

Appendix A

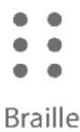
Bacup Leisure Hall Options Appraisal

May 2010

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1.0 Introduction

1.1 The following report provides an overview of the work and role of the Bacup Leisure Hall Panel over the last 15 months in addressing Option H of the Leisure Review. It provides a strategic overview of five possible options for the future of Bacup Leisure Hall.

2.0 Background

2.1 Following the commencement of the Leisure Review in March 2009 a panel was formed to oversee the appraisal work for this facility in line with Option H. Membership of the panel included Council Members, local voluntary and community based organisations (Bacup Consortium, Horse and Bamboo Theatre, Bacup and Stacksteads Scouts) as well as local community activists supported through Rossendale Borough Council Officers.

2.2 Membership was reviewed in June 2009 following the withdrawal of one of the local community activists and representation from Bacup Consortium (due to their existing project commitments) upon where it was proposed that the Enterprise Facilitator from PEER Support be utilised as an independent advisor to support the development of a community or private sector led option for the Hall.

2.3 In order to facilitate a Community Takeover proposal, public meetings with existing and new user groups were held over a period of four months that culminated in the Panel calling for interest by groups wanting to utilise the site and/or facility. This notice was advertised via the Council's Website and within the Official Journal of the European Union. Organisations were given six weeks to submit Expressions of Interest by the 15th October 2009 so that a workable, viable community option could be identified and developed further into a detailed Business Plan. Expressions of Interest were assessed against six equal criteria deliverability, timescale, sustainability, finance and funding implications on the public purse, community, social and economic benefits and strategic relevance to the Council's Corporate Priorities and aims. Prior to this period the Council's Regeneration Team provided support to a community association combining existing user groups to develop a concept plan for a detailed Business Case; this was further developed into an Expression of Interest.

2.4 Three Expressions of Interests were received; two from Community Organisations and one from an international business wanting to relocate and use the site as their main operational base. The Panel and subsequent discussions through the Overview and Scrutiny process felt that the community bids were weak as standalone bids but by uniting the two organisations, a stronger more sustainable proposal could be developed. From this process, it was agreed that with assistance from the PEER Support Enterprise Facilitator and a Panel Member these two community focussed groups would prepare a detailed Business Plan for appraisal.

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- 2.5 A community orientated Business Plan was submitted in the name of the Irwell Springs Community Association in January 2010 to Rossendale Borough Council for consideration. In order to ensure consistency the Business Plan was appraised in line with the six agreed criteria established by the Bacup Leisure Hall Panel Group. The group were also asked to specifically address issues around Cashflow, Budgets, and Organisational Structure.
- 2.6 The appraisal was undertaken utilising the specialism of each department across the Council in line with the agreed criteria concentrating on particular responses from Facilities, Legal and Finance. These were drawn together to form an overall appraisal of the Irwell Springs Community Association Business Plan.
- 2.7 Whilst the concept of the Irwell Springs Community Association Business Plan to provide “Rossendale’s biggest and most welcoming venue for live music, events, functions, comedy and dance” identified a clear new identify for the Hall and suggested a move away from the traditional community hall activities currently being provided and which complemented other facilities and organisations in the area was a strong aspect. The Plan did not demonstrate that it could deliver that vision; it was felt to be too aspirational and ambitious for the catchment area and the fledging group. It also provided no clarity about how the hall would become a destinational location. It did not adequately address how it was to be achieved, who was to be the driving force and an understanding of the programme of what was required to deliver the concept. The plan did not give the necessary confidence that any investor would require and the initial subsidy amounts required from the Council within the Plan were beyond what would be feasible to the public purse in the current and forecasted economic climate. The overall remit of the Community Takeover Option was that it should be a feasible standalone project requiring no public sector investment other than the provision of the Hall itself and the Irwell Springs Community Association Business Plan did not meet this remit.
- 2.8 Following the appraisal of the Community Takeover, it was felt prudent to undertake a review of alternative regenerative options for the building and site in order to provide Panel Members and Councillors with a strategic overview in order to make a decision on the future of this site. An Interim Appraisal Report looking at nine proposed options including the Irwell Springs Community Association Business Plan was undertaken by Rossendale Borough Council. This was presented to a workshop Panel Meeting on the 9th March 2010 where each option had been assessed in terms of the set criteria in order to provide consistency in ranking these proposals and to facilitate discussion of future use of the site.

