

Oliver's Battery Community Centre

Draft Business Plan

Management Summary

This Business Plan has been prepared by Oliver's Battery Community Centre Ltd. (OBCC), **an incorporated charity formed for the specific purpose of creating and operating a new community centre within the civil parish of Oliver's Battery**. We plan to manage and maintain this centre for the benefit of all residents of Oliver's Battery and adjacent areas.

The charity shall promote the use of this centre for social, educational and leisure activities which contribute to the health, well being and enjoyment of residents in the area of benefit. The benefit of the centre shall be available to all these residents without distinction of age, gender, race, religious persuasion, political opinion, sexual orientation or membership of any other lawful organisation. The charity shall not be affiliated to any commercial interest, political party or religious organisation but may affiliate to a national federation of community associations or similar body.

Our proposal is to lease the site of the current St Mark's Church, to demolish that building and to build a new multi-purpose community centre in two phases. The precise timing of these phases will depend on the availability of finance but the intention is to commence development in 2021, with at least Phase One being completed then.

The current St Mark's Church is a dual purpose building erected in 1956, which acts as both a church and a hall, and is part of the village centre of Oliver's Battery, adjacent to the Oliver's Battery open space (a Scheduled Ancient Monument) and to local shops and other facilities. It has provided the primary venue for community groups over a period of 60 years. **A major reason for our project is that this building is approaching its end of life, with increasingly expensive repairs in recent years, and is inadequate for the needs of the present day community.**

The planned community centre will enable the continuation of existing user groups, the return of user groups which have outgrown the current building and moved to other venues, and foster the formation of new user groups. Our surveys conducted in 2013, 2014 and the Oliver's Battery Parish Plan survey of 2015 have all indicated a desire for additional community activities, for which there is currently no adequate accommodation. The demographics of this community also indicate a heightened need to address the problems of an ageing population, including isolation, chronic ill health, and limited mobility.

Our design concept was published in 2014 and provides for a two storey building which includes the provision of a large hall seating 120 people, a smaller meeting room seating 40 people, plus office, kitchen, toilets, storage, and other services including stairs and a lift. Phase One will include the creation of a single storey building with the main hall and associated services. Phase Two will include the creation of a second storey with a meeting room together with stairs, a lift and additional services. Informal consultation with planning officers of Winchester City Council have indicated that these uses fall within the existing designation of the site for community use, and that the design concept is consistent with other planning guidance.

OBCC has agreed with St Luke's Parochial Church Council, the owners of the current St Mark's building, to lease the site for a period of 125 years at a peppercorn rent in return for the free usage of parts of the new building for the continuation of church services on Sundays, Thursday mornings, and five other specified dates each year.

This business plan gives further detail on the needs for and benefits of the proposal, detailed costings and analysis of the proposed capital funding, financial comparisons of operating costs and revenues with nine other similar centres in the Winchester District, and detailed assessment of the project risks with associated mitigation plans.

Table of Contents

Organisation and Objectives	5
Vision Statement	5
Management Structure	5
Project Background	7
Community Profile	7
Project History	8
Formation of Oliver's Battery Community Centre Ltd.	8
Detailed Community Needs and Attitudes	9
Area of Benefit	10
User group Requirements	10
Consultation Exercises	10
Parish Plan Survey	11
Our Response to the Needs	12
Design Concept	12
Floor Plans	13
Capital Costs and Funding	14
Costs	14
Funding	14
Operational Costs and Financial Viability	17
Running Costs	17
Operating Revenue	17
Appendices	20
Comparison with other Community Centres	20
Findings of the 2013 Survey	21
Site Evaluation	22
Development Alternatives	24
Parking	24
Design Specification	25
Construction Plan	27
Relationship with St Luke's Parochial Church Council	28
Assessment of Project Risks	29

Organisation and Objectives

Vision Statement

Oliver's Battery Community Centre Ltd. is a charity incorporated as a Company Limited by Guarantee number 9882906 and Charity number xxxxxxx. The Articles of Association (often referred to as the constitution) define its objectives as:

The aims of this charity shall be to establish a new Community Centre building in the civil parish of Oliver's Battery, Winchester and to manage and maintain this centre for the benefit of all residents of Oliver's Battery and adjacent areas (referred to as the "area of benefit").

The charity shall promote the use of this centre for social, educational and leisure activities which contribute to the health, well being and enjoyment of residents in the area of benefit. The benefit of the centre shall be available to all these residents without distinction of age, gender, race, religious persuasion, political opinion, sexual orientation or membership of any other lawful organisation.

The charity shall not be affiliated to any commercial interest, political party or religious organisation but may affiliate to a national federation of community associations or similar body.

The proposed building is replacement for the existing St Mark's church and hall, which has served as a dual purpose building supporting a range of communal activities over the past 60 years. This is now nearing the end of its life and no longer meets the needs of the current community of approximately 1,500 residents, which is significantly larger than it was at the time of building in 1956.

Our vision is to sustain and enhance existing community activities, to enable the return of user groups which have outgrown the current building and moved to other venues, and foster the formation of new user groups, within a modern, efficient, and flexible building which can support multiple types of activities and provide long term sustainability.

Management Structure

The Articles of Association provide for a minimum of five and a maximum of nine directors, to act as trustees of the charity. Membership of the charity is open to all residents in the area of benefit, subject to payment of a membership fee. Directors must also be members and are elected at each Annual General Meeting of the charity. Any member may nominate another member to stand for election as a director and, in addition, Oliver's Battery Parish Council and St Luke's Parochial Church Council have the power to nominate a person to stand for election.

The business of the charity is conducted through meetings of the directors and a larger Management Committee, currently held monthly. This will be supported by activities of three further committees, namely:

- Building Committee

This is responsible for the building design and costing, obtaining planning permission, and for overseeing the section of building contractors and the management of the building project.

- Fundraising Committee

This is responsible for organising fundraising events and the coordination of

volunteers who participate in those events.

- Publicity Committee

This is responsible for maintaining mailing lists, the production of regular e-mail bulletins, the structure and content of the charity's web site, and for the production of periodic newsletters to be distributed throughout the community.

In addition to these activities, the Management Committee is responsible for identifying grant giving bodies and for major grant applications.

Project Background

Community Profile

Oliver's Battery parish forms part of the Winchester settlement area but has its own distinct identity, resulting from its geographical situation on a prominent hill top southwest of the city centre, from a long standing sense of local community, and also partly from its present separation from other parts of the city by the A3090, Badger Farm Road, which is one of the most heavily used routes in the Winchester area. Although the name derives from a legend that Oliver Cromwell stationed his battery of guns here during the English Civil War or 1645, the central feature of the parish is a Romano-British earthwork, designated as a Scheduled Ancient Monument, situated at the highest point of the hill and now used as a village green.

