits the town pavilion's functionality. BRUFC has turned down regular bookings from organisations and groups so there is known untapped demand.

BRUFC has seen an uplift in its membership through the launch of little ruggers, mini and touch rugby. However, the town pavilion facilities are not conducive to multiple team formats in terms of age and gender.

Rushcliffe Borough Council's Playing Pitch Strategy Review finds the town pavilion and playing fields in need of improvement<sup>1</sup>.

### Community space issues and demand at Bingham

Bingham is an expanding market town that services as a local hub to nearby villages and hamlets and it is set to see its population grow by circa 24% in the next decade<sup>2</sup> due to the housing development north of the town.

One of the 12 highest priority actions identified in the Executive Summary of the Bingham Community Led Plan<sup>3</sup>, published in May 2016 is that there should be provision of a community centre, or similar facility, for the use of the community as a whole. The Executive Summary of the Bingham Community Led Plan identifies the need to maintain and improve the range and standard of sporting facilities.

The Brilliant Bingham – a 10 year vision<sup>4</sup> commissioned by Rushcliffe Borough Council pinpoints that there is a need to improve existing community facilities as they serve as meeting spots for Bingham's many clubs and societies.

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<https://www.rushcliffe.gov.uk/media/1rushcliffe/media/documents/pdf/leisureandculture/leisuresportgeneral/Rushcliffe%20Playing%20Pitch%20Strategy%20-%20Review%20and%20Action%20Plan%20Update%202019.pdf>

<sup>2</sup> Rushcliffe Borough Council Future High Street Funding information

<sup>3</sup> <https://www.binghamplan.co.uk/wp-content/uploads/2019/07/BCLP-Final-Report.pdf>

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[https://www.rushcliffe.gov.uk/media/1rushcliffe/media/documents/pdf/businessandlicensing/business/27%20Sept%2018%20-%201049-URB-RP-U-Bingham%20Final%20Report\\_Public%20Doc-min.pdf](https://www.rushcliffe.gov.uk/media/1rushcliffe/media/documents/pdf/businessandlicensing/business/27%20Sept%2018%20-%201049-URB-RP-U-Bingham%20Final%20Report_Public%20Doc-min.pdf)

## Route to the PWLB Application for Wynhill Town Pavilion Community Facilities

The redevelopment cost of Wynhill's town pavilion community facilities is estimated at £600,000. BRUFC made an approach to BTC to gauge their appetite in support of the redeveloping the facilities and whether they would be prepared to back an application for £400,000 to Rushcliffe Borough Council to access section 106 monies, totalling £1.2m, earmarked for the furtherance of community facilities. This request was due to be considered by Full Council in September 2019. However, at the same time Rushcliffe Borough Council approached BTC with a proposal to build a community hall as part of its plans for a new leisure centre. The cost of the new community hall, £1.2m. There were now potentially competing community schemes for the same money.

On 24 September 2019, BTC held an extra-ordinary Council meeting along with 38 members of the public, who heard presentations from BRUFC and RBC. Members of the public actively participated during an extended public session. In the end BTC supported both proposals:

“To agree to support up to £400,000 from the section 106 monies for the Town Pavilion community facilities and to commit to providing up to £1,200,000 for the Chapel Lane community facilities<sup>5</sup> funded by Community Chest<sup>6</sup> and a Public Works Loan Board”

Later in the year the circumstances changes as the £1.2m section 106 monies were instead fully committed to Rushcliffe Borough Council's Community Hall. Leaving BTC needing a clear resolution that the PWLB loan for £400,000 would be for the Town Pavilion instead.

## BTC Case for a PWLB Loan

### Executive Summary

A PWLB loan would enable BTC to invest in its own asset which should increase in value beyond BTC's total cost of investment<sup>7</sup> due in part because of other grants and/or financial contributors. The benefits of BTC's financial contribution will be compared against the updated financial value of the improved Town Pavilion.

BTC does not have the resource capacity in-house to manage such a project but it has a willing lead partner in BRUFC who has a vision of an enhanced community facilities, modular in design, which will allow for maximum room flexibility combined with enhanced sporting facilities which will remedy known unmet demand<sup>8</sup>. Planning consent was granted in March 2020 with a targeted completion of 2021, in BRUFC's 50<sup>th</sup> anniversary year.

### Business Options

- Do nothing – Not an option as BTC has committed to doing something
- Do the minimum – A successful loan application is probably the minimum option, provided the risks are within tolerances acceptable to BTC
- Do something = At this moment doing something equates to doing the minimum, as nothing more is being asked of BTC by BRUFC

<sup>5</sup> Chapel Lane community facilities = RBC community hall

<sup>6</sup> Community Chest = Bingham's term for section 106 monies

<sup>7</sup> £400,000 + the cost of the loan

<sup>8</sup> BRUFC Redevelopment Proposal to BTC includes an unmet demand section

### *Reasons*

BTC does not have sufficient reserves to fund a grant of this magnitude to BRUFC. Therefore, for the first time BTC is seeking a loan from PWLB.

### *Identify the benefits:*

- Asset will increase more than the total cost of investment
- It will address 1 of the 12 highest priority actions from the 2016 Community Led Plan for improved community space provision
- It will deliver an aspect of Brilliant Bingham's – 10 year vision, by delivering an improved community facility to serve as a meeting spot for Bingham's many clubs and societies.
- It will satisfy RBC's Playing Pitch Strategy Review which identified the clubhouse and WPF as in need of improvement

### *Select objective measures that reliably prove the benefits:*

- Re-valuation of the asset<sup>9</sup>
- BRUFC room bookings and revenue will increase
- RBC review of the facilities will satisfy their concerns

### *Collect the baseline measures*

- BTC will receive the results of its public engagement consultation seeking support
- BTC to quantify BRUFC's current usage and revenue

### *Consequences*

- The upgraded facilities cause a reduction in usage at other Bingham community spaces or sports clubs
- BRUFC's anticipated usage and revenue uplift is reduced by RBC's new community space

### *Timescale*

- BRUFC is pressing ahead whilst recognising that timescales have slipped due to the Covid-19 pandemic with a revised completion date of July 2021.

### *Costs*

- The cost of the redevelopment has been estimated at £600,000. BTC has been asked to contribute £400,000, discussions with the Rugby Football Union and Sports England and other local grant providers are underway.

### *Investment Appraisal*

- To be calculated on the net benefits: increase in the value of the asset – BTC's Total Cost of Investment

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<sup>9</sup> Increased value needs to be reflected in the insurance schedules

## Major Risks

The following risks have been identified but no treatment or risk tolerances have been set:

- That other funding sources do not come to fruition and BTC is left with a decision whether to increase its funding or withdraw
- Via the public consultation process, the public do not support the increase in their precept to fund this project
- Review BTC's reserves to assess whether additional provision needs to be made
- The build costs increase, and additional funding is required
- The timing of the PWLB application to ensure it is in sync with the build and payment stages
- The relationship between BRUFC and BTC sours

## Recommendation

Subject to positive support from the public consultation process, that BTC resolve to proceed with the PWLB loan application whilst continuing to work with BRUFC to put in place all of the necessary financial, legal and operational arrangements to ensure that the project is aided by robust governance.