

CHANDLER'S FORD PARISH COUNCIL



Hiltingbury Pavilion Extension

BUSINESS CASE

Updated

March 2018

This document provides the Business Case for the Hiltingbury Pavilion with proposed extension which will be developed into a full Business Plan as work proceeds and more accurate information becomes available.

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EXECUTIVE SUMMARY

In the earlier version of the Business Case I have stressed that timing is important in terms of securing the borrowing – at present the PWLB rate has increased by 0.2% (since October) for a period of 30 years for Parish Council borrowing. The borrowing through PWLB would probably be on an EIP (Equal Instalments of Principal) basis if the project is resolved to go ahead. The interest rate is fixed for the whole duration of the loan.

In terms of the financial information being put to Councillors for the meeting the Responsible Finance Officer (RFO) has a legal duty to provide as accurate information as possible on the current financial standing of the council, its ability to fund the construction process and the likely income and expenditure of running such an operation. The RFO would be committing a criminal offence if he wilfully manipulated that information to make the financial picture rosier (or worse) than it is, or was negligent in his analysis. The information in the predictive Income and Expenditure is based on the best estimate available and contains a 10% contingency on expenditure.

THE LEGAL FRAMEWORK

Before getting into the detail it can be confirmed that Chandler's Ford Parish Council has the legal power to construct and run this project. This is confirmed by the following statutory implements: -

- **Local Government Act 1894 s8 (1)(i)**
- **By having the General Power of Competence [The Parish Councils (General Power of Competence) (Prescribed Conditions) Order 2012 (in exercise of the powers conferred by the Localism Act 2011.)]**

CAN CFPP AFFORD TO BUILD OR NOT?

The decision being made on 12 March 2018 is primarily a financial one, deciding whether to authorise the project expenditure up to a maximum level of the capital available at £2,201,523 ex VAT.

As two tenderers are to be interviewed it is anticipated that as per the agenda item this is specifically authorised as a delegated authority to the Audit and Risk Committee following further (more detailed) due diligence and financial review. A brief balance sheet review (page 10) shows a maintained healthy bank balance and net assets for both preferred tenderers.

The minimum funds expected to be held by CFPC on 1 May 2018 (potential project start) along with borrowings available are: -

Source	Amount £
Public Works Loan Board	£1,400,000
EBC Grant	£402,000
CFPC Deposit Account	£217,023
CFPC Cash at Bank (as at 31 March 2018)	£120,000

CFPC first 6 months (2018-19) Asset Improvement Fund input	£62,500
which totals	£2,201,523

The tenders returned had the lowest two as: -

Tenderer 1 @ £2,217,811.50

Tenderer 2 @ £2,171,174.76

Our professional team have been working with both potential contractors to ensure the tenders were correct and to value engineer the potential project. (The Proper Officer is informed by the QS that each tenderer also has further ideas for value engineering the proposed project that they would share at interview/contract stage.)

TENDER CORRECTIONS

	Tenderer 1	Tenderer 2
1 Performance bond cost - request from Client	6,946.00	Included
2 Reinstate temporary car park area	Included	12,274.77
3 Error in waterproof slab rate	0.00	-11,089.92
4 Omit foundation cost allowed to front footpath wall and railings	0.00	-2,400.00
5 Underpinning works - Prov Sum only allowed by T1 (£1,000)	17,245.00	Included
	<hr/>	<hr/>
	2,242,002.50	2,170,499.61

VALUE ENGINEERING/OPTION COSTS (Not Included in Above Figures)

1 Change lighting manufacturer and some plant manufacturers to equal specification.	-10,000.00	-5,000.00
2 Omit Solar shading and add increase glass specification / window filming if permissible	Excluded	Excluded
3 OMIT Viewing windows to first floor areas	-11,860.00	-11,984.00
4 OMIT suspended ceilings and plasterboard ceilings in stores & plant room	-1,500.00	-1,500.00
5 Concessions area left as finished/decorated shell open plan area but excluding floor finishes	-12,500.00	-12,500.00
6 Reduce size of soakaway/attenuation tank to new side car park/add permeable paving	-3,000.00	-3,000.00
7 Sports hall ventilation - potential for saving	-10,500.00	-10,500.00
8 Omit Canopy to front entrance	-16,669.48	-6,510.91
9 Omit Timber post curved walls - fixed at a later date	-2,940.00	-8,065.20
10 Omit reinstatement of temporary car park	-12,000.00	-12,274.77
11 Omit epoxy floor paint	-4,968.60	-6,420.00
12 Add standard floor paint	2,000.00	2,000.00
13 Omit site investigation contingencies	-10,000.00	-10,000.00
14 Omit dayworks allowance	-9,762.50	-8,412.50
15 Change fire escape stairs from concrete to steel	-2,000.00	-2,000.00
	<hr/>	<hr/>
	2,136,301.92	2,074,332.23

**VALUE ENGINEERING/OPTION COSTS (Not Included in Above Figures)
Subject to Technical Review by Design Team**

1	Change roof cladding system from Kalzip to Euroclad Euroseam ES400 which comes complete with a 25-year warranty	-11,876.00	-15,000.00
2	Omit Green roof covering	Excluded	Excluded
3	Change 6mm Vulcatuf cladding to Sports Hall elevations from Class 0/1 spread of flame to Class 3 spread of flame. Class 0/1 provided by Bechmark Quadcore carrier system behind	-24,080.00	-24,080.00
4	Change specification of Fermacell boarding to high level walls in Sports Hall to Continental Trevira protection netting system	-21,154.00	-16,317.00
REVISED ANTICIPATED TOTAL SCHEME COST (Excluding Professional Fees & VAT)		2,079,191.92	2,018,935.23

The S-Curve cashflow analysis (page 11) shows, based on Tenderer 2's original figures, that the VAT impacts can be managed without having a detrimental effect on the running/normal activities of the Parish Council.

Therefore, Officers recommend that Members are advised that with a maximum capital figure available of £2.2M the proposed Hiltingbury Pavilion Extension and refurbishment project appears to be affordable from both a cash resource and cashflow perspective.

WILL THE RUNNING OF THE PROPOSED SPORTS HALL BE FINANCIALLY SOUND?

The question of affordability is, for a parish council, on two levels: -

- whether the Sports Hall as proposed is self-funding as an operation, and
- the separate issue of the repayment of the loan and interest.

Therefore, the only figures that are important to the Full Parish Council and the decision to build are the Operating Profit/Loss, which directly relates to the affordability of the Parish Council running a sports hall. All the financial modelling shows that the proposed sports hall and refurbished pavilion will demonstrate a gross operating profit so long as the staffing is provided at the correct level for the usage. In fact, the higher level of staffing with the lower 50% peak usage figures show the following Gross Operating Profits:

Year 1 £51,095.40, year 2 £60,704.47, year 3 £65,908.36, year 4 £67,556.07, and year 5 £72,902.37.

Full Council must remember that the management of its assets, and the use of the AGREED budget for that purpose, is the delegated responsibility of the Asset Management Committee (AMC).

This is because the AMC could take the decision that it wanted to fully, or partially, fund the loan repayments and interest out of the Asset Improvement Fund (AIF)[which is the DCLG test of affordability with regards to existing Precept level and the proposals], and **therefore makes a difference to the financial model operated, once marketing is done if it is resolved to go ahead with the project.** That decision, as the AIF is solely within the remit of the AMC, should therefore be taken by that committee, especially as there are elections due and the project (if it is resolved to progress) will be completed in a year's, or thereabouts, time.

Therefore, Officers recommend that Members are advised that the proposed Hiltingbury Pavilion Extension and refurbishment project appears to be affordable from an operational Income and Expenditure (Gross Operating Profit) perspective, potentially having a positive input into the Parish Council's finances.

INTRODUCTION

The Full Council meeting of the 12 March 2018 has been called to determine whether the building of a new 4-court sports hall and extension is 'affordable' for the Parish Council to undertake.

This decision is based on the level of capital available from loans, grants, and cash held (or to be held) during the project build.

Two acceptable tenders have been shortlisted and these, once partly value engineered, come in below the financial threshold (£2.2M) your Responsible Finance Officer has suggested.

The matters to give consideration in determining whether to resolve to build the project are quite simple: -

1. Do CFPC have a power to be able to undertake the works and provide a community sports hall?
2. Do CFPC have adequate funds to undertake a Fixed Price Contract construction of either of the two tenderers?
3. Does CFPC have adequate cash wherewithal (project build VAT related S-Curve cashflow)?
4. Do the proposals make sense on an anticipated Gross Operational Profit basis (i.e. are the activities/staffing/fixed costs/maintenance and contingency self-funding)?
And
5. Do the proposals create a benefit for the wider parish community?

COUNCILLORS' RESPONSIBILITIES

Councillors are elected to sit on the Parish Council and take decisions for their community based on the information before them, their own conscience and the public good.

So long as an item is on a published agenda (summons), which is served on Members according to the requirements as set out in statute and in the Adopted Standing Orders and there is a power or duty to be able to undertake the proposed activities then decisions made in a, quorate, meeting (according to statute, Standing Orders and Financial Regulations) will be lawful, and there cannot be any personal liability arising out of making those decisions as the resolution was made by the 'Body Corporate' (Parish Council).

The only challenge that can be made to a Parish Council's decisions/resolutions is by Judicial Review and that will only be based on whether the decision made was lawful or not.

Chandler's Ford Parish Council has the lawful ability to make a decision to build and operate a community sports hall, to borrow money (once authorised by the Secretary of State DCLG) and receive grants. Therefore, if a decision is made to construct a sports hall at Hiltingbury Recreation Ground at the properly called Full Parish Council Meeting of 12 March 2018 it will be a lawful decision.

Further to this, and bearing in mind the constraints of having an open mind to issues Members are also reminded of the difference between 'Predisposition' and 'Predetermination'. If a councillor is "coming to the matter with an open, rational mind, [to] take part in any debate and vote" (to quote EBC Legal Team) they might be predisposed to support (or not) an item for resolution. If, however they are set in their mind and nothing will change their mind then they are predetermined and legally cannot take part in a debate or vote and are open to challenge by Members if they do partake.

Furthermore, the Adopted Code of Conduct reminds Members that they must: -

- 2.8 *exercise your own independent judgement, taking decisions for good and substantial reasons –*
 - 2.8.1 *attaching appropriate weight to all relevant considerations including public opinion*
 - 2.8.2 *paying due regard to the advice of officers*
 - 2.8.3 *stating the reasons for your decisions where those reasons are not otherwise apparent*

And

- 4.2 *You have a non-disclosable pecuniary interest or non-pecuniary interest in an item of business of your authority where –*
 - 4.2.1 *a decision in relation to that business might reasonably be regarded as affecting the well-being or financial standing of you or of a member of your family or a person with whom you have a close association to a greater extent than it would affect the majority of the Council Tax payers, ratepayers or*

inhabitants of the ward or electoral area for which you have been elected or otherwise of the authority's administrative area...