Settlement in Oliver's Battery dates from the early years of the Twentieth Century and particularly from the period following the First World War when returning soldiers were awarded "an acre and horse" in return for their war service. An army veterinary camp established for the war was divided into approximately 30 small holdings, with many occupants living in re-purposed army huts. Subsequent division of these holdings was accompanied by an increasing population and, in the late 1960s, a major period of development which created the essential structure of the current village housing approximately 1,500 people. Smaller development has continued since then with a number of plots being further subdivided and some smaller dwellings being replaced. Policies relating to development are documented in the Oliver's Battery Village Design Statement 2008.

Over the past 60 years, Oliver's Battery has always enjoyed a very lively and active community as evidenced by numerous social and community groups, attendance at community events such as Fetes and the Annual Parish Meeting, and the findings of periodic surveys including the 2015 Parish Plan survey.

One of the earliest features of Oliver's Battery was a wooden building immediately adjacent to the Ancient Monument, which was erected in 1927 and used as combined church and church hall. This building was requisitioned for military use during the Second World War and returned to the community afterwards. However, it had reached the end of its life and was replaced in 1956 by a concrete and timber prefabricated building at a cost of approximately £4,000, the gift of a generous benefactor. This building has a maximum capacity of 80 and is still in use. Its 60th anniversary will be celebrated in 2016.

Following the major expansion of the village in the 1960s, a widely expressed desire for larger community facilities was satisfied by the construction of the Badger Farm Community Centre in 1982. This opened to residents of Oliver's Battery as well as those of the relatively small parish of Badger Farm which, at the time, had around 300 residents. With successive phases of the Badger Farm development reaching completion during the 1990's, that community now has a population of approximately 2,000. As a consequence, Badger Farm Community Centre is now very fully utilised with limited capacity for additional user groups.

Whilst Oliver's Battery would not rank high on any national index of deprivation, it is now experiencing relative deprivation when compared with similar local communities as a result of the age and state of its only community building. This has exceeded its design lifetime and is approaching the end of its usable life, with mounting repair costs and inadequate facilities. Two user groups have relocated to other venues in the recent past, citing lack of space and inadequate heating as their reasons.

We are especially aware of the demographic character of Oliver's Battery, where approximately 50% of residents are over the age of 65, 25% are over 75, and 10% are over 85. Whilst we celebrate this longevity, we also recognise that it is associated with a range of problems which are more acute locally than in the Winchester District as a whole.

Project History

In 2006, the community celebrated the 50th anniversaries of both the formation of Oliver's Battery civil parish, and the building of St Mark's church, with a Summer Fete and an open air church service held on the Ancient Monument open space, plus a flower festival, a barn dance, a beating of the parish bounds, and many other events, demonstrating a strong and active community.

Following that event, Oliver's Battery Parish Council identified the need for improved long term planning for the needs of the community and this found expression in the creation of a Village Design Statement in 2008 and the completion of a multi-use games area (MUGA), catering for needs of children and young people, in 2013.

Initial discussions with Revd. Mike Gardner, Vicar of St Luke's, in 2006 explored the opportunity for a replacement building on the St Mark's site and outline ideas of how this might be accomplished. However, it was not until 2012 that members of St Luke's Parochial Church Council invited a group of local residents, including representatives of several user groups and members of the Parish Council, to consider the matter in detail and assess its feasibility. These residents formed the St Mark's Feasibility Study Group and met regularly during 2012 and 2013. The group undertook the following activities:

- A study of requirements, taking evidence from a number of existing user groups
- Identification of the target area of benefit
- A detailed survey of attitudes to the project within this area and identification of local desire for additional community activities
- A study of ten community centres in comparable local communities within the Winchester District, including their layout and facilities, user groups, financial arrangements, and staffing.

The group produced an Interim Report at the Annual Parish Meeting in May 2013 and a Final Report in September 2013, which was presented to both St Luke's PCC and Oliver's Battery Parish Council.

This analysis of local requirements indicated the need for a facility with a larger meeting hall, plus a separate meeting room and additional services, and concluded that the desired objective could be achieved by constructing a new building at a cost of around £500,000. This would be operated using the model adopted by Littleton Millennium Memorial Hall where a dedicated charity manages the centre, deriving a substantial proportion of its income from from lettings to non-local groups while offering subsidised lettings to local groups. The Study Group also recommended the formation of a Project Group to take this proposal forward.

A Project Group was formed and held its first meeting in January 2014, attended by 28 residents and with expressions of interest from a further 12 residents. A subgroup was tasked with creating a detailed building specification and a corresponding design concept. This was completed and shown at a village fete in June 2014 and later documented in a detailed leaflet which was circulated to all households in Autumn 2014. Comments were invited and approximately 200 households responded with 96% indicating support for the proposed design concept.

Formation of Oliver's Battery Community Centre Ltd.

The Project group was also tasked with exploring how a charity could be created, drafting an appropriate constitution, and taking the legal steps necessary to complete this process. Following a study of information from the Charity Commission and consultation with the trustees of two other

local community centres, experienced charity directors and legal representatives, it decided to form a Company Limited by Guarantee.

Seed funding of £1,000 to support legal costs was raised by local subscription by March 2015. Draft Articles of Association were completed in September 2015. After review by legal representatives, an application to Companies House was made and the certificate of incorporation issued in November 2015. Members of the Project Group became the initial directors of the charity and, together with others, its Management Committee

The Management Committee has issued a leaflet announcing the formation of the charity, which was distributed to all households in January 2016. This leaflet also solicited donations and offers of support. Over £5,000 has been raised subsequently. Applications for registration with both the Charity Commission and HMRC are currently underway, which will enable us to claim Gift Aid tax relief on donations when complete.

Detailed Community Needs and Attitudes

All local authorities are currently undergoing radical changes. In a recent statement on the challenges associated with its transformation, the Chief Executive of Hampshire County Council has pointed to the need to build resilient communities:

“Further transformation of public services will involve a change in expectations, with residents and communities encouraged to do more to help each other. It will be important to develop a clear, consistent, shared narrative to reflect this and to consider further how best to support the voluntary sector to promote individual and community resilience and capacity.”

The overall demographics, health and social needs of residents in the Winchester District are revealed by the Winchester City Council **Strategic Needs Assessment 2015**. This demonstrates success on a number of measures compared with the UK as a whole, but highlights some areas of concern including the impact of lifestyle-related health issues for the 20 to 65 years age group and increasing years of unhealthy life expectancy for the over 65 age group, averaging 13 years for males and 19 years for females. These years are often associated with problems of loneliness following the death of a partner, isolation due to restricted travel options or limited mobility, and other issues including dementia.

Oliver’s Battery differs from the Winchester District as a whole in having a much greater proportion of residents, approximately 50%, in the over 65 age group. It therefore has much greater exposure to the problems of age and a heightened need for activities and facilities which will enable this group to live independently for as long as possible.