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- 2.9 The Irwell Springs Community Association Business Plan was ranked fairly low. The Panel agreed to develop further the top three ranked options in order that a reasonable alternative could be provided to aid Member decisions.
- 2.10 Following further discussions with the Irwell Springs Community Association about the weakness of the Business Plan they asked that they be allowed to resubmit a strengthened business case and proposed an amended version ¹for consideration by Members. An alternative hybrid housing and community option was also proposed after the appraisal workshop and this additional option has also been presented in this report to provide a clear overview for the future of this facility.

3.0 Future Options

- 3.1 This section presents a synopsis of each proposed end use option for Bacup Leisure Hall. Each option has been appraised around key criteria pertaining to deliverability; timescale; sustainability; scheme finance and implications on the public purse; community, social and economic benefits; and strategic relevance to the Council’s corporate priorities.
- 3.2 It is also supported through a site valuation report undertaken by Athertons and the Homes and Community Agency / GVA Grimley Economic Appraisal Tool widely seen as an industry supplement to support viability assessments for housing schemes. Representatives from various departments within the Council have provided supplementary evidence and support in order to facilitate the development of these various options.
- 3.3 From the above criteria there are a number of sub-objectives with regard to strategic alignment with the Council’s key priorities these are:
- Delivering Quality Service to Customers.
 - Delivering Regeneration across the Borough.
 - Keeping our Borough Clean and Green.
 - Promoting the Borough.
 - Encouraging Healthy and Respectful Communities
 - Providing Value for Money Services.

¹ The amended Irwell Springs Community Association business case was re-submitted in the name of Bacup Community Association.

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Proposal

Bacup Community Association (BCA) previously Irwell Springs Community Association revised Business Plan Option.

Having reviewed areas of the original Business Plan that the appraisal panel considered weak the BCA are proposing that the original concept of the Irwell Springs Community Association Business Plan still stands but the Plan is strengthened by providing fixed tenants during the day that would provide a regular income to the Hall. This would take the form of children's indoor play provision where the existing badminton and squash courts are located and would generate an income of 15k per annum for lease of this space. Staff from the Indoor Play providers would also manage daytime activities at the Hall. No confirmation has been received about this actual company but it is assumed to be the existing Indoor Play Provision company who currently operate in Bacup.

New committee members with strong business backgrounds and knowledge of community and voluntary structures have been/will be brought in to provide stability, focus, and drive to the fledging group. They would also undertake on a voluntary basis the work of the Centre Manager detailed as specified revenue cost of £50k within the original Plan. Over the next two to three years the group will look to secure both capital and revenue funding to deliver a refurbished building and original concept of the Irwell Springs Community Association Business Plan "Rossendale's biggest and most welcoming venue for live music, events, functions, comedy and dance". Several existing user groups such as the Archers, Bowling, and Dog Clubs would be lost over this transitional period in order to facilitate this vision. However, through the appointment of a new chair and a stronger management committee BCA feel confident that they can manage what may be a challenging transitional period.

The group understand that there are concerns regarding confidence in their original proposal and they have proposed that they undertake a test trading period. The rationale behind this is to prove that BCA can bring events and the proposed audience figures to the hall as proposed in their original plan, (elements queried during the first appraisal) while secondly proving that BCA can provide effective management and governance. The group are proposing two short term options for consideration:-

- As the present Hall is expected to stay open under the management of Rossendale Leisure Trust (RLT) for the remaining three months to August 2010. The BCA would like to focus on delivering events into the Hall with RLT continuing to cover back office functions. BCA would thus have free use of the Hall and free rein to bring in as much activity in as they can. Surplus income generated from events would be split (% to be confirmed but designed to compensate direct running costs only) between RLT/BCA. Should this not be

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seen as desirable by the Council or RLT then BCA would be prepared to take on the lease for the remaining period and run the hall on a voluntary basis (i.e. without existing staff) but with RBC covering insurance, utilities and routine/emergency maintenance. In either case BCA believe that this proposal would result in no additional costs to the Council beyond those already committed to under existing management arrangements with the RLT.

- Extension of the test trading period beyond an initial three months. In order to enable the necessary agreements for longer term solutions that are still being developed. It is proposed that a further nine month occupancy be granted to BCA either in the same terms as Period 1 or with BCA taking on the lease and the Council covering insurance, utilities and routine and/or emergency maintenance. This second period would need to be agreed in principle at the same time as Period 1. During which the group would look at undertaking parallel activity to further strengthen the case for provision of a long-term lease, sale or asset transfer to the BCA. With the support of the Council, PEER and REAL, they would develop applications for capital and revenue funding potentially looking at the up and coming Single Conversation Agreements for 2011 – 14 on a Pennine Lancashire basis and PLACE to provide financial assistance. This period would also be used to revise the business case based on test trading evidence and development of partnership plans and specifically working with a Private Sector Investor to develop proposals involving private sector investment to deliver an enhance community solution in partnership with BCA (inclusion of an indoor children’s play centre).

