

REPORT TO: Cabinet Member Regeneration
Cabinet

DATE: 14th April 2010
15th April 2010

SUBJECT: Former Peoples Showroom – Replacement for St John and St James Church, Klondyke.

WARDS AFFECTED: Derby

REPORT OF: Alan Lunt, Neighbourhoods and Investment Programmes Director

CONTACT OFFICER: Lee Payne, HMR Programme Co-ordinator
0151 934 4842
Allan Jones, Project Manager, 0151 934 4229

EXEMPT/CONFIDENTIAL: No.

PURPOSE/SUMMARY:

To seek authority to dispose of part of the former Peoples Showroom site to the Liverpool Diocesan Board of Finance, to develop a new place of worship and community facility.

To seek authority to use Housing Market Renewal funding to make a grant to the Liverpool Diocesan Board of Finance towards the community and landscape elements of the building.

REASON WHY DECISION REQUIRED:

Cabinet has delegated authority with regard to this matter.

RECOMMENDATION(S):

1. That Cabinet Member notes the report
2. That Cabinet:
 - (i) Approves the granting of a two year Development Lease to the Liverpool Diocesan Board of Finance (referred to in this report as 'the Church') for the former Peoples Showroom building, so that the building can be refurbished to use as a place of worship and community facility.
 - (ii) Delegates authority to the Neighbourhoods and Investment Programmes Director to agree the terms for the long-term disposal of the site to the Liverpool Diocesan Board of Finance, upon successful completion of the works under the Development Lease.
 - (iii) Approves the contribution of £200,000 from the housing Market Renewal Programme 2010/11 to the Liverpool Diocesan Board of Finance towards the cost of refurbishing the building for community use and associated landscaping, subject to a legal obligation on the church to provide the agreed level of funding for the project.

KEY DECISION: No

FORWARD PLAN: Not appropriate

IMPLEMENTATION DATE: Following the expiry of the Call in Period for the minutes of this meeting.

ALTERNATIVE OPTIONS:

The present Church has become seriously dilapidated, and repeated investigations have deemed it too costly and impractical to repair. The congregation has now moved out and are presently worshipping in temporary accommodation. There are no alternative permanent re-location options in the area. The intention is for the existing Church to be demolished and re-developed by a private developer as part of ongoing Housing Market Renewal activity.

IMPLICATIONS:**Budget/Policy Framework:****Financial:**

The funding required to deliver this project has been identified within the Housing Market Renewal programme for 2010/11.

<u>CAPITAL EXPENDITURE</u>	2010/ 2011 £	2011/ 2012 £	2012/ 2013 £	2013/ 2014 £
Gross Increase in Capital Expenditure				
Funded by:				
Sefton Capital Resources				
Specific Capital Resources				
<u>REVENUE IMPLICATIONS</u>				
Gross Increase in Revenue Expenditure				
Funded by:				
Sefton funded Resources				
Funded from External Resources				
Does the External Funding have an expiry date? Y/N	When?			
How will the service be funded post expiry?				

Legal:

None

Risk Assessment:

The key risk is that the Church will be unable to secure the necessary funding required for the project. However, disposal, and making of grants will be conditional on the Church providing the agreed level of funding for the project.

Asset Management:

This investment will provide a shared community facility to replace the one lost by the demolition of the current St John and St James Church building.

CONSULTATION UNDERTAKEN/VIEWS

FD363 - and the comment that the Interim Head of Corporate Finance and Information Services has been consulted and his comments have been incorporated into the report.

The Legal Services Director has also been consulted in the preparation of this report.

CORPORATE OBJECTIVE MONITORING:

<u>Corporate Objective</u>		<u>Positive Impact</u>	<u>Neutral Impact</u>	<u>Negative Impact</u>
1	Creating a Learning Community	✓		
2	Creating Safe Communities	✓		
3	Jobs and Prosperity		✓	
4	Improving Health and Well-Being	✓		
5	Environmental Sustainability	✓		
6	Creating Inclusive Communities	✓		
7	Improving the Quality of Council Services and Strengthening local Democracy		✓	
8	Children and Young People	✓		
LIST OF BACKGROUND PAPERS RELIED UPON IN THE PREPARATION OF THIS REPORT				