We investigated local needs by:

- defining the area of benefit for users of a future facility
- listing user group requirements
- studying other comparable community centres within the Winchester area
- surveying local residents to assess their attitudes and desires for a new facility

Area of Benefit

The number of dwellings in the civil parish of Oliver's Battery is approximately 700 [from Winchester District Council tax records], whilst the number of residents is approximately 1,500 including

children of school age. In addition, there is approximately one hundred dwellings in the area of Oliver's Battery Road North. Some residents of this area are known to attend church services at St Mark's and use the local shops, so this area will generate additional usage. The planned development of 200 new dwellings at Pitt Manor is accompanied by a Park & Ride facility but will not have any infrastructure of shops or community facilities. Current and future residents of that area may, therefore, depend on Oliver's Battery or Badger Farm as the nearest source of these facilities. The potential catchment area could, therefore, be as large as 1,000 dwellings or around 2,200 residents.

Development to the south of Oliver's Battery has been resisted over many decades and is not permitted by the current Winchester District Local Development Scheme. We have therefore not considered it but recognise that, over the life of the proposed building, some future expansion of facilities may be required if this situation changes.

User Group Requirements

Major user groups of St Mark's, including the Church and the Parish Council, were represented in our feasibility study. Two of these, the W.I. and The Battery Club, reported that participation in their meetings was constrained by the current size of the hall and that membership could grow if more space and an improved kitchen were available.

Collectively, members of this group felt that the following facilities would be needed:

- larger hall, seating more than 100
- separate meeting room
- dedicated worship area with secure storage
- well equipped kitchen
- adequate storage, including safe
- small office
- toilet facilities, including those for babies and disabled persons
- reception area, possibly including coffee bar/wine bar
- adequate parking

It was agreed that items on this list needed more definition and the list also needed to be validated to see whether these were reasonable and feasible expectations for this community. This was achieved by visiting nine other community centres in the Winchester District and obtaining detailed data on the facilities and finances. This data is summarised in an appendix.

Consultation Exercises

We have consulted extensively with local residents on a number of occasions:

- Survey of needs and attitudes across 800 households - March 2013
- Interim presentation to Oliver's Battery Annual Parish Meeting - May 2013
- Presentation to Oliver's Battery Annual Parish Meeting - May 2014
- Exhibition of proposed design concept at OB Parish Fete - June 2014
- Leaflet describing design concept distributed to 800 households - July 2014

We conducted a detailed survey of attitudes in 2013. This contained 15 questions and was distributed in paper form to 800 households in March 2013, with a shortened electronic form being made available concurrently. A total of 196 individual responses was received, from all parts of the catch-

ment area, giving an overall response rate of approximately 25%. This is higher than obtained from the most recent survey conducted by Oliver's Battery Parish Council in 2009, and is considered representative of opinion in the community as a whole. The findings of the survey were reviewed during the Oliver's Battery Annual Parish Meeting on 14th May, providing an opportunity for further consultation with those present.

Analysis showed that 64% of survey responses were received from residents aged over 65, with a further 31% of responses from those aged 45 – 64. This is similar to the overall age distribution within the civil parish established by previous surveys, although the opinions of young people are under-represented in the survey results. 42% of respondents had lived in the parish for over 25 years, while 41% of respondents had lived here for less than 15 years, and 17% for between 15 to 25 years. This appears to confirm that Oliver's Battery has many long established residents, but also a high proportion who move here in mid-life and later life. These findings strongly suggest that the greatest needs will be those expressed by retired residents but it will also be essential to consider the needs of younger residents and those in the extended catchment area, who will become the future users of the centre.

Parish Plan Survey

During 2015, a local group including Oliver's Battery Parish Councillors developed a Parish Plan survey questionnaire and conducted this survey in January 2016. Initial findings published in June 2016 suggest a communal desire for additional meeting facilities, but do not yet provide the level of detail required to accurately define local needs.

Our Response to the Needs

Design Concept

We believe Oliver's Battery deserves a high quality contemporary building which complements this important historic site, as well as reflecting the spirit of the community and responding creatively to the requirements described above. We will achieve this by creating a building which maximises flexibility and is capable of supporting a wide range of activities. Therefore, we envisage a two storey building which makes the best use of this unique but small site.

The ground floor would include a large hall seating 120 people in theatre style, together with a modern kitchen, toilets, office and storage, plus a lift and stairs giving access to the upper floor. The first floor would provide a meeting room seating 40 people theatre style, with additional toilets and storage, plus an area which can be opened for use during church services.

The overall design would be highly sustainable, using high quality insulation, low energy lighting and renewable energy sources, plus a glassed stairwell and roof lights to provide light into the building. Glass doors on the north side would provide access to the Oliver's Battery Ancient Monu-



ment open space during community events, and there would be four additional parking spaces. The emphasis is on flexible operation for a wide range of purposes, with capacity similar to that at Littleton Millennium Memorial Hall.

Floor Plans

The floor plans show the detailed layout of these facilities and we include sketches of an exterior design concept which is intended to create the feeling of a modern community centre fit for the 21st Century. It would become the primary public building in Oliver's Battery, and complement its superb location next to the Oliver's Battery open space by providing access to it and views over i



The floor plan and external sketch have been prepared by local professional architects. However, further work will be required to produce the detailed final design and associated documents in a form which can be submitted for planning approval.

We consider that the main features of the design concept are appropriate and meet the requirements defined by the Study Group, which have never been challenged. We are not committed to any particular external appearance of the building but it's important to bear in mind that both the floor plan and the proposed profile are subject to many constraints imposed by the site, building regulations, fire regulations, transport requirements and probable planning conditions. We recognise that the high level of specification required by current building regulations (expected to be Code 5) is reflected in a relatively high cost of building, but it should lead to significantly lower operating costs. This is likely to be advantageous, since low operating costs would create less pressure on revenue generation and allow more freedom in setting prices.

The design concept includes provision of four additional parking spaces, providing one additional space for each ten additional users of the main hall, which corresponds to the ratio used by the local Highway Authority. Initial pre-application discussions with Lewis Oliver, the responsible Planning Officer at Winchester City Council, have indicated that the site is acceptable in planning terms and the proposed design concept is likely to satisfy planning requirements.

Capital Costs and Funding

Costs

The current projected capital cost of the building, using the proposed design concept, is estimated at £555,000 based on a floor area of 370 square metres and a current building cost for this type of building of £1,500/square metre. Additional costs would be incurred for professional fees, and for fitting out and furnishing the building. When these elements are included, the Project Group estimates the total project cost would be in the region £600,000.

Recent contact with a professionally qualified quantity surveyor who is familiar with community projects has enabled us to obtain building cost estimate information produced by the BCIS (Building Cost Information Service) run by the RICS (Royal Institute of Chartered Surveyors). This suggests an average cost of £1,220/square metre for community buildings up to 500 square metres using traditional brick/block construction. Our proposed design concept has significant areas of glazing and includes a lift, which could raise the cost to around £1,400/square metre based on BCIS cost estimates. Additional costs including demolition and external works would raise the estimate closer to the figure of £1,500 we have assumed.