Option Appraisal against criteria

Deliverability	<p>Though the group have looked to strengthen several weak areas of the original plan there are still issues of concern which were highlighted during the initial appraisal which are still unaddressed, these would impact on the overall deliverability of a venue for live music, events, functions, comedy and dance. The inclusion of a fixed children’s play area within the badminton area to strengthen the bid would further affect the deliverability of the proposed vision through the reduction of the overall hall capacity, detracting from the project as there are already alternative venues that provide or could provide that entertainment offer such as Cafe Artisan, Riverside, Royal Court Theatre or Scout Hall.</p> <p>One of the main concerns affecting deliverability is safeguarding existing users and managing change conflict with the removal of existing groups and functions. In order to deliver the vision the group will revisit pricing and hall usage by groups etc. and some functions such as badminton and squash will be lost to indoor play provision. However, in order to truly deliver the vision proposed the Archers, Dog Club and the Bowling Club will need to be lost. The Plan avoids stating this but does indicate that this is the area of thinking. The Plan fails to address how it can deliver the vision with the existing user groups and if it deems to maintain the existing user groups (who currently form the bulk of the Bacup Community Association) how it will promote itself away from a Traditional Community Hall to a Community Arts Centre or how this conflict will be managed through the governance</p>
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	<p>structure. This is even more prevalent with the inclusion of an indoor children's play provider which would impact on the usage of the hall by existing groups during the day and at weekends and would need to adhere to specific guidelines around health and safety as well as providing a secure, contained environment for children. The use of indoor play provision staff to manage daytime hall activities as well as a contained, secure children's play area provides little reassurance that the group have considered all the necessary implications associated with safeguarding children's on the premises.</p>
Timescale	<p>The Plan provides no start and stop dates and identifies no timescales or project milestones for establishing a viable community asset. The identification of test trading periods provides no further certainty. Consideration of issues such as trust incorporation, licensing, recruitment (if necessary), established events programme, marketing and more crucially budget and cash flow forecasting failed to have been considered.</p>
Sustainability	<p>The Plan and associated business case fails to address the concerns highlighted within the first appraisal. Whilst the Plan does consider existing competition and the catchment area available to the Hall it fails to provide a detailed analysis that is relevant to the Plan. The vision is to consider increasing the catchment area in order to increase usage however this would exponentially increase the venue's competition especially against other Pennine Lancashire, West Yorkshire and Greater Manchester venues. This isn't considered by the Plan. The remit of Community Takeover Option was that it shouldn't impact on existing voluntary and community sector organisations and facilities within Bacup and Stacksteads this Plan would and in some cases have a detrimental impact to other groups, organisations and businesses within the Borough such as SureStart Mother and Toddlers Group, AB&D Centre (Bingo), and the Scout Hall which is opposite the Hall. The Scout Hall's Business Plan articulates its role as a centre for music and a community cafe with seating for 250 people. This plan in particular has benefited by a recent £250k refurbishment programme and a recent award of £4,876 for Disability Discrimination Act works.</p> <p>The Plan does not provide reassurance in the sustainability of the scheme and the group. A detailed risk assessment with remedial actions would have demonstrated that the group have considered all aspects of the Plan and that they are aware of its limitations as well as providing an insight into what they feel the challenges to this project are and their ability or otherwise to manage these challenges. The group should have also considered an exit strategy for the Hall and the impact that this would have on the public purse and community facilities within the area.</p>
Scheme finance and implications on the public	<p>There will be an impact on the public purse for adoption of this Business Plan and the test trading periods. However, the recent inclusion of the indoor children's play area and subsequent rental income will have revised these</p>