1.0 BACKGROUND

- 1.1 The present St John and St James Church building, Kirby Road, Orrell, lies within the Klondyke / Hawthorne Road Housing Market Renewal (HMR) intervention area. The Church building is seriously dilapidated and has been deemed too costly and impractical to repair.
- 1.2 The Housing Market Renewal team has been in discussions with the Church for some time to find an alternative location.
- 1.3 The site of the current Church has been earmarked for housing development as part of the housing market renewal programme. The current Church is located immediately adjacent to a successful development of 12 social rented houses that were developed by Riverside Housing Association and occupied in Spring 2007.
- 1.4 On the 30th September 2009 Cabinet Member Regeneration considered an update report on this project and authorised continuing discussions with St John and St James Church pending more detailed cost and budget information. Tenders have now been received and project costs confirmed.

2.0 Project Proposal

Overview

- 2.1 The former Peoples site is located in Bootle, adjacent to Linacre Lane and Hawthorne Road. The site is located in the Klondyke neighbourhood, immediate adjacent to the Klondyke Housing Market Renewal Intervention Area.
- 2.2 The former People's Showroom building is located in the north east of the site, adjacent to Linacre Lane. The Church has appointed architects to develop a refurbishment scheme that will utilise the existing building as a place of worship and community facility. A site plan is appended to this report at Appendix I.
- 2.3 Due to the cost of the original design exceeding the likely budget the Church has reviewed the scheme and now propose to refurbish the building in phases over time as funds become available.
- 2.4 The first phase, which will provisionally start in the June 2010, will provide a refurbished external envelope, ground floor accommodation and first floor structure, albeit with certain areas not fitted out, including the kitchen area. The design drawings for Phase 1 of the scheme are appended to this report at Appendix II, and the design drawings for Phase 2 of the scheme are appended to this report at Appendix III.
- 2.5 The proposed budget and costs contained in this report will realise Phase 1 of the scheme only. It is the Church's intention to raise funds for Phase 2 of the building, however this funding has yet to be secured and the Church are unable to provide details of how they propose to raise the funds.
- 2.6 Planning Consent for the refurbishment scheme was granted on the 16th September 2009 (S/2009/0555).

Existing Site Proposals

- 2.7 The Church has agreed to sell their current site to house builder McInerney Homes, with the proceeds of the sales being 'ring fenced' for use in Phase 1 of the refurbishment of the former People's Showroom building.
- 2.8 Originally, it was intended that the Council acquire the Church utilising Housing Market Renewal resources. Thus the involvement of a developer partner has secured a significant saving to the Council. This housing development will be Phase 2 of the successful Kirby Road

scheme with McInerney Homes acting as contractor and agreement having been reached with Riverside Housing Association to purchase the units for social rent.

Budget/Costs

2.9 The project costs for the Phase 1 refurbishment of the People's Showroom are as follows:

Refurbishment (ex VAT)	£650,000
Landscaping/External	£50,000
Fees	£55,000
VAT payable	£114,000
TOTAL	£869,000

2.10 The Church has secured the following funding towards the scheme:

Promise Appeal (building fund)	£185,000
Savings by using free temporary accommodation	£15,000
Sale of existing site to McInerney Homes	£270,000
Sale of Church furnishings	£7,000
TOTAL	£477,000

2.11 The Church is confident of finding the following funding towards the scheme (*note: funding not yet secured*):

Money raised from the congregation	£50,000
Maximum loan guaranteed & underwritten by Liverpool Diocesan Board of Finance	£100,000
Grant funding from charities and trusts	£30,000
TOTAL	£180,000

2.12 Housing Market Renewal has provisionally agreed the following grants toward community facilities in the building:

Grant towards the cost of refurbishing the building for community use	£150,000
Grant towards the cost of external landscaping area	£50,000
TOTAL	£200,000

2.13 Should the Church be successful in assembling the remaining elements of the budget, and should approval be given to make the HMR grant towards the scheme costs the total project budget would be **£857,000**. The Church is currently in discussions with their preferred contractor to close the budget gap (pt 2.9).