We also commissioned an independent detailed cost assessment of our design concept from a professional building estimator with recent experience of community projects. This yielded a total estimated cost of £566,444 including external works and demolition. We therefore believe that our cost estimates are realistic and soundly based.

We recognise that cost inflation will occur and current RICS building indices suggest that this is likely to be in the range of 4-5% over the next few years, or approximately 15% over three years. Inflation is expected to stay low for the foreseeable future due to the current economic situation but will still add to costs, and this should motivate all concerned to proceed with the project as rapidly as possible.

Funding

We recognise that funding this project will be challenging and require an active programme of fund raising. However, we believe this is justified by the strong local support we have demonstrated, and we are encouraged by the statement of “Support in Principle” issued by Oliver’s Battery Parish Council. The active support and participation of the Parish Council will be the key to unlocking grant funding.

We propose a funding model composed of grants and charitable donations in roughly equal proportions, with grants being sought from various local councils and other funding bodies. The total of grants required is approximately £300,000. The total of donations required is also £300,000 but these will attract 25% Gift Aid tax relief, reducing the sum required to £240,000. These donations will be raised via membership subscriptions (as a form of planned giving) and local fund raising activities and events.

Funding Source	Contribution	Before Gift Aid	Funds to Date	Date Required
Membership subs	£150,000	£120,000	£6,000	2021
Local Fundraising	£150,000	£120,000	£500	2021
Grants	£150,000	N/A	£0	2020
Oliver’s Battery PC	£150,000	N/A	£0	2020

Funding Source	Contribution	Before Gift Aid	Funds to Date	Date Required
TOTAL	£600,000	£240,000	£6,500	

Donations

A membership scheme is already in operation offering life, annual, and monthly subscription rates. Members will be encouraged to participate in the activities and management of the Oliver's Battery Community Centre charity and will be enabled to vote at Annual General Meetings. Further benefits will be conferred at a future date, and will include a discount on hiring fees when the planned building is in operation.

Fundraising

We are developing a programme of fund raising events which is likely to include:

- Quiz nights
- Choir concert
- Photography exhibition
- Merchandise, e.g. calendar

[More details will be added when available.]

Grants

We will also actively seek grant support from various potential funding bodies. An initial search has identified the following possible sources of funds:

Source	Requested	Obtained
Winchester City Council	£5,000	
Hampshire County Council	£25,000	
Veolia Environmental Trust	£50,000	
Awards for All	£10,000	
Winchester Round Table	£2,000	
Tbd		
Tbd		
TOTAL	£87,000	

Olivers Battery Parish Council

In addition to this, we are requesting Oliver's Battery Parish Council to provide a grant of £150,000 as an investment in the future of our community, and to reflect the value of the proposed facility to

future generations of residents. Since the proposed building can be expected to have a lifetime of at least 50 years, there will be a very long period of benefit as repayment for this investment which compares well with other past Parish Council investments, such as those in street lighting and recreation facilities.

It likely that Olivers Battery Parish Council would have to use its borrowing powers to fund this grant. However, recent experience with borrowing suggests that a loan could be financed and, if amortised over a ten year period, would require repayments in the range of £10,000 to £15,000 per year, which is reasonable in the context of the current annual precept of £26,000. Even fully financed via a loan, the required level of Band D Council Tax would only increase from its current level of £33.34 to around £50 per household. This may be compared with the corresponding level of Band D Council Tax in Winchester City wards, which is £61.32, in the context of a total annual Band D Council Tax bill of £1433.10 for Winchester residents.

Operational Costs and Financial Viability

Assessing financial viability was a major area of research for the Study Group, which led it to study comparable community centres in the Winchester area and some in neighbouring districts. We collected detailed information on income and expenditure, sources of finance, major user groups, and letting charges for the year 2013. We also interviewed trustees and staff at a number of centres. A summary of their financial data is given in the appendix.

This research showed that:

- There is no community centre in the Winchester area which is in financial difficulty. Most finance their operation solely from letting income, although a few supplement this with additional fundraising.
- Most centres report that they are fully booked and some experience excess demand which is turned away. Badger Farm Community Centre reported excess demand for its facilities and offered to collaborate on diverting some bookings to Olivers Battery.
- Average external hire charges are approximately £26 for a large hall and £14 for a small meeting room. Most centres offer subsidised rates to local groups in order to provide a benefit to their own community. In some cases, the ratio of external to subsidised rates is very large.
- The actual income of the centres studied ranged between £13,500 and £83,000 per year (excluding St Mark's).

In other centres, this style of operation generates sufficient income to cover running costs, enables part time staff to be employed, and creates a surplus which can be used for periodic maintenance and refurbishment of the building and equipment. The majority of centres are charities which operate for the benefit of their community, rather than commercial operations which seek to maximise utilisation and profit.

Running Costs

It is important that the underlying running costs, including energy, cleaning and maintenance, are reasonably low [we need to put a figure on this], and we believe that our design concept is capable of achieving this.

[More needed here]

Operating Revenue

We observed a broad correlation between size of community, the size of centre supporting each community, and the income generated by that centre. This seems to hold for all the modern centres. However, older centres, such as Kingsworthy Jubilee Hall, built in 1935, and Shawford Village Hall, built in 1895, have lower letting charges commensurate with the facilities offered.

On the basis of this correlation a modern centre in a community the size of Oliver's Battery could be expected to generate an annual pro rata income of around £40,000 from lettings, which corresponds to an income of £800 per week assuming operation for 50 weeks/year. In practice, many halls operate for only 48 weeks/year to allow time for inspections and refurbishment, and achieve a utilisation of 25% - 30% during their operating months. Taking into account subsidised charges for local users, net revenue/week is in the range £700 - £850 per week for similar communities.

The data for the proposed building, using conservative assumptions, is presented in the following table with comparison data for two similar local centres:

Community Served — >	755/860 (OB/Catchment)	831 (Shawford&Compton)	1520 (Littleton)
Planned/Actual revenue (weeks x days x rev/day)	£35,000	£31,000	£40,000
Max. Capacity	160	195	196
No. of Rooms	2	3	2
Local/external charge/hour (main hall)	£20 / £25	£14.50 / £43.30	£20 / £24
Max. room hours/day	28	42	28
Planned/actual room hours/day	7	10	8
Planned/actual utilisa- tion	25%	24%	29%
Estimated average room rental/hour (all rooms)	£15	£10.75	£15
Planned revenue/day (hours x average rental)	£105	£108.50	£120
Planned days available/week	7	6	7
Planned weeks avail- able/year	48	48	48

It is likely that the planned revenue would only be achieved when a critical mass of user groups have returned to, or been attracted to, the new building. During this start up period, it will be important to operate the proposed building with voluntary staff to minimise operating costs and ensure the operation is viable with a lower level of income. When critical mass has been achieved, it is our intention to operate the building with part time paid staff as is the case with other local centres.