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<p>purse</p>	<p>previous forecasts – an updated budget forecast has not been provided by the group.</p> <p>The original Plan only highlighted the impact on the public purse in Year 1 but did not mention any impact on Year 2. The immediate financial impact identified within the original Plan was for a guaranteed revenue cost of £50k for Year 1 additional to this cost was a request for preliminary investment works (as cited within the Business Plan) which would be in the region of £51.5k and costs associated with any works coming forward through unknown costs and liabilities through maintenance or critical repairs (the group have stated that they would not accept a fully repairing lease). This could be in the region of £50k – £150k. The minimum impact on the public purse if no unknown costs or liabilities arose during Year 1 cited within the original Plan would be £101.5k. This is unlikely due to the condition of the building and this figure could be an extra £50k - £150k more. However, as the group have secured an income of £15k per annum for the use of part of the Hall as an Indoor Children’s Play and will be using volunteers in the role as Centre Manager it has to be assumed that these savings would be used to reduce the burden on the public purse therefore the minimum request from the Plan for Year 1 would be £56.5k + (£50k - £150k) associated works.</p> <p>The test trading periods would also require subsidy through the Council to either maintain the contract with RLT or to accept all maintenance, liabilities and service charges associated with the Hall for the test trading period (similar to the cost provided to RLT). However, no detailed budget forecasts have been submitted by the group for scrutiny.</p> <p>Issues highlighted within the initial appraisal around cash flow statements and budget forecasts, salary costs, events, marketing and promotion as well as a list of other funding sources are still not satisfactorily addressed. Discussion in terms of the strengthened business case show that the group have an unrealistic attitude with regard to securing public funding sources and future pressures on public spending.</p>
<p>Community, social and economic benefits</p>	<p>The Plan fails to make a strong argument towards this or even discuss this. Therefore, it is just assumed that the development of the Community Arts Centre will contribute towards all these, and to some extent it will. However, it will also have a negative impact on some community benefits and could see the closure or reduction in services from other community organisations or even impacting on businesses who provide live music venues within the Rossendale area.</p>
<p>Strategic</p>	<p>Further work would need to be undertaken to establish if a Community Arts</p>

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relevance to the Council's corporate priorities	Centre would be of strategic relevance to the Borough and spatial Pennine Lancashire (in order to attract investment from large scale funding bodies). However, as it is the Plan makes no consideration of the Council's aims or objectives regarding best value or efficiency savings or value for money etc. and makes no attempts to align with the Council's Corporate aims or objectives and cannot be seen to be of strategic relevance to the Borough.
Other issues	With the inclusion of the new indoor children's play area there are health and safety considerations that now arise which would need to be addressed to align with the vision of the Plan. There may be TUPE implications relating to the proposals, this needs to be more fully explored and may impact on the sustainability on the proposals.

Option A1 Sale to Private Business with Community Element

Proposal

A further revision to the Community Takeover option has now been submitted in that a Private Sector Investor has been identified and is looking to develop a similar play scheme to the 'Run A Mok' facility within Haslingden. This would see a partnership created with a local children's play company within Bacup. The private business would allow up to 30 hours a week free community usage to the Bacup Community Association for those events and activities that they would wish to host. The facility would incorporate a number of activities including a community cafe, nail bar, and some small bespoke office unit(s) (existing investor's firm) as well as an after school club consolidating the existing after school provision currently provided at a variety of locations throughout the Valley within the Leisure Hall. The cafe would look to provide subsidised meals for children and possibly older people through social services funding (these options are being explored by the investor). Discussions are also being undertaken to relocate the existing Children's farm within Bacup to the centre or look at providing an outreach point. The Bacup Community Association Business Plan of turning the facility into Rossendale's biggest and most welcoming venue for live music, events, functions, comedy and dance would still be the overall aim of the investor and the Charity.

This investor would look to acquire the facility for a figure between £50 – 80k with an additional annual income of £30k payable to Bacup Community Association for a period of 10 years. There is an element of risk associated with the £30k as this inevitably will be subject to income generation. The investor has confirmed their preference is to purchase and not enter into a long lease.