Members are reminded that if they have a non-disclosable, non-pecuniary interest they must disclose it and the usual practice is not to take part in debate or vote on any such items.

So long as Members comply with the above in their decision making, so their decision is lawful, there can be no vicarious, or pecuniary, liability placed on them personally that could affect their assets or income.

THE FIRST QUESTION TO ANSWER IS THAT OF HAVING A POWER TO ENABLE THE REDEVELOPMENT THE PAVILION AS A SPORTS HALL?

Local Government Act 1894 s8 (1)(i) allows a Parish Council to “execute any works (including any works of maintenance or improvement) incidental to or consequential on the exercise of any of the foregoing, or in relation to any parish property, not being property relating to affairs of the church or held for ecclesiastical charity.”

The Power of General Competence (Localism Act 2011) as contained in The Parish Councils (General Power of Competence) (Prescribed Conditions) Order 2012 allows an eligible Parish Council (which we are, and have resolved so) to do anything an individual can do, so long as there is no statutory instrument to prevent it. An individual can build a sports hall (if they have adequate funding and the land) ergo CFPC can.

There are at least two powers relevant to this and both support that it is lawful for CFPC to undertake the project.

SECONDLY THE AFFORDABILITY OF THE CONSTRUCTION, CAN CFPC AFFORD TO DEVELOP THE PROPOSALS?

At minimum the report on the affordability of the proposals analyses the funds held/expected over the project development period, an S-Curve cashflow analysis identifies the cashflow impacts/management of the VAT outputs and reclaims and there is a brief Balance Sheet review of the two preferred tenderers along with further due diligence reporting from the professional team.

The funds expected to be held by CFPC on 31 March 2018 along with borrowings available are: -

Source	Amount £
Public Works Loan Board	£1,400,000
EBC Grant	£402,000
CFPC Deposit Account	£217,023
CFPC Cash at Bank (as at 31 March 2018)	£120,000
CFPC first 6 months (2018-19) Asset Improvement Fund input	£62,500
which totals	£2,201,523

(Members should note that several s106 [Developers' Contributions] monies are currently being sourced at EBC to underwrite or recover monies spent or to be spent at Hiltingbury totalling approximately £30k which will have a further positive impact on funds available to CFPC.)

The tenders returned had the lowest two as: -

Tenderer 1 @ £2,171,174.76

Tenderer 2 @ £2,217,811.50

There is £46.6k difference between the two leaving both acceptable for consideration, the 3rd position tenderer was a further £63k up on price taking it above the financial resources limit.

	Accounts to	Turnover	Operating Profit	Cash @ Bank	Creditors	Debtors	Net Current Assts	Balance Sheet Comments
Tenderer 1	31-Mar-17	£10.7M	£723k	£459k	£2.062M	£2.46M	£895k	Stocks minimal - Turnover previous 2 years steady at around £7M with operating profits @ £600k - 664k -
Tenderer 2	31-Dec-17	£22M	£1.65M	£2.93M	£5.85M	£3.9M	£2.34M	Plus £1.03M in stock - Turnover around £22M last 3 years - operating profits level @ £1.2M p.a. last 3 years - no overdraft or bank loans

Both tenderers appear to have healthy accounts again making both suitable for consideration as potential contractors. The final decision on the contractors should be left to **the Audit and Risk Committee**, pending more detailed financial and other risk analysis.

Which would support a conclusion of the ability to fund the project costs.

THIRDLY, THE AFFODABILITY OF THE CASHFLOW WITH CYCLICAL VAT IMPACTS, DOES CFPC HAVE ADEQUATE CASHFLOW?

This is an extension so the build costs are subject to VAT. CFPC have opted the pavilion into VAT already so that the VAT is fully refundable. This leaves the question of whether or not

the Parish Council can afford to fund the VAT cycle if there is an expenditure of £300+k per month.

A “S-Curve” of the potential expenditure pattern has been undertaken (at £2.2M CFPC capital and Tenderer 2’s figures prior to value engineering) to evaluate the financial stresses that the construction phase might put on the Parish Council.

Projected Cash Flow Summary Hiltingbury Pavilion Extension							
Based on a May 2018 start	Month 0	Month 1	Month 2	Month 3	Month 4	Month 5	
Cash at Bank/Reserves	337023	575797	547712	479356	336571	385286	
PC Running Costs	26985	26985	76985	26985	26985	26985	
Build costs		0	79226	176500	225250	300200	
Professional Fees (Build)			5100	5100	5100	5100	
VAT out	5100	5100	29345	38700	48450	63440	
PWLB Loan Repayment		0	0	0	0	0	
Subtotal	304938	543712	357056	232071	30786	-10439	
EBC/NHBS funds in			100500	100500	100500	100500	
PWLB Loan					250000	250000	
VAT Reclaim	15200		17800			116495	
Precept in April 2018	251659		0				
PC Rental Income	4000	4000	4000	4000	4000	4000	
Balance c/f	£575,797	£547,712	£479,356	£336,571	£385,286	£460,556	
	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Cash at Bank/Reserves	460556	535225	369140	313495	287310	128555	390915
PC Running Costs	26985	26985	26985	26985	26985	26985	26985
Build costs	310500	320500	350500	162250	70180	70500	50500
Professional Fees (Build)	5100	5100	5100	5100	5100	5100	
VAT out	65500	67500	73500	35850	17436	17500	13500
PWLB 1st Loan Repayment	0	0	0	0	43054	0	
Subtotal	52471	115140	-86945	83310	124555	8470	299930
EBC/NHBS funds in							
PWLB Loan	250000	250000	200000	200000			
VAT Reclaim			196440			126786	
Precept	228754	0				251659	
PC Rental Income	4000	4000	4000	4000	4000	4000	4000
Balance c/f	£535,225	£369,140	£313,495	£287,310	£128,555	£390,915	£303,930
	Months 18 & 23 Retentions						
Cash at Bank/Reserves							
PC Running Costs							
Build costs	55000	Sum Build	2171106				
Professional Fees (Build)		Prof fees	51000				
VAT out			2222106				
Subtotal							
EBC/NHBS funds in		Sum NHBS	402000				
VAT Reclaim	11000	Sum VAT Rec	468521				

The S-Curve analysis above supports a conclusion that the Parish Council has the ability to finance the VAT impacts of the build period.

Therefore, Officers recommend that Members are advised that the proposed Hiltingbury Pavilion Extension and Refurbishment project appears to be affordable on a cashflow management basis for the period of construction.

THE FOURTH QUESTION TO BE ANSWERED IS THAT, WITHIN THE TOLERANCES CURRENTLY KNOWN, WILL THE PROPOSED PAVILION EXTENSION/SPORTS HALL BE ABLE TO OPERATE WITHIN A FINANCIAL MODEL THAT THE PARISH COUNCIL ARE WILLING TO AFFORD?

In the modelling anticipated income/expenditure analysis of the proposed project was initially based on a 50% peak (evenly split badminton and 5-a-side football) uptake and a 12.5% off-peak usage basis with current PWLB borrowing costs for a £1.4M borrowing (30-year repayment period). All income and expenditure figures being ex VAT.

Parish Councils can operate a variety of financial models, purely commercial, partly funded and fully funded out of the Precept (the latter usually for over-riding reasons of public good). Whilst the income and expenditure analysis is at this point only indicative (as rent levels haven't been set due to the project not having been resolved as going ahead or not) they do give a very effective feel for what could be expected to happen.

The analysis of potential Income to Expenditure over a five-year period has been undertaken with the summaries below and the detailed workings within the appendices of this document.

Two staffing levels have been looked at the first at 0900 – 1600hrs and the second on 0900 – 2200hrs; also, different peak hours usage was also investigated with analysis at 50% peak (and 12% off-peak) and approximately 70-75% peak occupancy (again 12% off-peak).

At the lower level of staffing and 50% peak usage it shows (with the current PWLB rate) a loss after loan repayments of £23k in year one and a £3.7k loss in year two, which would be expected with any new venture. However, its Gross Operating Profit is £63.4k with half staffing or 51.9K with full staffing in year 1.

The question of affordability is, for a parish council on two levels: -

- whether the Sports Hall as proposed is self-funding as an operation, and
- the separate issue of the repayment of the loan and interest.

Therefore, the only figures that are important to the Full Parish Council and the decision to build are the Gross Operating Profit/Loss, which directly relates to the affordability of the Parish Council running a sports hall. All the financial modelling (using indicative rental/hire charges) shows that the proposed sports hall and refurbished pavilion will demonstrate a gross operating profit so long as the staffing is provided at the correct level for the usage.

Full Council must remember that the management of its assets, and the use of the AGREED AMC budget, is the delegated responsibility of the Asset Management Committee (AMC).

This is because the AMC **could** separately take the decision that it wanted to fully, or partially, fund the loan repayments and interest out of the Asset Improvement Fund (AIF),

and therefore this makes a difference to the financial model operated. That decision, as the AIF is purely within the remit of the AMC, **should** therefore be taken purely by that committee, and after any marketing is done so that actual expected regular usage is known

Therefore, Officers recommend that Members are advised that the proposed Hiltingbury Pavilion Extension and Refurbishment project appears to be affordable from an operational Income and Expenditure (Gross Operating Profit) perspective having a potential positive input into the Parish Council's finances.

THE FINAL QUESTION IS WILL THE PROPOSALS BE OF BENEFIT TO THE WIDER PARISH COMMUNITY?

This has already been positively resolved twice by Full Council.

Doing nothing with the Hiltingbury Pavilion building is not an option, and 'doing nothing' will also cost a considerable amount of money over a period of a few years, as the pictures in earlier versions of the Business Case have demonstrated.

The Hiltingbury Pavilion is in desperate need of refurbishment or rebuilding or extending and refurbishing to make it into a usable, pleasant resource that adds value to the neighbourhood and helps build a community with additional resources to promote wellbeing and active lifestyles. This is the key potential benefit to the community.

EBC have identified through their own reports that there is a need for an extra Sports Hall in the Chandler's Ford and Hiltingbury area in addition to the new facility at Fleming Park. This is the reasoning behind their decision to make a £402k New Homes Bonus Scheme grant available to the Parish Council for the sports hall proposals. Therefore, the Parish Council needs to fit to borough policies (both emerging and agreed) to be able to access the grant.