This approach should also enable us to achieve a good understanding of underlying costs, regulatory requirements, and how the building works, which could be used to identify and quantify the requirement for staff to be hired later.

Appendices

Comparison with other Community Centres

Members of the feasibility study group agreed to visit nine other community centres in the Winchester area to review their facilities and learn about their financing and operation. The community centres visited were:

- Badger Farm
- Colden Common
- Hiltingbury
- Hursley
- Kingsworthy Jubilee Hall
- Littleton
- Otterbourne
- Shawford
- Sparsholt
- Twyford

Data including the number of rooms, size of rooms, seating capacity, letting charges, overall centre income, and size of the community served, were recorded in a spreadsheet and analysed. All these centres were heavily booked and supported a wide range of user groups. Analysis showed a moderate correlation between the size and facilities of each centre and the size of the community served. This suggests that these centres do, in fact, serve their local communities and draw a major proportion of users from their own community.

Centre	Community Served	Annual Income	Max. capacity	No. of Rooms	£ Charge/hour (main hall)
Badger Farm	984	£80,443	300	3	30
Colden Common	1588	£83,109	240	3	19.45
Hursley	422	£20,000	120	2	20
Kingsworthy Jubilee Hall *	1827	£13,500	112	2	33.50 (external) 12.00 (local)
Littleton **	1520	£40,000	196	2	24
Otterbourne	695	£68,000	330	3	20
Shawford & Compton	831	£31,000	195	3	43.30 (external) 14.50 (local)
Sparsholt	304	£20,000	140	1	n/a
Twyford	723	n/a	160	2	19
Olivers Battery (St Marks)	755	£6,000	80	1	9.50

* Note that Kingsworthy has two other halls: Tubbs Hall and St Mary's Church Rooms.

** Note that Littleton has one other hall: Littleton Church rooms

However, all centres reported that income generated from lettings to groups outside their community formed an important part of their overall income and, in some cases, was essential to their viability. There seems to be excess demand for such facilities in the Winchester area, suggesting that a new facility in Oliver's Battery could also attract external bookings. Analysis indicated that a centre serving a community of the current size of Oliver's Battery could expect to generate an income of

£35,000 - £40,000 per annum. This scale of income could support the employment of permanent staff and a different style of operation from that currently seen at St Mark's.

Littleton Millennium Memorial Hall, see <http://www.littletonvillagehall.hampshire.org.uk/>, is well known as one of the most successful community centres in the Winchester area, which has been well documented and has provided a model for a number of other centres. We contacted Clive Thompsett, first chairman of the Littleton & Harestock Millennium Memorial Hall Trust, to obtain more details of its funding and operation. Its operation uses a differential pricing model, based on obtaining one third of hours let to groups outside its community whilst generating two thirds of income from these lets. This subsidises hire to local groups, which constitute two thirds of lettings. This model has operated for over a decade, as confirmed by the current treasurer and permits employment of permanent staff and retention of surplus funds for maintenance and contingencies. Other centres follow a similar model, although the level of discount to local groups varies from centre to centre.

Staff and volunteers at several centres stressed the importance of having adequate parking for non-local user groups, and suggested that this was important to achieve the external lettings which they depended on. They also suggested that provision of extensive storage was another important factor, since many user groups demand their own privately controlled storage space.

Findings of the 2013 Survey

73% of respondents indicated that they visited St Mark's at least once a year, indicating a high level of interest from the established community of users, while 27% visited less than once a year. Overall, church services and parish council meetings were the most popular activities but attendance at other user groups was also well represented. 5% of respondents indicated they had attended private events, which could be a potential area for future growth.

44% of respondents attended events at Badger Farm Community Centre, and 27% events at Littleton Millennium Hall, at least once a year. This suggests that residents will make use of attractive, modern, well-run community facilities which are relatively local, and the level of bookings at those centres appears to confirm this. It also suggests a desire for the type of facilities found at these centres. By contrast, facilities at St Mark's were rated poor or very poor by 49% of respondents, while only 37% rated them good or average.

Our analysis showed the **most desired improvements** were:

- better heating (67%)
- well equipped kitchen (63%)
- modern toilet facilities (62%)

There was also a substantial desire for **expanded facilities** including:

- larger hall, to seat 100 people (54%)
- separate meeting room (46%)
- dedicated worship area (37%)
- reception area (35%)
- additional parking (33%)

These findings appear to be broadly consistent with the requirements expressed by user groups, as above, and 90% of respondents indicated they would use a centre which had these facilities.

The **most popular activities** which respondents requested were:

- musical events (44%)

- theatrical events (43%)
- special interest groups (43%)
- discussion groups (42%)
- fitness groups (40%)

All of which suggest a strong desire for entertainment, social interaction, and the maintenance of healthy lives. These were accompanied by a continuing desire for **existing and new activities** which support active lifestyles:

- church services and groups (34%)
- older persons group (26%)
- womens' group (24%)
- dance groups (20%)
- indoor sporting groups (20%)
- lifestyle groups (13%)

24% of respondents indicated that they would be willing to be involved in organising these activities.

Overall, the survey results and the experience of existing user groups suggests that the primary areas of need exist within the older residents of Oliver's Battery and are expressed as the need to maintain active, healthy, mentally alert, and socially engaged lifestyles. These can be expected to have great benefits to both individuals and the wider community in terms of fostering independent living, and reducing isolation and dependence on public support services.

There is a smaller but growing number of families and younger people in Oliver's Battery, and this can be expected to grow as the population changes. The needs of young people are relatively well catered for at present, with recent provision of a MUGA and an enhanced play area at Oliver's Battery Recreation Ground. However, the needs of the 20 to 65 years age group deserve further study.

We consulted on our design concept in 2014 via an exhibition and a descriptive leaflet which invited comment and expressions of support. A total of 203 unique replies was received in response to the two consultations, of which 4 were opposed to the project and 4 were undecided. The remaining 195 were positive, indicating that 96% of those responding, equivalent to over 25% of the households in Oliver's Battery civil parish, support the project in principle. In addition, our WCC District Councillors, our County Councillor, the Mayor of Winchester, and the MP for Winchester also gave their support.

Site Evaluation

[Include map of Oliver's Battery]

During the work of the Study Group and subsequently, a number of residents asked whether the St Mark's site was, in fact, the best choice of site for a new building given that it is a relatively small site with few options for expansion. Noting that Oliver's Battery is fully developed within the current Winchester settlement boundary, the Management Committee identified two other possible sites for a future community centre:

- Oliver's Battery Recreation Ground

This is an area of approximately 2.5 hectares on the southern edge of the developed area of the parish, containing a football field, multi-use games area and children's play equipment. It in-

cludes a car park used by visitors to the recreation ground, and by dog walkers and other visitors to the local countryside area.

- Oliver's Battery County Primary School

This is a relatively large site located on the eastern edge of the parish containing the primary school building, a pre-school facility, a sports field and play areas.

