



Full Council Meeting 8 June 2021 Blue Box Grant Agreement

Approval

Report for approval by Full Council

Purpose of the Report

To agree to change the current grant agreement with Blue Box to ensure they can reach the best position to secure the remaining funds required for the construction project.

1.0 Background Information

Blue Box received a grant agreement in 2017. This was to agree a payment of £5,000 on signing the agreement (Initial payment) and a following payment of £20,000 upon the appointment of a contractor to build the facility (Final payment)

Blue Box has contacted the Council to enquire if the £20,000 grant funds could be released earlier to allow them to develop Building Regulations compliant technical designs and construction drawings sufficient for the project to be put out to tender.

The work will take around 4 months, and include the costs of an Architect, Structural Engineer, Geotechnical Engineer for the ground and utility surveys, Quantity Surveyor, Building Inspector, Land Surveyor and a resubmission of a more detailed planning application (given they must submit more details around materials to be used, lighting, security, parking, boundaries etc) it is looking likely that the cost will be around £25,000 to reach the point of tender.

The trustees of the Blue Box are convinced that they should move forward with this planned expenditure in order to progress the project further. Blue Box does hold £32,250 available to use in their account, which is a mixture of funds restricted specifically for the construction project (£16,000), and funds which are unrestricted (£16,250), but Blue Box have allocated to be used towards the construction project. If they choose to use the funds already in their account, it will leave only £7,250. In addition, it will have required the use of £7,900 of their unrestricted funds, which have been raised for Blue Box more broadly. Ideally, they would allocate all restricted funds first, and only use these unrestricted funds for the construction project secondly, since these funds could be used to meet other local needs, as the Trustees see fit, and are not restricted to the construction project.

Using the current funds in the Blue Box account would not be ideal because:



1. It is more helpful when applying to funders to have a good amount of funds in their account, as they will see the fundraising is already significant - as every funder asks to see their accounts.
2. If the project does fail to secure the full amount to complete the construction, it would be best practice to have spent as little of their unrestricted funds as possible, since they can be used to continue to benefit the Parks Estate Community through alternative initiatives. Instead, they are keen to use restricted funds they already have been pledged in the first instance.

Blue Box therefore approached Belper Town Council for the £20,000 now due to these reasons. The £20,000 have been granted to the Blue Box for the construction of the project, and as it stands, the most useful way these funds could be used is to cover the pre-construction costs. Once the project is at tender stage, the Blue Box will be in the best position to secure the remaining funds for the construction project. This is because large funders require a more detailed surveys and drawings to have been completed and a more accurate final construction cost, which comes from going out to tender.

Legislation

N/A

Accessibility Implications - *Have the recommendations in this report taken in to account the need for Council services and information to be accessible for people with a Disability and if so how is this illustrated.*

The Blue Box will provide fully accessible facilities to ensure the entire community's use and enjoyment of the Community Centre.

Climate Emergency Implications - *Demonstrate any environmental consequences and how these would be addressed*

In our Business Case and Planning Application Blue Box has stated that the building design will ensure that its impact on the environment is kept low through:

- Significantly higher levels of insulation than standard will keep the internal environment comfortable for longer without the need for additional heating or cooling.
- Increased air-tightness and controlled heat recovery and extraction will limit the dilution of the internal environment with unwanted air from the outside. Heat losses through air changes and extraction will be reduced through the incorporation of passive ventilation and controlled heat recovery.
- All lighting will be LEDs
- All appliances will be a minimum AA rated.
- Water saving devices will be used on all sinks, toilets and wash-hand-basins.



<ul style="list-style-type: none">• Air source heat pumps combined with underfloor heating will provide a low energy solution for space heating and hot water and will potentially provide the centre with Renewable Heat Incentive payments to offset the running of the centre. <p>It's worth noting that when the Planning Permission was granted a special mention was made by local Councillors on the green credentials of the planned construction.</p>
<p>Financial Implications To release the Ear Marked Reserves in this financial year of £20,000.</p>
<p>Recommendation(s) It is recommended that Full Council: To approve the changes necessary in the grant agreement to allow the funds to be released with the provision that the Clerk will request ongoing confirmation from Blue Box as and when the funds are allocated/spent</p>
<p>Reasons for recommendation(s) To allow Blue Box to reach the stage of being able to put the project out to tender.</p>