Places for People at EBC have previously commented as per below about the proposed extension:

*"Eastleigh Borough Council are 7 months into the construction of a new £30M Leisure Centre at Fleming Park. Operated by Places for People, the new centre will boast a 15-court indoor sports hall to be opened in November 2018. Places for People are supportive of the Hiltingbury Pavilion proposal however, and do not see a conflict of interest, nor a threat to their future business. **The Sport & Active Lifestyle Strategy 2015 states that the existing provision in the Borough is at 100% capacity at peak times.** Even with the additional 5 courts to be added to the existing 10 courts at Fleming Park, interest in securing slots is already high. Places for People endorse the construction of a new 4 court sports hall at Hiltingbury Pavilion and believe it will be an ideal facility for some of the smaller local community based clubs to get access to high quality indoor sports provision at peak times. Places for People are also mindful of the recent closure of Eastleigh Colleges 4 court sports hall and the planned increase in population within the local vicinity as part of the local plan that will only further increase demand for indoor sports hall provision."*

Sport and active lifestyles provision in the borough is influenced by a number of documents at a national and local level. This material informed the Council's 2015 Sport and Active Lifestyles Strategy and the resulting action to redevelop Fleming Park Leisure Centre. A

detailed review of all influencing strategies and policies across sport, health and planning can be found in the Sport and Active Lifestyles Strategy. There has been a commitment in Sport England's recent strategy, **A Sporting Habit for Life, 2012-2017** that stated 'underpinning any strategy for increasing the number of people enjoying and regularly participating in sport **must be a programme of investment in the provision of high-quality sports facilities**'. National strategies also highlight the increasing pressure and responsibilities that lies with local authorities to try to tackle inactivity. This is highlighted in UK Active's Turning the Tide of Inactivity, 2014 report which states '**Urgent action is required that challenges central government, local authorities and the activity sector to get more people, more active, more often**'.

Any improvements must be done in a way that is sustainable for the long-term, meets the criteria for access to New Homes Bonus funding, and **is symbiotic with the functions of The Hilt and the Scout Hut, not detrimental to their use/sustainability**.

The proposals have been designed to minimise the amount of green space utilised by the project. In terms of the design brief a '4-court badminton hall (to Sport England [SE] guidance levels of space) that could have other indoor sports usage' was asked for ensuring that the internal space of the sports hall would only use up 555sqm of green space, in comparison to the greater area if the Architects' brief had been for a '4-court multi-sport hall' in which case the loss of green space would have been 690sqm because of the SE guidance for that definition, of an indoor space of 34.5m x 20m to allow for more circulation, teaching and spectators. This has meant a smaller footprint into the recreation ground equivalent to some 4.35m along the length of the proposed sports hall i.e.135sqm.

Despite this saving of green space, this means that 4 badminton courts can be accommodated at club/premier levels with appropriate run-off (within National Governing Body [NGB] guidance) and other sports such as 5-a-side football/hockey along with indoor tennis, volleyball, table tennis (all at NGB guidance levels) and basketball, netball, futsal etc for informal and training levels (to NGB guidance).

Officers Recommend that Members pay particular attention to the point on contributing to healthier and more active lifestyles as part of the benefits to the wider community.

FINANCIAL INFORMATION/INCOME AND EXPENDITURE ANALYSIS

Local comparative sports hall hire rates are as follows: -

Fleming Park (2017) (N.B. Places Leisure Eastleigh is fully (looking at w/e ¼ March) booked at peak and Sundays for Netball and 5-a-Side and relatively full for badminton)

5-a-side Adult Peak £60.00 (now £65 inc VAT)

5-a-side Adult Off Peak £45.00 (now £48 inc VAT)

5-a-side Junior Peak 60.00

5-a-side Junior Off Peak £24.50

Badminton per court per hr Adults Peak £11.45 (now £12.20 inc VAT)

Badminton per court per hr Juniors Peak £11.45

Badminton per court per hr Adults Off Peak £7.45 (now £7.90 inc VAT)

Badminton per court per hr Juniors Off Peak £3.10

The Hub, Bishopstoke (2-Court, peak 1700 to 2200 weekdays)

Sports Hall per hr Peak £34.00

Sports Hall per hr Off Peak £27.00

Studio per hour £24.00

Badminton per court per hr Adults Peak £10.80

Badminton per court per hr Juniors Peak £10.80

Badminton per court per hr Adults Off Peak £7.30

Badminton per court per hr Juniors Off Peak £3.10

Valley Park

Badminton: Adult: £8.80 Junior: £4.35

Toynbee School (evenings and Saturdays 0900 - 1600 - from their website August 2017 – but 2014-15 prices)

Sports Hall

Standard Rate: £50.00 + VAT p/h

U18 organisations/clubs and Not- for-Profit: £29.00 + VAT p/h

Dance Hall

Standard Rate: £23.00 + VAT p/h

U18 organisations/clubs and Not- for-Profit: £18 + VAT p/h

Thornden School (1 Court as per the school's website August 2017)

Booked juniors (by school)

Mondays: 1700-20.00

Wednesdays: 1730 – 1900

Fridays: 1630 – 1730

Other use is Badminton Club – Private, Members Only

Taking Toynbee's and Fleming Park's currently published rates as a bench-mark for the sports hall, and the £/m² charge made at Fryern Pavilion for the concessions room & fitness studio, then analysing various occupancy levels we come to various levels of

income as per the table below (however, please note that these are INDICATIVE income levels only as no levels have been resolved (as that would be predetermination!)).

Sports Hall Extension Potential Income									
	Potential Occupancy Income Per Week								
	£ p.h	h/d	d/wk	25.00%	50%	75%			
Sports Hall Weekdays									
Badminton Peak 4 cts @ £40 p.h	40	5	5	£250.00	£500.00	£750.00			
Badminton Peak 3 cts @ £30 p.h.	30	5	5	£187.50	£375.00	£562.50			
Badminton Peak 2 cts @ £20 p.h.	20	5	5	£125.00	£250.00	£375.00			
Badminton Peak 1 ct @ £10 p.h.	10	5	5	£62.50	£125.00	£187.50			
Badminton Off Peak 4 cts @ £20 p.h	20	9	5	£225.00	£450.00	£675.00			
Badminton Off Peak 3 cts @ £15 p.h.	15	9	5	£168.75	£337.50	£506.25			
Badminton Off Peak 2 cts @ £10 p.h.	10	9	5	£112.50	£225.00	£337.50			
Badminton Off Peak 1 ct @ £5 p.h.	5	9	5	£56.25	£112.50	£168.75			
5-a-side Football Peak @ £50 p.h.	50	5	5	£312.50	£625.00	£937.50			
5-a-side Football Off Peak £25 p.h.	25	9	5	£281.25	£562.50	£843.75			
Sports Hall Weekends									
Badminton Peak 4 cts @ £40 p.h	40	16	2	£320.00	£640.00	£960.00			
Badminton Peak 3 cts @ £30 p.h.	30	16	2	£240.00	£480.00	£720.00			
Badminton Peak 2 cts @ £20 p.h.	20	16	2	£160.00	£320.00	£480.00			
Badminton Peak 1 ct @ £10 p.h.	10	16	2	£80.00	£160.00	£240.00			
5-a-side Football Peak £50 p.h.	50	16	2	£400.00	£800.00	£1,200.00			
Studio									
Weekdays									
Studio Peak @ £30 p.h.	30	5	5	£187.50	£375.00	£562.50			
Studio Off Peak @ £20 p.h.	20	9	5	£225.00	£450.00	£675.00			
Weekends									
Studio Peak @ £30 p.h.	30	16	2	£240.00	£480.00	£720.00			
Concessions/ Treatment Rooms (x2)									
Weekdays Peak @ £12 p.h.	12	28	5	£420.00	£840.00	£1,260.00			
Weekdays Off Peak @ £6 p.h.	0	0	0	£0.00	£0.00	£0.00			
Weekends Peak @ £12 p.h.	12	28	2	£168.00	£336.00	£504.00			
For Example an Income Stream @ 25% Usage									
Amount used	4 cts	3 cts	2 cts	1 ct	50% Peak Occupancy				
					4 cts	3 cts	2 cts	1 ct	
Peak Badminton	£570.00	£427.50	£285.00	£142.50	£1,140.00	£1,015.00	£570.00	£285.00	
Peak 5-a-side	£712.50	£712.50	£712.50	£712.50	£1,425.00	£1,425.00	£1,425.00	£1,425.00	
Off Peak Badminton	£225.00	£168.75	£112.50	£56.25	£450.00	£337.50	£225.00	£112.50	
Off Peak 5-a-side	£312.50	£312.50	£312.50	£312.50	£625.00	£625.00	£625.00	£625.00	
%age Uptake of 25% Occupancy	100%	75%	50%	25%	100%	75%	50%	25%	
Studio Peak	£427.50	£320.63	£213.75	£106.88	£855.00	£641.25	£427.50	£213.75	
Studio Off Peak	£465.00	£348.75	£232.50	£116.25	£930.00	£697.50	£465.00	£232.50	
Concessions Peak	£420.00	£315.00	£210.00	£105.00	£840.00	£630.00	£420.00	£210.00	
Concessions Weekends	£168.00	£126.00	£84.00	£42.00	£336.00	£252.00	£168.00	£84.00	
Total Weekly Income with uptake of courts	£3,301.50	£2,732.38	£2,163.25	£1,594.13	£6,602.00	£5,624.00	£4,326.00	£3,188.00	
Reality @ 50% Peak (25% 5-a-side + 25% Badminton) + (50% of 25%) Off Peak	£2,871.50								

(N.B. £2,871pw in income represents an annual figure of £149k, actually a figure of £260p.w. less [£136k p.a.] has been used for the financial modelling to allow for variances in peak hours to those suggested by officers).

Re M&E costs, Alan Maclean has offered the following: “The CIBSE produce benchmarks for good practice and they would suggest the following for a dry sports facility: -

Gas load circa £8100 per annum (5p per kWh)

Electricity load circa £6100 per annum (10p per kWh)

These figures assume full use for a community dry sports centre of circa 1300 sq m with full occupancy.

We have shown 98 panels on the roof each of which will be nominally 260watts e production so about 25.5 kW peak output. Broadly speaking each kW peak will produce circa 800 kW Hrs per annum in this part of the world so your expectation would be a generation of circa 20384 kWh per annum for the array.

20384kWh equates electrically to a saving at 10p per kWh of £2038 per annum on direct energy use and the FIT will input a further rate of circa 4.32 per kWh produced giving a further benefit of £880.00 per annum

So the annual benefit for a 25.5kW array will be circa £2918.00 - this generally gives a payback on capital investment in circa 9 years which has always been the norm around which the FIT system seems to operate.”

Therefore, heat and light are expected to be £8.1k (gas) + £6.1k (electricity) - £2.9k (solar) = £11.2k p.a. at 100% occupancy.