The Recreation Ground site lies outside the settlement boundary of Winchester and is subject to countryside planning policies which do not permit development. In addition, it has limited access via a single lane access road and no lighting.

Some parts of the Primary School site also lie outside the settlement boundary, restricting opportunities for development. In addition, the site has heavy traffic flows in the morning and evening which were considered sufficient to rule out consideration of this site as the location for the HCC Early Years Centre, later constructed in Berewecke Road. The site had previously been considered in the 1970s for the location of the Badger Farm and Oliver's Battery Community Centre, later constructed on the Sainsbury site, for similar reasons.

This site includes a wooden building which houses the Oliver's Battery Pre-School facility, operating as an independent charity. The building is permanently set out with furniture, equipment and storage which occupies most of its floor area, precluding the possibility of sharing the building with another user. For some years, the pre-school group has been seeking to replace this building with a better quality building but has been unable to agree a long term site lease with Hampshire County Council as the owners. This means any significant investment would be at risk should there be a change in the use of the site.

Given the very severe restrictions on development at both these sites, the Project Group concluded that neither is suitable. This leaves the St Mark's site as the only possible site within Oliver's Battery for a future community centre.

The St Mark's site has a number of advantages as well as some disadvantages. It occupies an important position in the village centre adjacent to the Ancient Monument open space, and has been able to use this space to support village fetes and other community activities. It is identified within the Oliver's Battery Village Design Statement 2008 as an important site for community use and protected from conversion to commercial use. It is also a sustainable location with good access to shops, other local services, and transport links including frequent bus services on Badger Farm Road.

However, the site is relatively small and there are few opportunities for expansion. This means that our objectives can only be achieved by using creative design options, including the use of a second storey. This should help to make the new building a more prominent feature of the village centre. We believe that our design concept capitalises on its setting and will provide a positive complement to its location.

Development Alternatives

During this process, we have on a number of occasions looked at alternatives for the building concept and design which might offer different costs, in order to identify the most cost effective response to user requirements. Broadly, these alternatives can be summarised as the following options:

1. Refurbish the existing building

Some improvements have been made over the life of this building and minor improvements

could be made relatively cheaply. However, these would not resolve the major problems associated with the roof and heating of the building. Its prefabricated construction makes it difficult to apply normal building methods, such as re-roofing with insulation or internal wall cladding, to provide a much better internal environment. The costs associated with such improvements are likely to be significant and would still not provide the additional space desired by user groups.

2. Create an “industrial style” prefabricated building

Whilst warehouse style buildings can be erected more cheaply than buildings using conventional methods, they are usually unsuitable for the type of activities envisaged. The costs involved in bringing such a building to the desired standard would probably be significant, bringing them into a range comparable with conventional construction. In addition, the external appearance of such a building would be inappropriate for this important site and it is unclear that planning permission would be granted.

3. Implement the proposed design concept in two phases of construction

The proposed design concept consisted of two storeys but could be implemented in two phases, the first being the construction of a single storey including the main hall and the second the addition of the first floor meeting room, stairs and lift. All foundations and main services would be installed in the first phase, so that no significant rework is required during the second phase.

4. Implement the proposed design concept in a single stage of construction

The proposed design concept is intended to meet the stated requirements and has been designed to complement its location, while overcoming the limitations of this site.

The Management Committee decided unanimously in April 2016 that, while Option 4. remains our preferred approach if finance is available, it would be possible to proceed on the basis of Option 3. This approach could be implemented with lower initial costs and an acceptable development schedule, and so help to mitigate some of the funding risks associated with the project.

Parking

A small number of residents expressed concerns about parking provision, which cannot be as extensive as at some local community centres. The design concept includes four additional parking spaces. Early indications are that this will be sufficient to satisfy the planning requirement of the HCC Highways Department. However, we acknowledge that there could be pressure on parking at peak times. It may be useful to assess parking provision in the context of data gathered from other community centres in the Winchester area. Data gathered by the Study Group shows the following provision:

Community Centre	Parking Spaces
Badger Farm	50
Hursley	0
Kingsworthy Jubilee Hall	13 (daytime) 20 (evening)
Littleton	40
Otterbourne	60
Shawford	30
Sparsholt	24
Twyford	6 (daytime) 20 (shared with doctor's surgery)

Excluding Badger Farm and Otterbourne, which both have much larger halls with three rooms available for hire, and Hursley gives an average of 27 spaces for these halls, at maximum capacity.

Existing parking provision in Oliver's Battery consists of the following publicly available spaces which are explicitly marked or frequently used:

Location	No. of Spaces
Shops to west of OB Road South	11
Shops to east of OB Road South *	12
OB Road South adjacent to open space	4
Downlands Road	5
TOTAL	32

* * Note that Oliver's Battery PC owns four of these spaces plus the area of the Millennium tree.

A 2015 survey of usage at three times of day (10am, 1pm, 4pm) over three days (Tuesday, Wednesday, Thursday) showed an average of 23 spaces occupied, leaving 9 available for use. When combined with the four parking spaces envisaged in the proposed design concept, this suggests that 13 spaces would normally be available during the day, with a total of 36 spaces available during the evening.

Design Specification (Draft 4 May 2014)

1. Introduction

This document is the Design Specification for the proposed two-storey Oliver's Battery Community Centre, replacing St Mark's Church and Hall. It will be built on the site of the existing St Mark's Church, with a broadly similar (but larger) footprint. The site runs east-west, with road access to the west. An area approximately equivalent to the current front garden part of the site will be used for a small car park. The specification will be extended and refined as the project progresses. All floor area sizes given below are preliminary and approximate.

The building will be operated as a community centre by an independent charity whose primary public benefit will be the wellbeing of residents of Oliver's Battery and adjacent areas. It will be open to all irrespective of gender, race, physical or mental ability, or religious or political affiliation. Having regard to the demographic profile of local residents, the building should provide adequate facilities for older people but should also enable satisfactory use by all residents including younger people. We do not plan to provide facilities for pre-school age children because there is existing provision elsewhere in Oliver's Battery and because this would probably conflict with other uses.

It will be important to provide for highly flexible operation, enabling the building to be used for a wide range of purposes including entertainment, dancing, music, adult education, group discussion, craft or other practical activity, suitable indoor sports, private functions, and religious services. Consideration should be given to the management of space so that the maximum range of activities can be accommodated, but the design should not include "single use" features which limit its use for other purposes.

We expect that the charity will employ a caretaker or manager with responsibility for day-to-day management of the building, plus a small number of part time ancillary staff, e.g. booking secretary, cleaner, etc. The building should include adequate but not extensive facilities for these staff, principally in the form of a small office and appropriate storage. The costs of these staff will form a significant part of the operating costs of the building.