Disposal

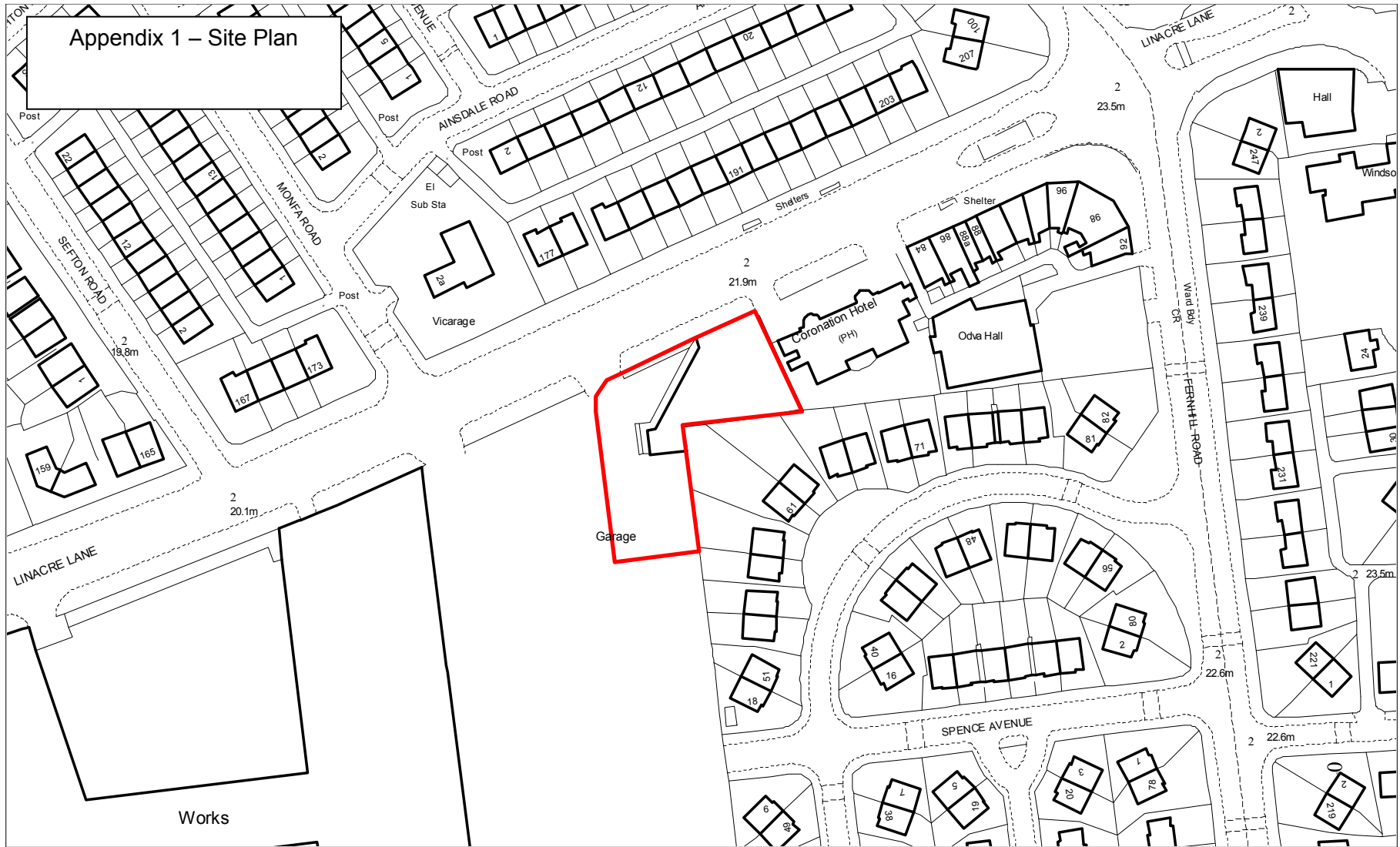
2.14 Based upon a valuation carried out by Capita Symonds on behalf of the Council the open market value for the People Showroom site is £300,000.

2.15 It is proposed that upon the successful completion of the scheme, carried out under a Development Lease, the Council will dispose of the site either through a long lease or freehold transfer, with the detailed terms to be agreed by the Neighbourhoods and Investment Programmes Director. It is not anticipated that this will result in a receipt to the Council, effectively discounting the value as above.