Hiltingbury Pavilion Extension and Sports Hall @50% Peak 1/2 Staff

First Floor Occupancy	Year 1	Year 2	Year 3	Year 4	Year 5
Concession 1	£10,560.00	£11,520.00	£12,096.00	£12,398.40	£12,708.36
Concessions 2	£11,330.00	£15,120.00	£15,876.00	£16,272.90	£17,086.55
S/T Concessions					
Fitness Studio					
Kids Martial Arts	£2,872.00	£3,456.00	£3,628.80	£3,719.52	£3,905.50
Tai Chi (Adults - current)	£1,320.00	£1,440.00	£1,512.00	£1,549.80	£1,627.29
BJJ (Current)	£1,760.00	£1,920.00	£2,016.00	£2,066.40	£2,169.72
Slimming World (current)	£5,280.00	£5,760.00	£6,048.00	£6,199.20	£6,509.16
Short Mat Bowling	£2,772.00	£3,024.00	£3,175.20	£3,254.58	£3,417.31
Keep Fit (other)	£2,640.00	£2,880.00	£3,024.00	£3,099.60	£3,254.58
Alan Trussler (current)	£2,376.00	£2,592.00	£2,721.60	£2,789.64	£2,929.12
Pilates	£2,376.00	£2,592.00	£2,721.60	£2,789.64	£2,929.12
Keep Fit (Gemma)	£2,970.00	£3,240.00	£3,402.00	£3,487.05	£3,661.40
S/T Fitness Studio hrs					
Sports Hall Occupancy					
AFC	£8,800.00	£9,600.00	£10,080.00	£10,332.00	£10,848.60
Kids 5-a-side parties	£18,600.00	£21,600.00	£22,680.00	£23,247.00	£24,409.35
Other 5-a-side	£14,300.00	£16,200.00	£17,010.00	£17,435.25	£18,307.01
Badminton Club (Mornings/Off Peak)	£4,224.00	£4,608.00	£4,838.40	£4,959.36	£5,207.33
Badminton Club (Evening)	£14,960.00	£17,280.00	£18,144.00	£18,597.60	£19,527.48
Badminton Non-Club (social) Peak	£1,280.00	£1,536.00	£1,612.80	£1,653.12	£1,735.78
Badminton Non-Club (social) Off-Peak	£3,024.00	£3,628.80	£3,810.24	£3,905.50	£4,100.77
Indoor Hockey	£2,900.00	£3,360.00	£3,528.00	£3,616.20	£3,797.01
Netball (Ladies)	£1,800.00	£2,160.00	£2,268.00	£2,324.70	£2,440.94
Netball (Men/mixed)	£1,500.00	£1,800.00	£1,890.00	£1,937.25	£2,034.11
Teddy Tennis	£1,612.00	£1,814.40	£1,905.12	£1,952.75	£2,050.39
Volleyball	£1,080.00	£1,440.00	£1,512.00	£1,549.80	£1,627.29
Softball Cricket	£1,850.00	£2,400.00	£2,520.00	£2,583.00	£2,712.15

Table Tennis	£1,720.00	£2,160.00	£2,268.00	£2,324.70	£2,440.94	
Basketball	£1,130.00	£1,440.00	£1,512.00	£1,549.80	£1,627.29	
Tennis	£1,296.00	£1,728.00	£1,814.40	£1,859.76	£1,952.75	
Soft Tennis	£432.00	£576.00	£604.80	£619.92	£650.92	
Handball	£432.00	£576.00	£604.80	£619.92	£650.92	
S/T Sports Hall hrs						
Current CFPC funding for H.Pav	£21,264.00	£21,264.00	£21,795.60	£22,340.49	£22,899.00	
Current Football Income from Pavilion	£3,996.00	£3,996.00	£4,095.90	£4,198.30	£4,303.25	
total income:	£152,456.00	£172,711.20	£180,715.26	£185,233.14	£193,521.37	£884,636.97
OPERATING EXPENDITURE:						
heat and light	£12,000.00	£12,100.00	£12,402.50	£12,712.56	£13,030.38	
water	£1,440.00	£1,452.00	£1,488.30	£1,525.51	£1,563.65	
rents	£0.00	£0.00	£0.00	£0.00	£0.00	
cleaning	£5,556.00	£5,602.30	£5,742.36	£5,885.92	£6,033.06	
window cleaning	£250.00	£205.00	£210.13	£215.38	£220.76	
cleaning consumables	£240.00	£242.00	£248.05	£254.25	£260.61	
insurance	£1,000.00	£1,000.00	£1,025.00	£1,050.63	£1,076.89	
Business Rates	£19,200.00	£19,360.00	£19,844.00	£20,340.10	£20,848.60	
repairs and maintenance	£6,000.00	£6,050.00	£6,201.25	£6,356.28	£6,515.19	
	£0.00	£0.00	£0.00	£0.00	£0.00	
refuse collection	£360.00	£363.00	£372.08	£381.38	£390.91	
OTHER COSTS	£0.00	£0.00	£0.00	£0.00	£0.00	
Bookings and Admin**	£25,600.00	£29,040.00	£29,766.00	£30,510.15	£31,272.90	
caretaker	£4,500.00	£4,537.50	£4,650.94	£4,767.21	£4,886.39	
MANAGEMENT:	£0.00	£0.00	£0.00	£0.00	£0.00	
- certification eg H&S inspection	£100.00	£302.50	£310.06	£317.81	£325.76	
- accounts	£0.00	£0.00	£0.00	£0.00	£0.00	
- marketing and promotion	£3,500.00	£1,000.00	£1,025.00	£1,050.63	£1,076.89	
- expenses	£1,200.00	£1,210.00	£1,240.25	£1,271.26	£1,303.04	
total:	£80,946.00	£82,464.30	£84,525.91	£86,639.06	£88,805.03	
contingency @10%***	£8,094.60	£8,246.43	£8,452.59	£8,663.91	£8,880.50	
total expenditure:	£89,040.60	£90,710.73	£92,978.50	£95,302.96	£97,685.53	£465,718.32
OPERATING PROFIT / (LOSS)	£63,415.40	£82,000.47	£87,736.76	£89,930.18	£95,835.83	£418,918.65
PWLB Repayments*	£86,444.00	£85,774.76	£85,104.60	£84,434.44	£83,764.28	£425,522.08
Net Operating Profit/Loss	-23,028.60	-3,774.29	2,632.16	5,495.74	12,071.55	-6,603.43

*Assumption £1.4M loan over 30 years on Repayment (EIP) not annuity basis - PWLB loans on EIP basis reduce at £335.08 each 6 months - figures based on PWLB quoted charges on 20 February 2018 0900hrs price

** Assumption Staffing levels to cover 0900hrs to 1600hrs 7 days a week after month 3 and in increasing increments over months 1 to 3

***Assumption of 10% variance possible on expenditure but expectation of 5-10%

CASHFLOW FORECAST													
based on 5yr Income & Expenditure statement													
	Year 1												Year 1
	Mth 1	Mth 2	Mth 3	Mth 4	Mth 5	Mth 6	Mth 7	Mth 8	Mth 9	Mth 10	Mth 11	Mth 12	total
Income	2105	8743	12585	13883	14393	14393	14393	14393	14393	14393	14393	14393	152456
Expenditure	11590	6970	6970	7990	7930	7930	7990	7930	7930	7990	7930	7990	97135
PWLB repayments						43390							86444
Surplus/deficit	-£9,485	£1,773	£5,615	£5,893	£6,463	-£36,927	£6,403	£6,463	£6,463	£6,403	£6,463	-£36,651	-£31,123
Cumulative	-£9,485	-£7,711	-£2,096	£3,797	£10,260	-£26,667	-£20,264	-£13,801	-£7,338	-£935	£5,528	-£31,123	£0
	Year 2				Year 2	Year 3	Year 4	Year 5					
	Qtr 1	Qtr 2	Qtr 3	Qtr 4									
Income	43178	43178	43178	43178	172711	180715	185233	193521					
Expenditure	26812	24049	24049	24049	90711	92978	95303	97686					
PWLB repayments					85775	85105	84434	83764					
Surplus/deficit	£16,366	£19,129	£19,129	£19,129	-£3,774	£2,632	£5,496	£12,072					
Cumulative	-£14,757	£4,372	£23,502	£42,631	£0	£45,263	£50,759	£62,830					

Hiltingbury Pavilion Extension and Sports Hall @75% Peak 1/2 Staff

	Year 1	Year 2	Year 3	Year 4	Year 5
First Floor Occupancy					
Concession 1	£10,560.00	£11,520.00	£12,096.00	£12,398.40	£12,708.36
Concessions 2	£11,330.00	£15,120.00	£15,876.00	£16,272.90	£17,086.55
S/T Concessions					
Fitness Studio					
Kids Martial Arts	£2,872.00	£3,456.00	£3,628.80	£3,719.52	£3,905.50
Tai Chi (Adults - current)	£1,320.00	£1,440.00	£1,512.00	£1,549.80	£1,627.29
BJJ (Current)	£1,760.00	£1,920.00	£2,016.00	£2,066.40	£2,169.72
Slimming World (current)	£5,280.00	£5,760.00	£6,048.00	£6,199.20	£6,509.16
Short Mat Bowling	£2,772.00	£3,024.00	£3,175.20	£3,254.58	£3,417.31
Keep Fit (other)	£2,640.00	£2,880.00	£3,024.00	£3,099.60	£3,254.58
Alan Trussler (current)	£2,376.00	£2,592.00	£2,721.60	£2,789.64	£2,929.12
Pilates	£2,376.00	£2,592.00	£2,721.60	£2,789.64	£2,929.12
Keep Fit (Gemma)	£2,970.00	£3,240.00	£3,402.00	£3,487.05	£3,661.40
S/T Fitness Studio hrs					
Sports Hall Occupancy					
AFC	£8,800.00	£9,600.00	£10,080.00	£10,332.00	£10,848.60
Kids 5-a-side parties	£18,600.00	£21,600.00	£22,680.00	£23,247.00	£24,409.35
Other 5-a-side	£41,300.00	£48,600.00	£51,030.00	£52,305.75	£54,921.04
Badminton Club (Mornings/Off Peak)	£8,448.00	£9,216.00	£9,676.80	£9,918.72	£10,414.66
Badminton Club (Evening)	£27,920.00	£34,560.00	£36,288.00	£37,195.20	£39,054.96
Badminton Non-Club (social) Peak	£1,280.00	£1,536.00	£1,612.80	£1,653.12	£1,735.78
Badminton Non-Club (social) Off-Peak	£3,024.00	£3,628.80	£3,810.24	£3,905.50	£4,100.77
Indoor Hockey	£2,900.00	£3,360.00	£3,528.00	£3,616.20	£3,797.01
Netball (Ladies)	£3,600.00	£4,320.00	£4,536.00	£4,649.40	£4,881.87
Netball (Men/mixed)	£3,000.00	£3,600.00	£3,780.00	£3,874.50	£4,068.23
Teddy Tennis	£1,612.00	£1,814.40	£1,905.12	£1,952.75	£2,050.39
Volleyball	£1,080.00	£1,440.00	£1,512.00	£1,549.80	£1,627.29
Softball Cricket	£1,850.00	£2,400.00	£2,520.00	£2,583.00	£2,712.15
Table Tennis	£1,720.00	£2,160.00	£2,268.00	£2,324.70	£2,440.94
Basketball	£1,130.00	£1,440.00	£1,512.00	£1,549.80	£1,627.29
Tennis	£2,160.00	£2,880.00	£3,024.00	£3,099.60	£3,254.58
Soft Tennis	£432.00	£576.00	£604.80	£619.92	£650.92