Option Appraisal against criteria

Deliverability	The investor has made assurances that funds are in place to undertake the necessary refurbishment works to the Hall, install play equipment and provide a
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	<p>lump sum cash element to the Council for the initial acquisition. There appears to be no queries regarding the deliverability of the children's play element however the concerns raised within Option A regarding the delivery of a venue for live music, events, functions, comedy and dance with the inclusion of a fixed children's play area are still relevant particularly as there would be a reduction in the overall hall capacity, detracting from the project as there are already alternative venues that provide or could provide that entertainment offer such as Cafe Artisan, Riverside, Royal Court Theatre or Scout Hall.</p> <p>Deliverability concerns affecting safeguarding of existing users and managing change conflict with the removal of existing groups and functions as highlighted within Option A, are still relevant. Existing groups such as the Archers, Dog Club and the Bowling Club will be lost over time. The Plan avoids stating this but does indicate that this is the area of thinking.</p> <p>Areas around subsidised cafe meals through securing funding from Social Services or similar public funds have not been confirmed and in the current economic climate cannot be guaranteed.</p>
Timescale	A handover period has been identified from August 2010. This may trigger TUPE implications and would need to be factored into negotiations with the Rossendale Leisure Trust.
Sustainability	The business venture appears to be medium to high risk with rates of funding and commitments to spend still to be confirmed. As an entrepreneur there are some questions around long-term sustainability particularly within the future business climate and public funding sectors.
Scheme finance and implications on the public purse	A summary forecast has been submitted by the private investor. Through an initial meeting clarity was provided on budget estimates several areas require support from National, Regional and County funding sources – these sources would need to be verified to provide confidence in the budget forecast proposed. The investor is also indicating that there will be no expenditure required from the Council and an annual "community income" and capital receipt will be generated for the community. The initial capital receipt would be over 75% below the existing market value for the site and subsequent community income would be directed to the Bacup Community Association or model to be agreed. To summarise the investor is offering £50 – 80k for the site with £30k per annum in the form of community income payable for 10 years. The £30k would in the Council's opinion be subject to income generation. A separate legal agreement between the Council, investor and Bacup Community Association will be required to ensure the investor is contractually bound to pay the £30k to the Community Association. However, enforcing such a contract will be problematic.
Community, social and	There could be issues arising with regard to the inclusion of a nail bar, coin operated machines and cafe within the Hall which could impact on local

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economic benefits	businesses within Bacup. This would still retrain an element of community while providing support to develop and grow and existing business within Bacup.
Strategic relevance to the Council's corporate priorities	Further work would need to be undertaken to establish if a Community Arts Centre would be of strategic relevance to the Borough and spatial Pennine Lancashire (in order to attract investment from large scale funding bodies). However, as it is the Plan makes no consideration of the Council's aims or objectives regarding best value or efficiency savings or value for money etc. and makes no attempts to align with the Council's Corporate aims or objectives and cannot be seen to be of strategic relevance to the Borough.
Other issues	

Option B Specialist Residential Housing Facility with Community usage

Proposal

Adult Social Care - Specialist Care and Residential Housing Facility retaining existing Hall for provision of support services and element of new build housing.

Discussions with external providers have indicated that this would be an elderly care facility providing bespoke accommodation linked to the hall. During the day, the Hall would be used by the external provider as an outreach centre providing elderly focused activities and facilities for all (not just residents) and in the evening and weekends still available for community usage. The land adjacent to the Hall would be developed into supported accommodation for elderly residents with in-house care managed via the central office based within the Hall.

Initial discussions have indicated that providers can generate their own funding streams to deliver the scheme. However, gap funding through the Pennine Lancashire SCA 2011 – 14 may be required though alternative housing models such as a Community Land Trust could be developed.

Providers have indicated long-term lease options would be preferable.

Option Appraisal against criteria

Deliverability	In theory, the scheme could be delivered through several options using Registered Providers, Charities, or Social Enterprises.
Timescale	The proposal is still being discussed with the external providers but main changes to the Hall could be undertaken within nine months and residential development within 24 months (depending on use of own funding). Due, to the nature of the partners and commitment needed to bring this forward there would be timing issues from closure of the Hall to acquisition by the provider.
Sustainability	The scheme proposal is in its infancy and requires further work up to become

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	a viable option. However, supported housing needs analysis from Lancashire Supporting People and Rossendale's Strategic Housing Market Assessment show that there is a need and that this would be a sustainable scheme within this location due to its close proximity to Bacup Town Centre.
Scheme finance and implications on the public purse	Initial discussions with providers suggest there would be no financial commitment from the Council. However, there could be a need for strategic support from the Homes and Community Agency or Lancashire Supporting People funding if gaps were identified.
Community, social and economic benefits	Indications are that the scheme would provide community, social and economic benefits to the area. On delivery of the development though the potential to provide local jobs and an increased trade to local businesses during construction as well as during occupation of the accommodation. Provision of social benefit through much needed specialist housing across the Valley and Lancashire and the possibility (to be determined) continued use of the Hall as a facility for elderly focused activities and care.
Strategic relevance to the Council's corporate priorities	The scheme would contribute to:- <ul style="list-style-type: none"> • Delivering Quality Service to Customers. • Delivering Regeneration across the Borough. • Keeping our Borough Clean and Green. • Promoting the Borough. • Encouraging Healthy and Respectful Communities • Providing Value for Money Services.
Other issues	

Option C Residential Housing Scheme

Proposal

Residential Housing Scheme providing between 30 to 50 units on a mix of housing type with 80% Open Market Value and 20% Affordable (in accordance with Planning Policy).