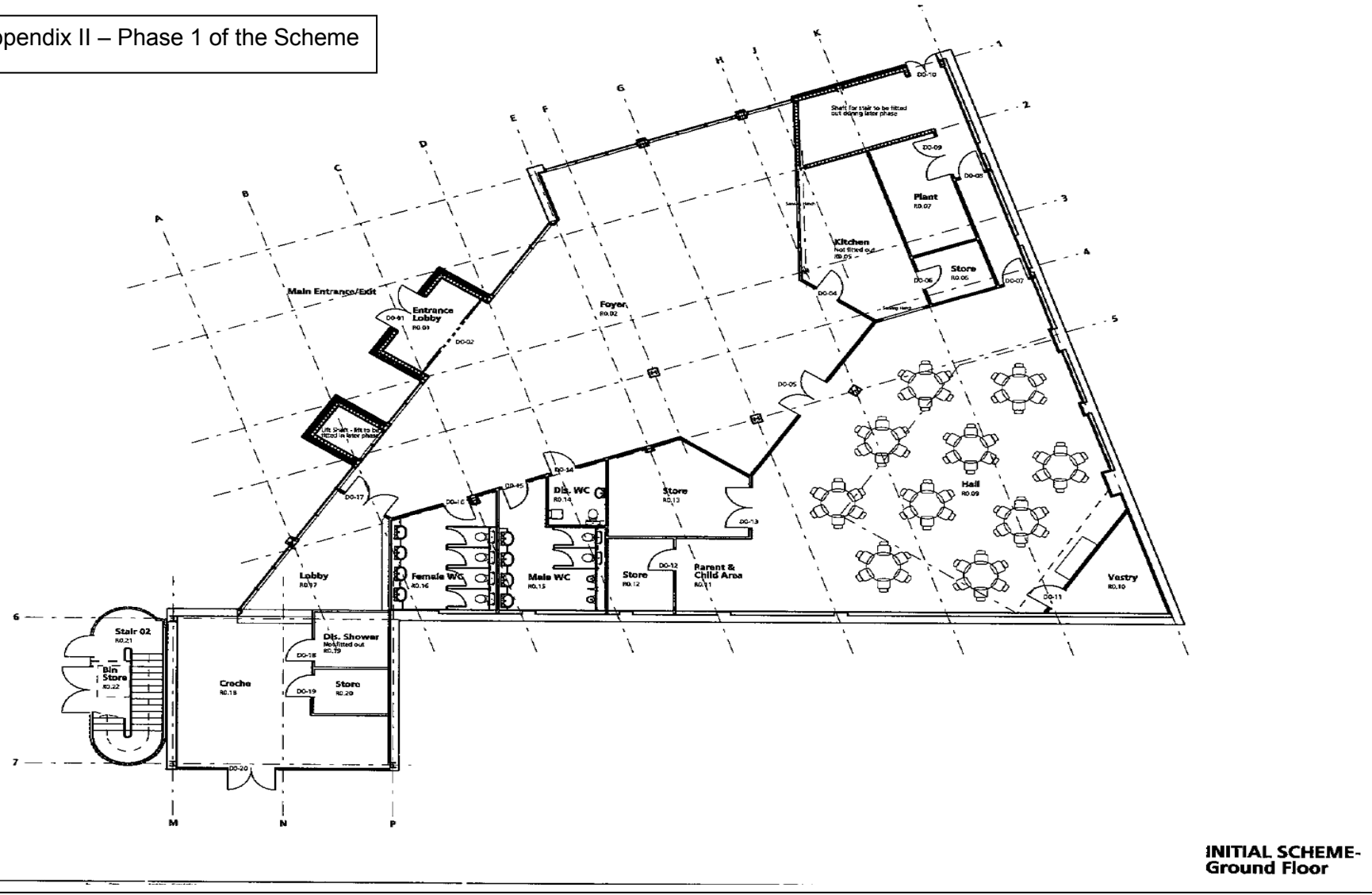
3.0 Community Use of the Proposed Building

- 3.1 The masterplan for the Klondyke area noted the lack of, and need for, community facilities in the area. This proposal is intended to meet that community need.
- 3.2 The Church has put forward proposals for community access to the building. A copy is appended to this report at Appendix IV.
- 3.3 The Church has confirmed that the list of activities currently accommodated by the church, and outlined in this document, would be able to be accommodated in the new building following completion of Phase 1 of the project.