Handball	£432.00	£576.00	£604.80	£619.92	£650.92	
S/T Sports Hall hrs						
Current CFPC funding for H.Pav	£21,264.00	£21,264.00	£21,795.60	£22,340.49	£22,899.00	
Current Football Income from Pavilion	£3,996.00	£3,996.00	£4,095.90	£4,198.30	£4,303.25	
total income:	£200,804.00	£232,111.20	£243,085.26	£249,162.39	£260,647.08	£1,185,809.93
OPERATING EXPENDITURE:						
heat and light	£12,000.00	£12,100.00	£12,402.50	£12,712.56	£13,030.38	
water	£1,440.00	£1,452.00	£1,488.30	£1,525.51	£1,563.65	
rents	£0.00	£0.00	£0.00	£0.00	£0.00	
cleaning	£5,556.00	£5,602.30	£5,742.36	£5,885.92	£6,033.06	
window cleaning	£250.00	£205.00	£210.13	£215.38	£220.76	
cleaning consumables	£240.00	£242.00	£248.05	£254.25	£260.61	
insurance	£1,000.00	£1,000.00	£1,025.00	£1,050.63	£1,076.89	
Business Rates	£19,200.00	£19,360.00	£19,844.00	£20,340.10	£20,848.60	
repairs and maintenance	£6,000.00	£6,050.00	£6,201.25	£6,356.28	£6,515.19	
	£0.00	£0.00	£0.00	£0.00	£0.00	
refuse collection	£360.00	£363.00	£372.08	£381.38	£390.91	
OTHER COSTS	£0.00	£0.00	£0.00	£0.00	£0.00	
Bookings and Admin**	£25,600.00	£29,040.00	£29,766.00	£30,510.15	£31,272.90	
caretaker	£4,500.00	£4,537.50	£4,650.94	£4,767.21	£4,886.39	
MANAGEMENT:	£0.00	£0.00	£0.00	£0.00	£0.00	
- certification eg H&S inspection	£100.00	£302.50	£310.06	£317.81	£325.76	
- accounts	£0.00	£0.00	£0.00	£0.00	£0.00	
- marketing and promotion	£3,500.00	£1,000.00	£1,025.00	£1,050.63	£1,076.89	
- expenses	£1,200.00	£1,210.00	£1,240.25	£1,271.26	£1,303.04	
total:	£80,946.00	£82,464.30	£84,525.91	£86,639.06	£88,805.03	
contingency @10%***	£8,094.60	£8,246.43	£8,452.59	£8,663.91	£8,880.50	
total expenditure:	£89,040.60	£90,710.73	£92,978.50	£95,302.96	£97,685.53	£465,718.32
OPERATING PROFIT / (LOSS)	£111,763.40	£141,400.47	£150,106.76	£153,859.43	£162,961.55	£720,091.61
PWLB Repayments*	£86,444.00	£85,774.76	£85,104.60	£84,434.44	£83,764.28	£425,522.08
Net Operating Profit/Loss	£25,319.40	£55,625.71	£65,002.16	£69,424.99	£79,197.27	£294,569.53

*Assumption £1.4M loan over 30 years on Repayment (EIP) not annuity basis - PWLB loans on EIP basis reduce at £335.08 each 6 months - figures based on PWLB quoted charges on 20 February 2018 0900hrs price

** Assumption Staffing levels to cover 0900hrs to 1600hrs 7 days a week after month 3 and in increasing increments over months 1 to 3

***Assumption of 10% variance possible on expenditure but expectation of 5-10%

Hiltingbury Pavilion Cashflow													
CASHFLOW FORECAST													
based on 5yr Income & Expenditure statement													
	Year 1												
	Mth 1	Mth 2	Mth 3	Mth 4	Mth 5	Mth 6	Mth 7	Mth 8	Mth 9	Mth 10	Mth 11	Mth 12	Year 1 total
Income	2105	9127	15999	18833	19343	19343	19343	19343	19343	19343	19343	19343	200804
Expenditure	11590	6970	6970	7990	7930	7930	7990	7930	7930	7990	7930	7930	97135
PWLB repayments						43990							87044
Surplus/deficit	-£9,485	£2,157	£9,029	£10,843	£11,413	-£32,577	£11,353	£11,413	£11,413	£11,353	£11,413	-£31,701	£16,625
Cumulative	-£9,485	-£7,327	£1,702	£12,545	£23,958	-£8,619	£2,734	£14,147	£25,560	£36,913	£48,326	£16,625	£0
	Year 2				Year 2	Year 3	Year 4	Year 5					
	Qtr 1	Qtr 2	Qtr 3	Qtr 4									
Income	58028	58028	58028	58028	232111	243085	249162	260647					
Expenditure	26812	24049	24049	24049	90711	92978	95303	97686					
PWLB repayments					85775	85105	84434	83764					
Surplus/deficit	£31,216	£33,979	£33,979	£33,979	£55,626	£65,002	£69,425	£79,197					
Cumulative	£47,841	£81,820	£115,800	£149,779	£0	£214,781	£284,206	£363,403					

Hiltingbury Pavilion Extension and Sports Hall 50% Peak Full Staffing

First Floor Occupancy	Year 1	Year 2	Year 3	Year 4	Year 5
Concession 1	£10,560.00	£11,520.00	£12,096.00	£12,398.40	£12,708.36
Concessions 2	£11,330.00	£15,120.00	£15,876.00	£16,272.90	£17,086.55
S/T Concessions					
Fitness Studio					
Kids Martial Arts	£2,872.00	£3,456.00	£3,628.80	£3,719.52	£3,905.50
Tai Chi (Adults - current)	£1,320.00	£1,440.00	£1,512.00	£1,549.80	£1,627.29
BJJ (Current)	£1,760.00	£1,920.00	£2,016.00	£2,066.40	£2,169.72
Slimming World (current)	£5,280.00	£5,760.00	£6,048.00	£6,199.20	£6,509.16
Short Mat Bowling	£2,772.00	£3,024.00	£3,175.20	£3,254.58	£3,417.31
Keep Fit (other)	£2,640.00	£2,880.00	£3,024.00	£3,099.60	£3,254.58
Alan Trussler (current)	£2,376.00	£2,592.00	£2,721.60	£2,789.64	£2,929.12
Pilates	£2,376.00	£2,592.00	£2,721.60	£2,789.64	£2,929.12
Keep Fit (Gemma)	£2,970.00	£3,240.00	£3,402.00	£3,487.05	£3,661.40
S/T Fitness Studio hrs					
Sports Hall Occupancy					
AFC	£8,800.00	£9,600.00	£10,080.00	£10,332.00	£10,848.60
Kids 5-a-side parties	£18,600.00	£21,600.00	£22,680.00	£23,247.00	£24,409.35
Other 5-a-side	£14,300.00	£16,200.00	£17,010.00	£17,435.25	£18,307.01
Badminton Club (Mornings/Off Peak)	£4,224.00	£4,608.00	£4,838.40	£4,959.36	£5,207.33
Badminton Club (Evening)	£14,960.00	£17,280.00	£18,144.00	£18,597.60	£19,527.48
Badminton Non-Club (social) Peak	£1,280.00	£1,536.00	£1,612.80	£1,653.12	£1,735.78
Badminton Non-Club (social) Off-Peak	£3,024.00	£3,628.80	£3,810.24	£3,905.50	£4,100.77
Indoor Hockey	£2,900.00	£3,360.00	£3,528.00	£3,616.20	£3,797.01
Netball (Ladies)	£1,800.00	£2,160.00	£2,268.00	£2,324.70	£2,440.94
Netball (Men/mixed)	£1,500.00	£1,800.00	£1,890.00	£1,937.25	£2,034.11
Teddy Tennis	£1,612.00	£1,814.40	£1,905.12	£1,952.75	£2,050.39
Volleyball	£1,080.00	£1,440.00	£1,512.00	£1,549.80	£1,627.29
Softball Cricket	£1,850.00	£2,400.00	£2,520.00	£2,583.00	£2,712.15
Table Tennis	£1,720.00	£2,160.00	£2,268.00	£2,324.70	£2,440.94

Basketball	£1,130.00	£1,440.00	£1,512.00	£1,549.80	£1,627.29
Tennis	£1,296.00	£1,728.00	£1,814.40	£1,859.76	£1,952.75
Soft Tennis	£432.00	£576.00	£604.80	£619.92	£650.92
Handball	£432.00	£576.00	£604.80	£619.92	£650.92
S/T Sports Hall hrs					
Current CFPC funding for H.Pav	£21,264.00	£21,264.00	£21,795.60	£22,340.49	£22,899.00
Current Football Income from Pavilion	£3,996.00	£3,996.00	£4,095.90	£4,198.30	£4,303.25
total income:	£152,456.00	£172,711.20	£180,715.26	£185,233.14	£193,521.37
OPERATING EXPENDITURE:					
heat and light	£12,000.00	£12,100.00	£12,402.50	£12,712.56	£13,030.38
water	£1,440.00	£1,452.00	£1,488.30	£1,525.51	£1,563.65
rents	£0.00	£0.00	£0.00	£0.00	£0.00
cleaning	£5,556.00	£5,602.30	£5,742.36	£5,885.92	£6,033.06
window cleaning	£250.00	£205.00	£210.13	£215.38	£220.76
cleaning consumables	£240.00	£242.00	£248.05	£254.25	£260.61
insurance	£1,000.00	£1,000.00	£1,025.00	£1,050.63	£1,076.89
Business Rates	£19,200.00	£19,360.00	£19,844.00	£20,340.10	£20,848.60
repairs and maintenance	£6,000.00	£6,050.00	£6,201.25	£6,356.28	£6,515.19
	£0.00	£0.00	£0.00	£0.00	£0.00
refuse collection	£360.00	£363.00	£372.08	£381.38	£390.91
OTHER COSTS	£0.00	£0.00	£0.00	£0.00	£0.00
Bookings and Admin**	£36,800.00	£48,400.00	£49,610.00	£50,850.25	£52,121.51
caretaker	£4,500.00	£4,537.50	£4,650.94	£4,767.21	£4,886.39
MANAGEMENT:	£0.00	£0.00	£0.00	£0.00	£0.00
- certification eg H&S inspection	£100.00	£302.50	£310.06	£317.81	£325.76
- accounts	£0.00	£0.00	£0.00	£0.00	£0.00
- marketing and promotion	£3,500.00	£1,000.00	£1,025.00	£1,050.63	£1,076.89
- expenses	£1,200.00	£1,210.00	£1,240.25	£1,271.26	£1,303.04
total:	£92,146.00	£101,824.30	£104,369.91	£106,979.16	£109,653.63
contingency @10%***	£9,214.60	£10,182.43	£10,436.99	£10,697.92	£10,965.36
total expenditure:	£101,360.60	£112,006.73	£114,806.90	£117,677.07	£120,619.00
OPERATING PROFIT / (LOSS)	£51,095.40	£60,704.47	£65,908.36	£67,556.07	£72,902.37
PWLB Repayments*	£86,444.00	£85,774.76	£85,104.60	£84,434.44	£83,764.28
Net Operating Profit/Loss	-35,348.60	-25,070.29	-19,196.24	-16,878.37	-10,861.91