The financial viability of the proposed building will depend on generating sufficient income to cover operating costs and allow the accumulation of sufficient surplus capital for periodic refurbishment. The key to this is achieving an adequate level of paid occupancy, currently estimated at around 45 room hours/week. This is equivalent to an occupancy rate of approximately 30% based on two rooms, each available for 12 hours/day, 7 days/week. This appears modest but is much greater than the approximately 10% occupancy rate of the current building. Higher levels of occupancy might enable lower letting charges, which would probably lead to increased demand.

2. Fabric and Exterior

The exterior design of the building should make an appropriate visual statement as the primary public building in the village centre of Oliver's Battery. It should complement its location adjacent to the Oliver's Battery Ancient Monument and maximise the value of this location, for example by exploiting access to the ancient monument green space and views over it. When viewed from Oliver's Battery Road, the design should create the feeling of a modern community centre and have an aspect which shows that it is open to all. It is expected that the building will use almost the entire width (north-south) of the site, but a paved area the length of the main hall will provide convenient access to outside.

The site has had an established use as a multi-purpose community facility since the mid-1920s. This use was ratified by its inclusion as a policy in the Oliver's Battery Village Design Statement, adopted by Winchester City Council in 2008, and WCC planning officers have endorsed the principle of developing the site for expanded community use. However, the design must comply with relevant planning policy which permits two storey buildings in this area but must take account of their impact on neighbouring properties. This may limit the acceptable roof height and/or profile.

Hampshire County Council highways officers have advised that expanded use of this site will need to be supported by a Transport Plan which makes provision for additional parking space appropriate to the expanded use. However, this plan should also emphasise that many of the anticipated users will access the building on foot. This, together with relatively good local public transport links which provide a 10 minute bus service within a short walk of the building, should enable the requirement for additional parking space to be contained.

The building must be sustainable over an extended period and have a highly efficient design, resulting in low running and maintenance costs. This suggests the use of high quality building materials, high levels of thermal insulation, low energy lighting and other equipment, and the exploitation of renewable energy sources such as solar photovoltaic panels. Much of this will be required in order to conform with applicable Building Regulations (expected to be Code 5) but it is also essential to underpin the financial viability of the proposed building.

3. Interior

The Specification relates to the functions and features of the required spaces; it does not describe the physical layout of the building, except that it assumes:

1. The ground floor will include an entrance foyer, kitchen, the main hall and associated storage and toilets; also some provision for the hanging of coats.
2. The first floor will include a landing and meeting room, together with space for worship related items and activity, plus associated storage and toilets; the exact disposition of toilets between the two floors is to be decided. A method of fire escape must be provided.
3. A small office must be provided, preferably on the ground floor; the exact position of this to be decided by space constraints.
4. It must be possible to use the upper and lower floors concurrently and for separate purposes. Access, facilities, sound insulation etc. must be designed in such a way as to facilitate separate use.
5. The floors will be linked by a staircase and small lift, with sufficient capacity to carry a disabled person in a wheelchair and/or items of furniture;

6. The kitchen will be adjacent to the main hall and provide a linked serving counter. The possibility of a serving counter in the foyer should be considered.
7. Appropriate electrical and electronic systems should be provided on both floors; these to include sound systems with microphones and hearing aid loops, projection system with screen, wireless local area network with Internet access, and security systems; the exact configuration of these systems is to be decided.

4. Storage

Appropriate storage will be required on both floors. This is categorised into two types for ease of reference:

Type 1: For general use (chairs, tables, staging, cleaning equipment, etc) not locked

Type 2: For user groups' equipment, locked.

All storage rooms and cupboards to have no threshold, so equipment can be wheeled in and out. The number and sizes of these storage areas are only known approximately and the exact configuration is to be decided after discussion with the groups involved.

5. Energy controls

Appropriate space must be included for plant to control the various services to and inside the building. This might be in a separate 'plant room', or incorporated into other areas.

Construction Plan

[To be added]

Relationship with St Luke's Parochial Church Council

St Luke's Parochial Church Council, as owners of the current building and site, have acted as benefactors to the community of Oliver's Battery for over 50 years by making the building available for civil administration (e.g. Parish Council meetings, local elections, exhibitions relating to the Village Design Statement, etc.) and local social activities. The PCC operates under charity law and the building has been run by volunteers. As a result, hire charges have been kept at a level which covers operating costs but is nevertheless low by comparison with other local centres. The level of charges is probably appropriate in relation to the facilities offered, but has had the unfortunate effect of leaving no accumulated surplus which could be invested in major improvements.

In current circumstances, St Luke's PCC is unable to finance the construction of a new building and therefore wishes to lease the site to an independent charity, which could develop and operate a replacement building. It has proposed a 125 year lease at a nominal annual rent and would attach only one condition to this lease, that a part of the building (the small meeting room) be available for its use during two sessions a week (on Thursday morning and Sunday morning) free of charge. The Project Group considers that, in comparison with the likely cost of acquiring a site in Oliver's Battery (if one were available) this is a financially advantageous offer.

The proposed 125 year lease period is much longer than the expected lifetime of the proposed building and is amply sufficient to allow the community to benefit from the charitable donations which would fund its capital cost. Over such a period, the charity might choose to invest in refurbishment work or other improvements and, therefore, the proposed building may have some residual value when the lease period expires. To protect the value of this residual investment, the charity should insist on a condition in the lease agreement which gives it the option to renew if it chooses to do so.

The proposed charity would be fully independent of the church, as required by charity law, and would be run by a group of elected trustees for the public benefit of residents of Oliver's Battery and the surrounding area, without discrimination. St Luke's PCC would have no control over day to day operations and, if it wished to use rooms in the new building beyond those specified in the lease agreement, would do so on the same terms as other user groups.

In the event that any charity ceases operation, charity law requires that its assets be transferred to another charity with similar objectives. (The assets cannot legally be transferred to a parish council or other local government body.) In this case, there are two charities with similar objectives:

- St Luke's PCC
- Badger Farm and Oliver's Battery Residents Community Association

Both include the welfare of Oliver's Battery residents as part of their charitable objectives and both currently operate in this area. However, any decision on the disposition of assets could only be made at the time when the proposed charity ceased operation, if that were to occur, but there is no reason to anticipate that it would.

Assessment of Project Risks

Major risks are defined as those which could cause the project to be terminated or suspended, or which could lengthen the schedule to an extent that could cause stakeholders to lose interest. Several of these risks are associated with the development phase of the project, but there are also risks associated with the construction and operation phases. Early identification of these risks is likely to be useful in helping us to prioritise our activities and avoid major setbacks.

Risks during the Development Phase

There appear to be four major risks during this project phase:

- (i) **Failure to agree lease terms with St Luke's PCC would mean that we have no site to build on and would cause the project to be terminated.**

The proposal to form an independent charity to build and run the proposed building originated from St Luke's PCC. They suggested (and have recently confirmed) that they are finding it expensive to maintain the current building and cannot afford to replace it. Therefore, it is their interests to cooperate with a charity which can undertake this task and provide a future facility for church services. An informal understanding was reached that the site would be leased at a "peppercorn rent" in return for an assurance that space would be made available rent free for church services on Sundays and Thursdays.