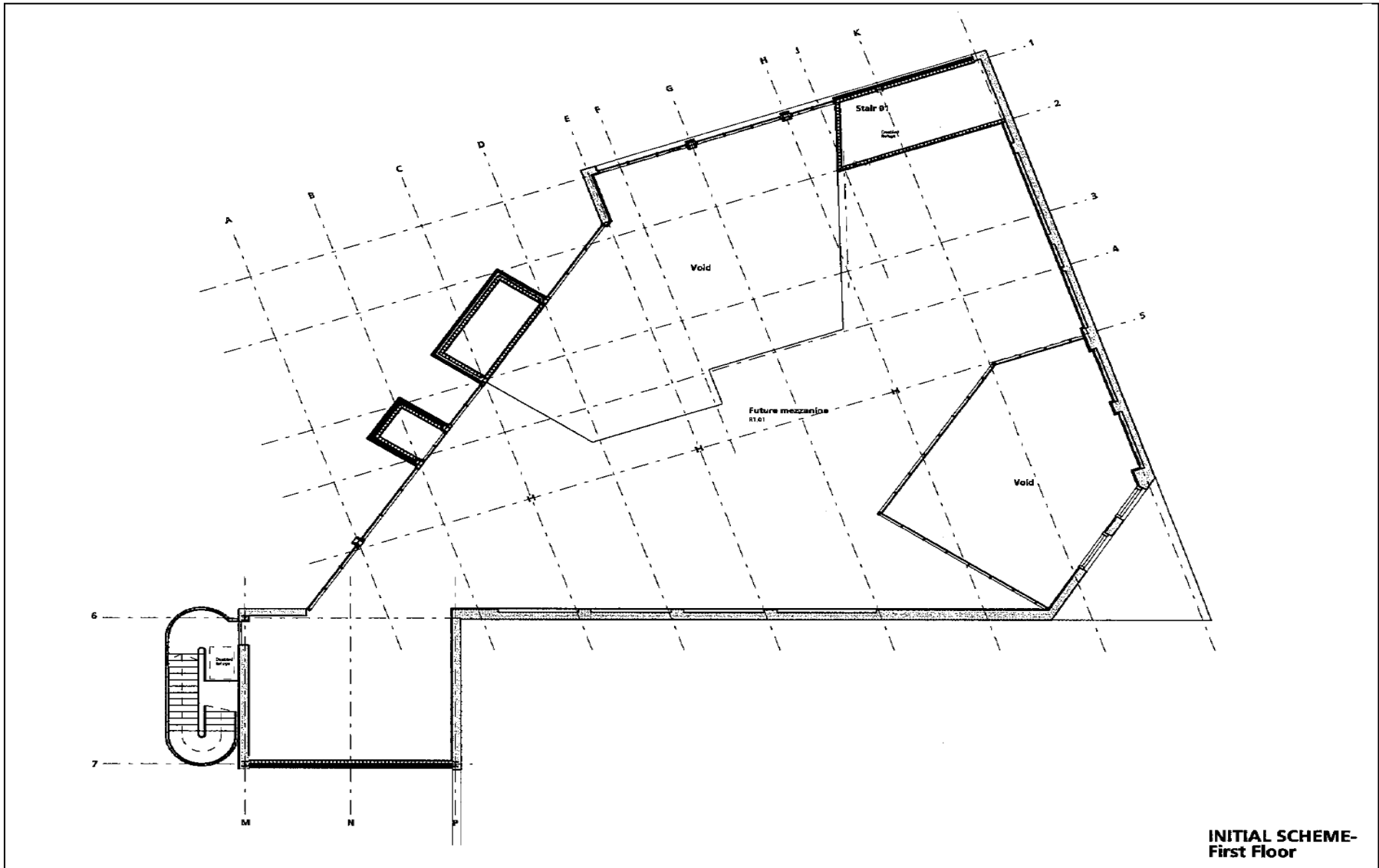
Appendix 1 – Site Plan



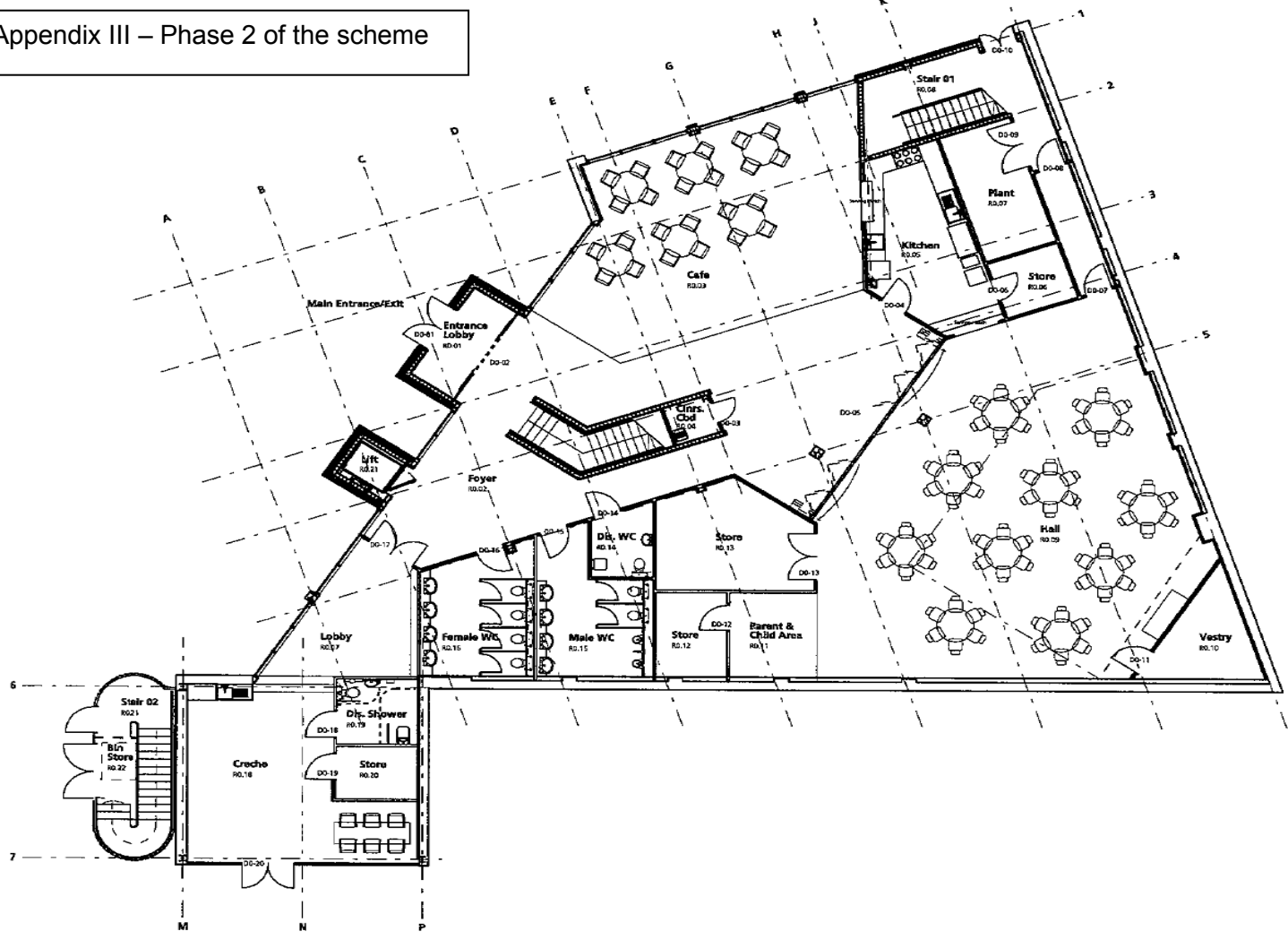
Appendix II – Phase 1 of the Scheme



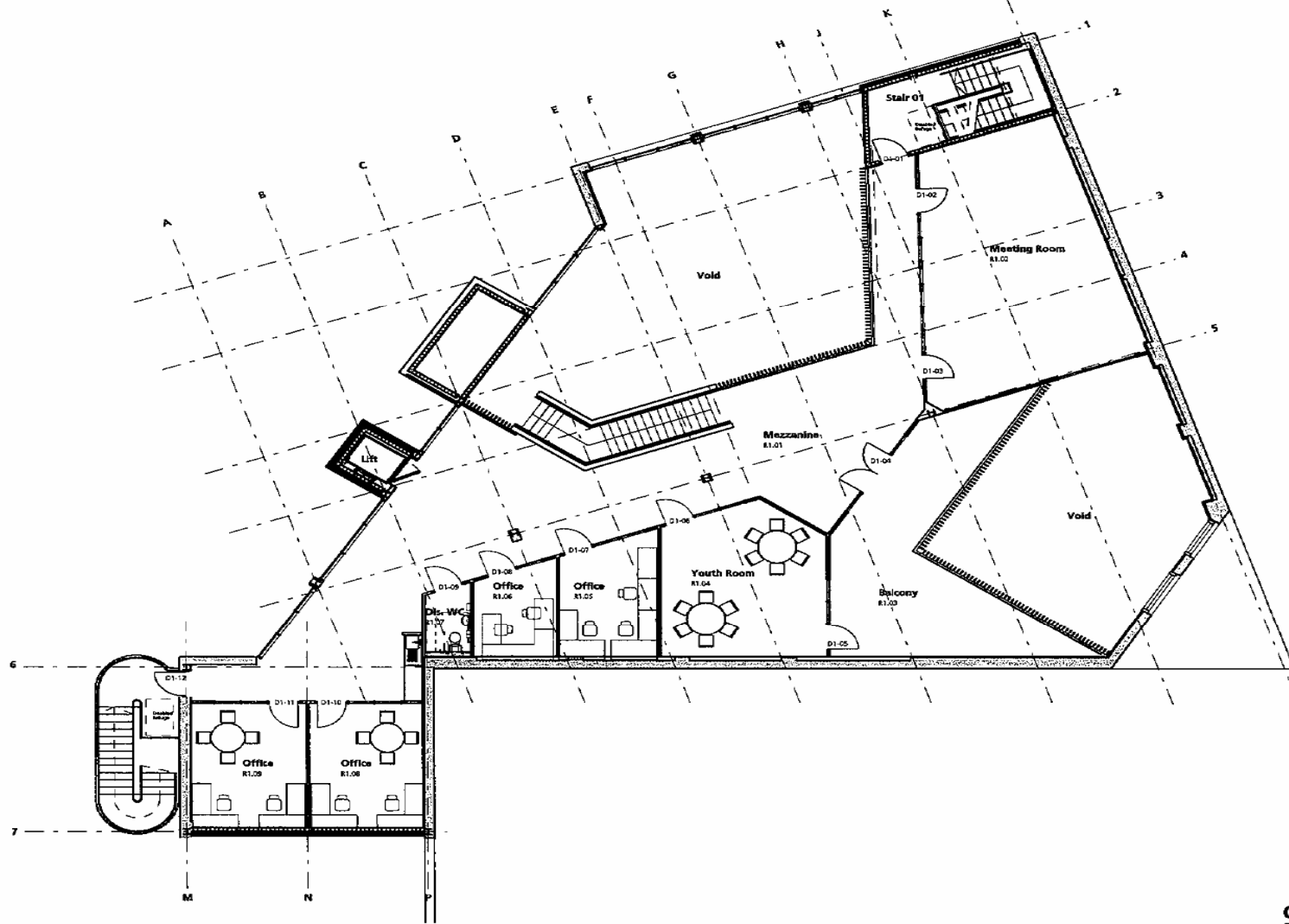
INITIAL SCHEME-
Ground Floor



Appendix III – Phase 2 of the scheme



COMPLETE SCHEME-
Ground Floor



**COMPLETE SCHEME-
First Floor**

Appendix IV – The Church’s proposed Community Use of the Building

Community Use of the new St John & St James Orrell Hey Church and Community Centre (to be located in the refurbished former People’s Ford Showroom on Linacre Lane)

As a faith-based charity, St John & St James has an obligation to ensure that use of its buildings does not conflict in any way with the stated aims of the organisation. However, it is hoped that normally the community at large would have full reasonable access to all the facilities, and feel welcomed to make use of them. Only if it is clear that an activity would be out of step with those aims would this not apply. (See defined aims below)

St John & St James Church has always been rooted in the community, and our vision for the new St John & St James Church and Community Centre reflects and expands this role. The vision for our new community church is:

“To identify and meet the spiritual, physical and emotional needs of the community: using knowledge of the local community to identify needs, responding in a holistic way with practical action and resources”.

We have already been successful in delivering services and activities to the community, particularly the over 55’s and also through supporting an organization working directly with children and young people in the local area. Currently the church buildings are the only community resource available in the locality and provide an essential meeting and connecting place for people.