*Assumption £1.4M loan over 30 years on Repayment (EIP) not annuity basis - PWLB loans on EIP basis reduce at £335.08 each 6 months - figures based on PWLB quoted charges on 20 February 2018 0900hrs price

** Assumption Staffing levels to cover 0900hrs to 2100 7 days a week after month 6 and in increasing increments over months 1 to 6

***Assumption of 10% variance possible on expenditure but expectation of 5-10%

Hiltingbury Pavilion Cashflow														
CASHFLOW FORECAST														
based on 5yr Income & Expenditure statement														
	Year 1												Year 1	
	Mth 1	Mth 2	Mth 3	Mth 4	Mth 5	Mth 6	Mth 7	Mth 8	Mth 9	Mth 10	Mth 11	Mth 12	total	
Income	2105	8743	12585	13883	14393	14393	14393	14393	14393	14393	14393	14393	152456	
Expenditure	11590	6970	6970	7990	7930	9850	9910	9850	9850	9910	9850	9910	110575	
PWLB repayments						43390						43054	86444	
Surplus/deficit	-£9,485	£1,773	£5,615	£5,893	£6,463	-£38,847	£4,483	£4,543	£4,543	£4,483	£4,543	-£38,571	-£44,563	
Cumulative	-£9,485	-£7,711	-£2,096	£3,797	£10,260	-£28,587	-£24,104	-£19,561	-£15,018	-£10,535	-£5,992	-£44,563	£0	
	Year 2				Year 2	Year 3	Year 4	Year 5						
	Qtr 1	Qtr 2	Qtr 3	Qtr 4										
Income	43178	43178	43178	43178	172711	180715	185233	193521						
Expenditure	32620	29857	29857	29857	112007	114807	117677	120619						
PWLB repayments					85775	85105	84434	83764						
Surplus/deficit	£10,558	£13,321	£13,321	£13,321	-£25,070	-£19,196	-£16,878	-£10,862						
Cumulative	-£34,005	-£20,684	-£7,362	£5,959	£0	-£13,237	-£30,116	-£40,978						

Hiltingbury Pavilion Extension and Sports Hall @75% Peak Full Staffing

First Floor Occupancy	Year 1	Year 2	Year 3	Year 4	Year 5
Concession 1	£10,560.00	£11,520.00	£12,096.00	£12,398.40	£12,708.36
Concessions 2	£11,330.00	£15,120.00	£15,876.00	£16,272.90	£17,086.55
S/T Concessions					
Fitness Studio					
Kids Martial Arts	£2,872.00	£3,456.00	£3,628.80	£3,719.52	£3,905.50
Tai Chi (Adults - current)	£1,320.00	£1,440.00	£1,512.00	£1,549.80	£1,627.29
BJJ (Current)	£1,760.00	£1,920.00	£2,016.00	£2,066.40	£2,169.72
Slimming World (current)	£5,280.00	£5,760.00	£6,048.00	£6,199.20	£6,509.16
Short Mat Bowling	£2,772.00	£3,024.00	£3,175.20	£3,254.58	£3,417.31
Keep Fit (other)	£2,640.00	£2,880.00	£3,024.00	£3,099.60	£3,254.58
Alan Trussler (current)	£2,376.00	£2,592.00	£2,721.60	£2,789.64	£2,929.12
Pilates	£2,376.00	£2,592.00	£2,721.60	£2,789.64	£2,929.12
Keep Fit (Gemma)	£2,970.00	£3,240.00	£3,402.00	£3,487.05	£3,661.40
S/T Fitness Studio hrs					
Sports Hall Occupancy					
AFC	£8,800.00	£9,600.00	£10,080.00	£10,332.00	£10,848.60
Kids 5-a-side parties	£18,600.00	£21,600.00	£22,680.00	£23,247.00	£24,409.35
Other 5-a-side	£41,300.00	£48,600.00	£51,030.00	£52,305.75	£54,921.04
Badminton Club (Mornings/Off Peak)	£8,448.00	£9,216.00	£9,676.80	£9,918.72	£10,414.66
Badminton Club (Evening)	£27,920.00	£34,560.00	£36,288.00	£37,195.20	£39,054.96
Badminton Non-Club (social) Peak	£1,280.00	£1,536.00	£1,612.80	£1,653.12	£1,735.78
Badminton Non-Club (social) Off-Peak	£3,024.00	£3,628.80	£3,810.24	£3,905.50	£4,100.77
Indoor Hockey	£2,900.00	£3,360.00	£3,528.00	£3,616.20	£3,797.01
Netball (Ladies)	£3,600.00	£4,320.00	£4,536.00	£4,649.40	£4,881.87
Netball (Men/mixed)	£3,000.00	£3,600.00	£3,780.00	£3,874.50	£4,068.23
Teddy Tennis	£1,612.00	£1,814.40	£1,905.12	£1,952.75	£2,050.39
Volleyball	£1,080.00	£1,440.00	£1,512.00	£1,549.80	£1,627.29
Softball Cricket	£1,850.00	£2,400.00	£2,520.00	£2,583.00	£2,712.15
Table Tennis	£1,720.00	£2,160.00	£2,268.00	£2,324.70	£2,440.94
Basketball	£1,130.00	£1,440.00	£1,512.00	£1,549.80	£1,627.29
Tennis	£2,160.00	£2,880.00	£3,024.00	£3,099.60	£3,254.58

Soft Tennis	£432.00	£576.00	£604.80	£619.92	£650.92	
Handball	£432.00	£576.00	£604.80	£619.92	£650.92	
S/T Sports Hall hrs						
Current CFPC funding for H.Pav	£21,264.00	£21,264.00	£21,795.60	£22,340.49	£22,899.00	
Current Football Income from Pavilion	£3,996.00	£3,996.00	£4,095.90	£4,198.30	£4,303.25	
total income:	£200,804.00	£232,111.20	£243,085.26	£249,162.39	£260,647.08	£1,185,809.93
OPERATING EXPENDITURE:						
heat and light	£12,000.00	£12,100.00	£12,402.50	£12,712.56	£13,030.38	
water	£1,440.00	£1,452.00	£1,488.30	£1,525.51	£1,563.65	
rents	£0.00	£0.00	£0.00	£0.00	£0.00	
cleaning	£5,556.00	£5,602.30	£5,742.36	£5,885.92	£6,033.06	
window cleaning	£250.00	£205.00	£210.13	£215.38	£220.76	
cleaning consumables	£240.00	£242.00	£248.05	£254.25	£260.61	
insurance	£1,000.00	£1,000.00	£1,025.00	£1,050.63	£1,076.89	
Business Rates	£19,200.00	£19,360.00	£19,844.00	£20,340.10	£20,848.60	
repairs and maintenance	£6,000.00	£6,050.00	£6,201.25	£6,356.28	£6,515.19	
	£0.00	£0.00	£0.00	£0.00	£0.00	
refuse collection	£360.00	£363.00	£372.08	£381.38	£390.91	
OTHER COSTS	£0.00	£0.00	£0.00	£0.00	£0.00	
Bookings and Admin**	£36,800.00	£48,400.00	£49,610.00	£50,850.25	£52,121.51	
caretaker	£4,500.00	£4,537.50	£4,650.94	£4,767.21	£4,886.39	
MANAGEMENT:	£0.00	£0.00	£0.00	£0.00	£0.00	
- certification eg H&S inspection	£100.00	£302.50	£310.06	£317.81	£325.76	
- accounts	£0.00	£0.00	£0.00	£0.00	£0.00	
- marketing and promotion	£3,500.00	£1,000.00	£1,025.00	£1,050.63	£1,076.89	
- expenses	£1,200.00	£1,210.00	£1,240.25	£1,271.26	£1,303.04	
total:	£92,146.00	£101,824.30	£104,369.91	£106,979.16	£109,653.63	
contingency @10%***	£9,214.60	£10,182.43	£10,436.99	£10,697.92	£10,965.36	
total expenditure:	£101,360.60	£112,006.73	£114,806.90	£117,677.07	£120,619.00	£566,470.30
OPERATING PROFIT / (LOSS)	£99,443.40	£120,104.47	£128,278.36	£131,485.32	£140,028.08	£619,339.64
PWLB Repayments*	£86,444.00	£85,774.76	£85,104.60	£84,434.44	£83,764.28	£425,522.08
Net Operating Profit/Loss	£12,999.40	£34,329.71	£43,173.76	£47,050.88	£56,263.80	£193,817.56

*Assumption £1.4M loan over 30 years on Repayment (EIP) not annuity basis - PWLB loans on EIP basis reduce at £335.08 each 6 months - figures based on PWLB quoted charges on 20 February 2018 0900hrs price

** Assumption Staffing levels to cover 0900hrs to 2100 7 days a week after month 6 and in increasing increments over months 1 to 6

***Assumption of 10% variance possible on expenditure but expectation of 5-10%

CASHFLOW FORECAST													
based on 5yr Income & Expenditure statement													
	Year 1												Year 1
	Mth 1	Mth 2	Mth 3	Mth 4	Mth 5	Mth 6	Mth 7	Mth 8	Mth 9	Mth 10	Mth 11	Mth 12	total
Income	2105	9127	15999	18833	19343	19343	19343	19343	19343	19343	19343	19343	200804
Expenditure	11590	6970	6970	7990	7930	9850	9910	9850	9850	9910	9850	9910	110575
PWLB repayments						43390							86444
Surplus/deficit	-£9,485	£2,157	£9,029	£10,843	£11,413	-£33,897	£9,433	£9,493	£9,493	£9,433	£9,493	-£33,621	£3,785
Cumulative	-£9,485	-£7,327	£1,702	£12,545	£23,958	-£9,939	-£506	£8,987	£18,480	£27,913	£37,406	£3,785	£0
	Year 2				Year 2	Year 3	Year 4	Year 5					
	Qtr 1	Qtr 2	Qtr 3	Qtr 4									
Income	58028	58028	58028	58028	232111	243085	249162	260647					
Expenditure	32620	29857	29857	29857	112007	114807	117677	120619					
PWLB repayments					85775	85105	84434	83764					
Surplus/deficit	£25,408	£28,171	£28,171	£28,171	£34,330	£43,174	£47,051	£56,264					
Cumulative	£29,193	£57,364	£85,536	£113,707	£0	£156,881	£203,931	£260,195					

THE PROGRESS OF THE PROPOSALS FROM THE CONCLUSION OF THE FEASIBILITY STUDY

To ensure the lawfulness of any decision as whether or not Chandler's Ford Parish Council decides to resolve to build the proposed sports hall extension and partial rebuild of the first floor of Hiltngbury Pavilion and other refurbishments, all decisions of progress have been taken at Full Council Meetings and minuted as per the extracts below.