We have every reason to believe that this offer still holds but it would be prudent to put it into writing in the form of a written understanding on the terms of a future lease and/or a draft lease document as soon as possible. Such an agreement would not be legally binding but would give us greater security on which to base our plans.

Mitigation: Agree Heads of Terms with St Luke's PCC (June 2016)

- (ii) **Failure to gain planning permission would also cause the project to be delayed and possibly terminated.**

The Oliver's Battery Village Design Statement 2008 identifies the Village Centre as the area including the Ancient Monument, church, and shops on both sides of Oliver's Battery Road. It includes the following statement:

"St Mark's Church is situated adjacent to the Ancient Monument, on what is considered to be the prime site in the parish, and has long held an important place in the life of the community. As the only facility in Oliver's Battery which is generally available for public social use, St Mark's makes a vital contribution to the community. ... Therefore, the facility should be protected and any attempt to convert the site to commercial use should not be permitted."

Meetings with Lewis Oliver, Planning Officer at Winchester City Council, in 2014 have confirmed that the site is designated for community use and that our proposal to erect a new community building would be considered appropriate. In principle planning consent is likely to be given, subject to approval of the detailed design, assessment of its impact on the neighbouring property, and considerations relating to highway requirements.

While this is good news, we anticipate that the process of developing a planning application and applying for planning permission may be quite lengthy (over 1 year) since multiple accompanying statements need to be prepared in addition to detailed drawings, and the outcome cannot be predicted until the application has been processed.

Mitigation: Continue dialogue with WCC Planning Officers

(iii) **Failure to gain the support of Olivers Battery Parish Council**

When the proposal to rebuild on the St Mark's site was floated in 2003, the Parish Council was fully involved and gave enthusiastic support. However, changes of personnel since then have been accompanied by a more sceptical attitude plus a set of detailed questions about the basis of the project and its viability. We responded to the PC's questions with a ten page document in December 2014. Since then, no further questions have been asked but the Chairman has implied that their position would depend on the findings of the Parish Plan survey, which have not yet been published. We have invited the PC to nominate a director of the charity but, to date, this invitation has been declined.

The Parish Council has publicly stated that it "supports the principle of new community centre". In 2015 we discussed submitting a small grant application to OBPC and gained the support of the Chairman and Vice-Chairman to do this. We have not yet identified an appropriate activity requiring grant support, so this application has not been submitted. However, we hope that "support in principle" will translated into a tangible form in future.

Having the support of the Parish Council is important for several reasons. They are the statutory body representing the local community and a number of residents will look to them for guidance on how to respond to our proposals. Their support is a pre-requisite for some grant applications to other public bodies. We also hope they will recognise that this project is a significant investment in the future of our community and will support by providing approximately 25% grant funding. This would reflect the value of the proposed facility to the community and would have the effect of spreading this part of the funding across a period of, say, ten or twenty years. However, there remains a risk that this support will not be given.

Mitigation: Dialogue with the Parish Council mediated by a neutral third party, such as Community First Winchester

(iv) **Failure to raise sufficient funds to support the construction phase in a timely manner would cause project delays and cost escalation due to inflation.**

We constructed a proposed funding model in which approximately half the funds would be raised via grants, with the other half coming from local fund raising activities including planned giving. Assuming a target cost of £550,000 plus fees (giving a total of approximately £600,000) this means that around £300,000 must be raised locally. Gift Aid tax relief would reduce this to £225,000 if all donations were eligible for relief.

Schedule delays would incur a penalty in the form of cost escalation, currently estimated at around 4-5% per year, even in the current economic climate. Compounded over the years of fundraising, this would increase the total project cost to the following amounts:

3 years	£ 695,000
5 years	£ 766,000

Mitigation: We recognise the importance of setting an early but achievable schedule and have set 2021 as the target start date for construction. To make this possible, we envisage construction in two phases:

- Phase 1 - construction of ground floor including all main services.
- Phase 2 - construction of second floor with provision of stairs, lift and additional services.

The precise timing of these phases will depend on the availability of funding. Phase 1 has been costed at at approximately £450,000. Whilst our preference is to complete construction in a single phase, we have resolved to take the necessary actions to enable at

least Phase 1 to proceed on schedule. These may include short term borrowing supported by ongoing fundraising activities.

Risks during the Construction Phase

The principle risks during any construction project are those involving schedule overrun and cost escalation. To mitigate these risks, we need to have appropriate contract(s) in place and an experienced project manager. No specific action is needed at present.

Risks during the Operation Phase

The principle risk during the operation phase is failure to achieve financial viability. In other words, failure to generate sufficient revenue to support operating costs. This can be decomposed into several component risks:

i) **Income exposure during the start up period**

During construction, the building will be closed and user groups will have to relocate elsewhere or suspend operation. In the start-up period after the new building is opened, it will be important to bring these user groups back. Getting them involvement in the project and enrolling them as group members will help to ensure that they do return.

Even so, there is likely to be only a small number of user groups at first. These will generate less income than we anticipated can achieve over time, so it will be important to keep operating costs low. Although we hope to be able to employ staff, this will not be possible to begin with and we will need to operate with volunteer staff.

Mitigation: We need to develop a group of volunteers which can service the centre during its start up period. We will also an offer from BFOBRCA to provide a booking service for events.

ii) **Failure to achieve the target income**

We plan to operate in a manner similar to other centres, such as Littleton, by employing a part time centre manager which should enable us to keep the centre open for at least part of each day and will be important for managing cleaning, maintenance, and other routine activities. We can only do this if we generate sufficient income. Our target income is £35,000 per year, based on surveys of other local centres.

To achieve this, it will be necessary to attract hires from some user groups outside of the immediate area (following the practice of other centres) and hirers for private events. It is possible that a perceived lack of parking facilities may deter some potential hirers. To counter this, we will need to emphasise the attractive location, the availability of public transport, and access from the newly opened Park & Ride facility at Pitt. Finding an appropriate level of hiring fees will also be important in order to achieve the target income.

Mitigation: Continued fund raising, from events or from membership fees, may be necessary to make good any shortfall.

ii) **Running cost exposure**

It's difficult to estimate the running costs of the new building at this point, but it's clear that they will include ground rent, lighting, heating, cleaning, maintenance, equipment depreciation, staffing costs, insurance, and possibly others. The operating budget must also include

provision for an annual surplus which can be accumulated and used to pay for periodic maintenance and replacement of equipment. Following the practice of other centres, this surplus will need to be in the region of £5,000 to £10,000 per year, so the target budget for running costs is likely to be around £25,000 per year. It will be important to have a building which has low intrinsic operating costs in terms of heating, lighting and other power requirements plus low maintenance costs.

Mitigation: The detailed building design must be able to demonstrate that this can be achieved. Other significant operating costs are likely to be in the form of staffing costs and, therefore, these must be managed very carefully.