The values set by the church are outlined in each Annual Report as follows:

- **Respect:** acting towards others with respect
- **Inclusivity:** treating all people as of equal worth
- **Accessibility:** recognising and reducing the barriers that people face
- **Understanding:** promoting understanding & tolerance to build stronger relationships
- **Open Door:** being present in the community & responding when people approach
- **Friendliness:** offering non-judgemental companionship
- **Spiritual sensitivity:** recognising and responding to spiritual need
- **Wholeness:** seeing and responding to the ‘whole person’
- **Space:** meeting need through the provision of appropriate facilities
- **Service:** using abilities, skills and resources to contribute to the community and putting others first
- **Security:** providing a safe and secure environment both physically and emotionally

Located in one of the country’s most deprived communities we have identified two groups that have particularly poor outcomes: children & young people and the elderly. At the heart of our vision for the new church and community facility is to:

- Overcome social exclusion in older people
- Improve outcomes for young people
- Bridge the gap between the young and older generations

Our current building from which we deliver all our community activities is due to be demolished in January 2010, and there is no alternative community facility in the

local area. Council funding would enable us to provide an 850m² community centre from which we would be able to deliver existing and new services to the local community.

The Centre will:

- Provide a unique opportunity to engage positively with community groups and individuals to improve life opportunities and outcomes.
- Be managed locally by a Hall Management Committee (50% Church Rep and 50% Community Rep)
- Employ a community development worker through the Orrell Trust to develop activities in and out of the centre
- Provide essential community space in a highly deprived area

We currently accommodate the following local community organisations:

Group	Activities	Number of users	Frequency of use
SORTED (Over 55s)	<ul style="list-style-type: none"> •Weekly coffee morning •Regular trips/ activities •Bowling •Craft Group 	70-80 60 20 12	Weekly Monthly Weekly Weekly
Credit Union	•Local banking service for the elderly	50	Weekly
JUMP	•Kids' club (5-11 yrs)	50	Weekly (term time)
YKids Children's Charity	<ul style="list-style-type: none"> •Work with schools •Stay & Play and holiday clubs 	3,000 1600	Weekly Annually
Greenacres Nursery	•Parenting course funded by Sefton Fast	10	Weekly (for 10 weeks per year)
Keep fit club	•Exercise sessions for adults & children	10	Weekly
Chill out group	•Safe space for vulnerable adults	5	Weekly
Fruit & Veg. Coop	• Low cost fruit & veg. retail	20-30	Weekly
Church	<ul style="list-style-type: none"> •Sunday worship •Local community events 	50 80	Weekly Quarterly
Intelligents	•Social group for local men	15-20	Monthly
Klondyke Residents' Association	•Local residents' meeting	15-20	Quarterly
Food bank	• Emergency food provision for families in crisis	30	Annually

We also work with the following local community partners:

- **Orrell Trust** – A local charity established in 1996 following the tragic deaths of two children, Jade Matthews and James Bulger, caused by older children

from the neighbourhood. Its aims are to address local social welfare issues, and it has delivered some valuable intervention work, primarily with children & young people. It is currently refocusing its work and is beginning to look at the issues suffered by people living in the Housing Market Renewal area. It is envisaged that the Orrell trust will be actively involved in the new centre possibly employing a Centre Manager/Community Development Worker based at the centre.

- **BReath+** (part of the Adactus Housing Association Group)
- **Springwell Park Primary School**
- **Greenacres Nursery**
- **Springwell Park Children's Centre**
- **Northfield Church**
- **St George of England Secondary School**

Over the past ten years there have been a number of needs analyses and community consultations undertaken, all of which have identified the need for a local community facility and the need to improve outcomes for the elderly and children & young people.

For information, the defined aims of the St John & St James Church Council, under its broader ecclesiastical purposes, are expressed as follows:

1. Relevant worship which caters for all ages.
2. Pastoral care of the congregation and parishioners.
3. Offering Christian faith as a healing and transforming relationship
4. Developing effective partnerships within the church and wider community
5. Strengthening and supporting leadership at all levels.
6. Promoting and developing volunteering opportunities and vocations amongst members.
7. Developing appropriate activities for children and young people.
8. Seeking effective interaction with and support for local schools.
9. Providing good social opportunities for all ages
10. Maintenance, security and development of the buildings – especially plans for making the present church building redundant and building a new church and community centre.
11. Developing ecumenical relationships and links with the wider Christian community: local churches, the deanery, the diocese and the cathedral.