The findings were brought back to Council at their meeting of 31 October 2016 and minuted as below:

688 TO DISCUSS AND CONSIDER THE PROPOSAL BROUGHT FORWARD FROM THE HILTINGBURY PAVILION EXTENSION PROJECT BOARD THAT THE FEASIBILITY STUDY, PARISH COUNCIL'S PRECEPT LEVEL AND THE OCCUPANCY FIGURES (AT 25%) AND ON THE ADVICE OF EXPERTS (EBC AND SPORTS ENGLAND OFFICERS) INDICATE THAT PROPOSALS FOR A 4 BADMINTON COURT SIZED EXTENSION SHOULD BE TAKEN FORWARDS WITH REFURBISHMENT OF THE EXISTING PAVILION AS A SINGLE PHASE DEVELOPMENT, BASED ON OPTION 3, AT AN INDICATIVE COST OF APPROXIMATELY £1.5M, WITH THE PROVISION THAT IF IT IS RESOLVED TO TAKE THIS FORWARDS THAT TKL ARCHITECTS BE RETAINED AS THE DESIGN TEAM, WITH RICHARD BARNES AS THE QUANTITY SURVEYOR.

Mr Thompson introduced himself to Council Members and gave the following briefing having confirmed that even though he was moving Local Area Committees, it had been agreed at Borough he would continue to support the project up to the beginning of construction, subject to ongoing consents.

That the Project Team included himself, Duncan as the sponsor, and Mike Hughes as the Cllr link and driving force.

There was a project board made up of quite a few of the Parish Council and this is a sub-group of full council.

TKL were employed to work up feasibility designs for both a new pavilion and a refurbished one with outline drawings and costs.

Right back to the beginning – What is the need for a Sports Hall??

Sport & Active Lifestyles Strategy 2015 highlights that as a borough we are full to capacity for sports hall use. This meant peak hours.

Fleming Park Leisure Centre – EBC are increasing provision – but already, a year before opening, most slots are getting booked up – add in Eastleigh College having shut its 4 court sports hall and using FPLC – there remained a need for more courts.

As seen from the report – Places for People are also supportive of this proposal, and rather than a threat, they welcome it and saw it as an opportunity for those smaller community groups to gain sports hall time at peak hours.

In terms of strategy objectives – it fitted those of sport England, various governing bodies and linked into EBC's aim of developing facilities in central community hub

sites opposed to stand alone, smaller venues where no economies of scale can be realised – and places are open to be vandalised.

The Football Association (FA), yes the Football Foundation gave a grant in 2008 – however, having met with the FA they back this proposal, as they see a better used venue, a more appealing external façade (a big target for them at the moment) – tidied up changing rooms, and a venue for 5 a side football. The existing grant is safe.

The Designs

As Members could see from the feasibility studies, from a financial perspective, the refurbished option is coming in around £400,000 under the new build indicative costs. For this reason, the team have focused on the refurbished design.

The original brief was to have a minimum 2 court sports hall, with costs and designs for a 3rd court (sports halls are measured in badminton court sizes). Sports clubs require a minimum of 3 courts to function, though to be able to compete with other halls for 5 a side football, though 3 courts could work, it would be highly undesirable and would significantly reduce the potential future income.

Noting the uplift of only £80,000 from 2-3 court hall, the project team asked for costs for the increase from 3-4 courts. This uplift was a further £100,000. This would encroach slightly onto the open space; however, the football pitch could easily be moved down. This would actually help with the reinstatement of the goalmouths. Though technically building on an open space. The net gain to sport is significant enough for Sport England, the FA and EBC to fully support this development, as the indoor facility can be used 24/7.

Informal advice from the EBC sport team, SE and various governing bodies on the feasibility designs were very positive. They were very complimentary of a Parish Council taking on such a project and wanted this message relayed to the Parish. They were instructed not to focus on the internal layout too much (storage, internal doors, offices etc), but to look at the general layout, the sports hall, changing and multi-use room. Whilst they said they would be happy to offer advice at the detailed design phase for the aforementioned things should this be approved, they were happy with the feasibility in principle designs, though ALL said that for this to be a worthwhile project with proper sports development outcomes and a sustainable business plan, then the 4-court hall is a necessity.

Mr Thompson was thanked for his presentation and the floor was opened to questions. Members asked questions about funding and particularly the use of green energy such as photovoltaic panels and ground-source heating. Comment was also made that if the Parish Council was serious about sports provision then it had to opt for a four-court hall not a three- court one.

Comment was made by project team members that there were current time constraint issues such as being able to apply for the £400k plus New Homes Bonus Scheme grant before it was reduced further by other projects. It was currently hoped

to go either the November or December EBC cabinet meeting for part funding. At this meeting it was about making the decision whether to progress the project to that stage and work up a detailed design for the planning application.

It was confirmed that outline costs and income had been analysed to determine that the project was viable and that a more detailed business plan would be constructed as the project developed flesh on the skeleton.

A couple of Members expressed concerns over the scale of the proposals, suggesting a more modest unit as an extension or erecting the facility elsewhere in the Parish. Other Members disagreed with these suggestions pointing out that the Hiltingbury Recreation Ground was the largest open space, had facilities, which needed updating and could create a facility that had the economies of scale to create a revenue stream and make it a viable project. It was also commented that it was felt that not one councillor would put their hand up and suggest that the existing building was good enough. Design costs for the next stage were enquired about and the Clerk suggested a sum in the region of £40k might be expected.

Concluding the debate and following proposal, seconding and on a show of hands the continuation of the project, as a 4-court sports hall with refurbishment of the existing pavilion, be taken forwards to detailed design for planning consent, and application to EBC for a NHBS grant of around £400k was AGREED.

It was requested that the vote be recorded as 12 for, with Cllr Duguid against, and Cllr Pragnell abstaining.

Following further design work by TKL the proposals were brought back to Full Council at an Extraordinary Meeting on 10 April 2017 before Purdah rules for the County Council elections came into force.

715 TO DISCUSS AND DECIDE WHETHER TO ADOPT THE PROPOSALS FROM THE HILTINGBURY PAVILION PROJECT BOARD:

a. That the design adaptations for the sports hall extension and internal refurbishment following a presentation by TKL Architects are considered, acknowledging that although some open green/sports space will be utilised for the development the project will increase the accessible sports opportunities for the benefit of residents of the parish, for agreement that the plans are progressed to a full planning application, with a pre-application meeting undertaken with the Planning Officer as soon as practicable.

b. Further, to discuss and agree that as the planning application proceeds through the 13 weeks application/consultation that work on the design, structure and M&E are progressed contemporaneously, at risk, to ensure that if planning consent is granted construction work can begin as soon as practicable. (N.B. Separate decisions will be taken by Full Council as to borrowing, budget and main contractors at a later meeting once specifications, materials etc. are known)

David Knott of TKL Architects was invited by the Parish Council Chairman Cllr Margaret Atkinson to give a presentation to inform members of the council and the public present current information about the proposals. The plans, elevations and site information were projected on the screen as part of a PowerPoint presentation and Mr Knott talked the proposals through. It was pointed out that the current pavilion was not fit-for-purpose and was falling into serious decay that would shortly become irreversible.

Andrew Thompson, EBC's Project Lead for the Pavilion proposal confirmed that the proposal aligned to the Borough Council's Health agenda, to increase participation and provide high quality local facilities for use by the community. Acknowledging the upcoming redevelopment and extended sports hall offer at the new Fleming Park, Mr Thompson confirmed that such was the demand for sports hall space at peak time that there was already a host of local clubs and groups desperate for another facility. Following conversations with counterparts at the FA, Sport England and Places for People, he stated that not only were they supportive of the project, they were also quick to commend the Parish Council in being bold and proactive in seeking to improve the health of their local community.

At 7.42pm the meeting was adjourned for public participation.

Various people spoke in a session that lasted 20 minutes and during which comments were made about parking, loss of the turning space, safety of children, the design, loss of green space and requesting more consultation.

It was confirmed that there would be no loss of football pitches as they would be moved down the recreation ground and that space (primarily unusable for sport) was to be enclosed and made available for sport all-year round.

At 8.05pm the meeting resumed.

Following proposal and seconding of part (a) of the agenda item the debate was opened.

A councillor expressed that he felt the project was being rushed, needed more consultation and proposed a motion (without prior written notification) that would negate the agenda item. Despite it being seconded and according to Standing Order (SO) 9[b] and being without the scope of SO 10 the motion was rejected.

Comment was made on the level of response to the earlier consultation, and it was clarified that the Council had invited all residents of the parish to take part in an online survey through social media and a newsletter that was delivered to every household.

It was pointed out by another councillor that sports halls have four straight sides and a four-court sports hall was agreed to be progressed, by the Council, on 31 October 2016. Another councillor pointed out that Part (b) of the motion explicitly stated that there would be a 13-week period of public consultation.

Further comment was made about the current pavilion being a 'sty for porcine animals' and that the important issue was that if nothing was done the building would fall down and there would be no resource at all for the community. He agreed

that it was at risk as stated, but there were greater risks if more consultation was done and nothing else for several months as costs would rise.

Another comment was made by a councillor about the need for a clearer business case to which the EBC Officer responded about Fleming Park being fully booked in peak periods, the closure of Eastleigh College's courts due to teaching needs and they were using Fleming Park. Stopping for further consultation was not an option because the current building was on its last legs.

The Chairman commented that the decision being made was not the final decision as the financial decisions as to whether to build were to be made later when quantified costs would be known.

Another councillor commented that the process was being undertaken stage-by-stage, as it should be. There was opportunity for comment through the planning process and at the LAC should it go there for determination.

Another comment was made about further consultation which was responded to with a comment on this being the second presentation and that there had been earlier decisions and the process so far had been over 18 months.

The debate being concluded and part (a) being already proposed and seconded a vote was taken. On a show of hands, it was AGREED to proceed to a full planning application with the proposal.

*Following proposal and seconding of part (b) of the Agenda item, and with no further debate being required, on a show of hands it was AGREED to proceed **at risk** with the technical design stage contemporaneously with the progress of the planning application through to determination at a cost of £56,200.*

EXTRORDINARY MEETING OF CHANDLER'S FORD PARISH COUNCIL

7.00 PM 27 NOVEMBER 2017 FRYERN PAVILION, GREENWAYS, CHANDLER'S FORD

COUNCILLORS PRESENT: *Councillor Atkinson (Chairman), Councillors: Aubry, Boyes, Broadhurst, Cox, Duguid, Foulds, Grajewski, Hughes, Johnson, Leslie, Luffman, Pragnell and Scott.*

In Attendance: *Duncan Murray (Parish Clerk) and Andrew Thompson (EBC Officer).*

Public Participation:

There were 4 members of the public 3 of whom spoke. The first speaker said that he had concerns over the level of demand, whether the Business Case was robust, how the proposed facility would be maintained. He commented that if these were covered satisfactorily the along with making the parking and access for the scouts safe then he would support the proposals. A second speaker was concerned over the level of responses to the survey and that residents weren't asked if they would use it. She commented that the elderly wouldn't use it neither would the young. She also queried the issue of Agenda item 3(b) that previously had stated any loan would be paid for by hirers. A third speaker commented on the strength of the Business Case and that a much bigger consultation was needed. She also requested confirmation that the temporary car park would in fact be temporary.

765 APOLOGIES

These were received from Cllrs Bicknell, Bull and Simmonds, an emailed apology from Cllr Jolly was picked up later.

766 DECLARATIONS OF INTEREST

Cllr Grajewski declared a non-pecuniary interest in the items for the meeting being a Borough Councillor who had been on the Local Area Committee at which the planning application for the scheme had been considered. But as this was a separate issue from planning she was coming with an open mind. Cllrs Atkinson, Broadhurst and Hughes declared the same.

A councillor enquired about the comment made in the Briefing Note about expanding on the advice from Eastleigh Borough Council's (EBC) Legal Officer and the Clerk commented on the additional advice he had been given by the Legal Officer:

"As a cautionary note, and as a matter of statutory limitations to councillors, if any Members feel minded to frustrate the gaining of this essential information/authorisations for the final decision next year, I would expect there to be challenges (from other Members) as to them being predetermined (i.e. the mind is made up and nothing will change it) in their decision making, which, if successful, would exclude them from taking part in any decisions or debate. Such a challenge can be made at any point in a meeting and nullify a vote. The reason I would expect there to be a challenge is because any person who does not want to know whether we can have authorisation to borrow, or any person who does not want to know the final tendered costs (thus the actual build costs) would probably be considered NOT to be "coming to the matter with an open, rational mind, [to] take part in any debate and vote" (to quote EBC Legal Team).

Therefore, if Members feel predisposed (i.e. feeling strongly against [or for] a proposal but they are still open to persuasion either way) to not thinking the proposed development should go ahead the safest way of expressing those thoughts would be by abstaining on these procedural items.

Please note figures have been left off the published agenda as, at this point in time, they are commercially sensitive and to publish them could have a detrimental effect on prices gained during the tender process – obviously all figures will be made public after the tender documents are returned and form part of the open debate for a Final Investment Decision."

It was asked that the advice be minuted verbatim.

Cllr Duguid said that he had gained advice to the contrary, but accepted what the Clerk had said and that at a point in the meeting he would like to move for a confidential session to discuss the figures in detail.

Cllr Pragnell stated that he was a Borough Councillor and that circumstances had kept him away from the LAC meeting, but that he came with an open mind but was concerned about the finances. Both the Chairman and the Clerk agreed that the finances were very important to get right.

767 TO DISCUSS AND AGREE WHETHER THE COUNCIL, THROUGH ITS RESPONSIBLE FINANCE OFFICER/PROPER OFFICER, CAN APPROACH THE SECRETARY OF STATE (DEPARTMENT OF COMMUNITIES AND LOCAL GOVERNMENT) TO SEEK APPROVAL TO BORROW MONIES FOR THE PROJECT AT AN INDICATED LEVEL IN ACCORDANCE WITH THE BUSINESS CASE/ASSOCIATED PAPERS. IN SO DECIDING TO CONSIDER WHETHER: -

- a. IT WILL BE OF BENEFIT TO THE COMMUNITY THE PARISH COUNCIL IS HERE TO SERVE,**
- b. THE PROPOSALS ARE AFFORDABLE (I.E. LOAN AND INTEREST REPAYMENTS) WITHIN OUR CURRENT PRECEPT OF £50.27 FOR A BAND D PROPERTY, AND**
- c. THE PARISH COUNCIL HAVE THE WHEREWITHAL (CASHFLOW) TO FUND THE BUILD PROCESS IF IT WERE TO BORROW IN ACCORDANCE WITH THE BUSINESS CASE/ASSOCIATED PAPERS FROM THE PUBLIC WORKS LOAN BOARD AND RECEIVES THE £400K NHBS GRANT FROM EBC?**

Following proposal and seconding the clerk clarified some of the salient points from the Briefing Note and Members were able to ask questions before debate took place. Members enquired about the financial forecasts, whether VAT was included or not (it was excluded) and whether there were more benefits or 'dis-benefits' to the community. The Clerk answered the questions and commented about additional benefits such as a fitness track with outdoor gym equipment that the proposals could help attract funding for.

Mr Thompson was invited to make comment and he spoke about the research showing no capacity at peak times even with Places Leisure Eastleigh opening the following day. That sports clubs were desperate for facilities, the '5-0 Club' that was needing additional places to meet for short and long mat bowls, a need for an indoor tennis court.

A Cllr commented that what she was hearing at ward and county level was that many people were looking forwards to the provision of the new facility, and that one of the 'dis-benefits' would be the current building falling down. She also commented that it was not unusual for councils to run buildings at a loss, but reminded those present that the Fryern Pavilion was exceeding all expectations. She finished by saying that this was about finding out what they had to be able to afford and the Clerk being enabled to get the financial information so that the Council could make those decisions.

It was mentioned that whilst agreeing with about 80% there remained questions of occupancy at Thornden and the white elephant of the 'Basement' at Hiltingbury. Another commented that whilst assured on items 3(b) and (c) he had a reserved yes on 3(a).

That being the end of debate on this item it was moved to a vote and on a show of hands of 9 for, 3 abstentions, and 1 against (Cllr Leslie) the item was AGREED

768 TO DISCUSS AND AGREE WHETHER THE PROPOSAL TO DEVELOP A SPORTS HALL EXTENSION TO HILTINGBURY PAVILION SHOULD BE PUT OUT TO TENDER,

FOLLOWING THE PLANNING CONSENT OF 15 NOVEMBER 2017, AND AT AN INDICATIVE PRICE IN ACCORDANCE WITH THE BUSINESS CASE/ASSOCIATED PAPERS.

A Member moved that this part of the meeting be confidential.

769 TO AGREE TO EXEMPT THE MEETING FROM PUBLIC ATTENDANCE UNDER THE PUBLIC ACCESS TO MEETINGS ACT 1960 /C2 DUE TO THE CONFIDENTIAL NATURE OF THE ITEMS TO BE DISCUSSED.

Following proposal, seconding and on a show of hands this was AGREED and at 8.00pm the public were excluded due to the commercial sensitivity of the financial information to be discussed.

At 8.20 the meeting returned to being a public meeting.

It was UNANIMOUSLY AGREED that the tender document should be drawn up and finalised by the Design Team in consultation with the Quantity Surveyor and architect for issue by the Parish Clerk.

770 TO DISCUSS AND AGREE THAT THE PARISH CLERK CAN OBTAIN FORMAL APPROVALS FROM PREVIOUS GRANT FUNDERS AND OTHER RELEVANT STAKEHOLDERS TO FULFIL PLANNING CONDITIONS THAT MIGHT BE NECESSARY TO PROGRESS THE PROJECT TO A FINAL INVESTMENT DECISION.

Following proposal, seconding and on a show of hands it was UNANIMOUSLY AGREED that the Clerk was authorised to gain the necessary consents to progress the project to final decisions.

771 TO DISCUSS AND AGREE THE PROVISION OF SITE INVESTIGATIONS AND EXISTING FOUNDATION TRIAL HOLES FOR THE PROPOSED HILTINGBURY PAVILION EXTENSION AT A COST OF £6,470 (EX VAT), DEFERRED FROM 30 OCTOBER, BUT NEW TRIAL PITS/SOIL TESTING REQUIRED AS A PLANNING CONDITION.

The Clerk briefed Members that there was a necessity as a planning condition for fresh soil sampling. A Member asked if the existing services were adequate for the proposals which was commented that the M&E consultant had confirmed this. Following proposal, seconding and on a show of hands site investigations were UNANIMOUSLY AGREED.

Date and place of next meeting was moved to 7.00pm 18 December 2017 at Fryern Pavilion, Chandler's Ford, due to a clash with EBC's Council meeting on the 11th December.

That being all the business the meeting was closed at 8.30pm.

CONFIDENTIAL MINUTE - EXTRAORDINARY MEETING OF CHANDLER'S FORD PARISH COUNCIL (now in the public domain as tenders have been returned)

8.00-8.20 PM 27 NOVEMBER 2017 FRYERN PAVILION, GREENWAYS, CHANDLER'S FORD

COUNCILLORS PRESENT: Councillor Atkinson (Chairman), Councillors: Aubry, Boyes, Broadhurst, Cox, Duguid, Foulds, Grajewski, Hughes, Johnson, Leslie, Luffman, Pragnell and Scott.

In Attendance: Duncan Murray (Parish Clerk) and Andrew Thompson (EBC Officer).

768 Continued:

The Clerk was authorised to seek authorisation for borrowing from the Secretary of State DCLG of up to £1.4M.

769 Continued

A Member questioned what the final build costs were expected to be with £1.98M being proposed when a figure of £1.5-1.8M was being suggested in the summer and there were consultant costs to contend with.

Another Member commented that he had reservations and was uncomfortable over certain aspects, if it was for 40 years expected life that it should have been made bigger, the M&E figures had not been drilled down, and he wanted to make a few tweaks to ensure the tender documents were correct.

The Chairman commented that she didn't want delays and that it seemed too detailed a question to be resolved by this meeting. The Member said it was more about making adjustments rather than major alterations and within the planning guidelines so minimal adjustment would be required to any consent.

Members supported this Member presenting his views to the Design Team for consideration before the final tender document was agreed.

Other comments were also made about avoiding ambiguity in tender documentation and ensuring fixed price contracts. The EBC Officer commented that it was part of the Quantity Surveyor's responsibilities, along with the architects to ensure clear tender document wording.

The Clerk responded to the earlier question that the total build phase cost would be expected to be around £2.055M ex VAT.