The current housing market is poor and recovery, though on the way is slow particularly for Private Investors in this area. In order to maximise the amount of capital that this site could generate and capture any equity gains through the market recovery it is proposed that the existing hall is demolished, the site grassed over with wildflower seeding and outline planning permission sought in Year 5 through Rossendale's Facilities Team before selling on the Open Market.

Option Appraisal against criteria

Deliverability	The scheme is achievable in that, the initial work would be in demolishing and making safe any utility services and could be quickly undertaken through sub-contracting the work through either Regeneration or Facilities. Risks associated
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	with this scheme would be in preparing the permission and undertaking the necessary work (architect-approved plans, access statements, changes in sustainability codes etc.); securing permission on a site viewed by the Public as a green space; and misjudging the buoyancy of the Housing Market and selling at the wrong time. All of which are low to medium level risks which could be managed out.
Timescale	There would be a defined timescale on closure of the facility and work could commence on demolition and grassing over including wildflower seeding and could be completed within six months (subject to growing cycles). There will be a longer timescale period in terms of delivering this option in comparison to the other proposals.
Sustainability	Not applicable. On sale of site, liabilities and associated risks are transferred to purchaser. Possible risk regarding determining optimum buoyancy of the housing market and a need to generate the necessary equity uplift.
Scheme finance and implications on the public purse	Minimal implications on Council funds in terms of demolition; interim land use of site (grassing over and wildflower seeding) potentially met through existing Environmental Budgets. Year 5 outline permission and marketing including approved plans, Phase 1 and limited Phase 2 site investigation reports and costings using approved professionals (this could be reduced depending on Council Officers experience and potential to undertake in-house). Costs would be recouped on sale of site. Generation of capital receipt to Council.
Community, social and economic benefits	The scheme would provide an economic benefit to the area on delivery of the development though the potential to provide local jobs and an increased trade to local businesses during construction as well as during occupation of the houses. There is also the potential that apportionment of the capital receipt generated could be used to bolster and support existing capital projects within Bacup and Stacksteads and/or provide new bespoke facilities through identified community gap provision highlighted through the Bacup Neighbourhood Forum.
Strategic relevance to the Council's corporate priorities	Scheme would contribute to:- <ul style="list-style-type: none"> • Delivering Regeneration across the Borough. • Promoting the Borough. • Providing Value for Money Services.
Other issues	The scheme would generate the most capital receipt of all the proposed options but would in principle be the longest to deliver via an interim land use on the site. Risk in that the provision of Market Value housing may not lead to economic prosperity within the Town Centre.

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	Measures would need to be installed to prevent vehicle access to the site to ensure that illegal encampments were discouraged and the recycling facilities would require relocation.
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Option D Affordable Housing Scheme

Proposal

Residential Housing Scheme providing between 30 to 50 units on a mix of housing type providing 100% Affordable Housing.

The scheme would be delivered through sale to a Registered Provider (Housing Association). This would require funding support from the Homes and Community Agency (HCA) and inclusion with Pennine Lancashire Single Conversation Agreement (SCA) 2011 – 2014 to secure this commitment. To facilitate delivery of either of these proposals demolition of the existing hall and the site grassing over would be undertaken whilst securing the necessary funding and commitment from a Registered Provider.

Option Appraisal criteria

Deliverability	The scheme is achievable in that, the initial work would be in demolishing and making safe any utility services and could be quickly undertaken through sub-contracting the work through either Regeneration or Facilities. Risks associated with this scheme are the Council House Building proposal particular around preparation of the planning permission, undertaking the necessary work (architect-approved plans, access statements, changes in sustainability codes etc.); securing permission on a site for 100% Social Rented Scheme, servicing loan, procuring and managing delivery of units. These are medium level risks but can be reduced to low through utilising a Registered Provider as a development agent. However, securing funding through the Single Conversation could be difficult particularly during a reduced public spending environment and this is a high risk in terms of delivery in the short term.
Timescale	There would be a defined timescale on closure of the facility and work could commence on demolition and grassing over including wildflower seeding which could be completed within six months (subject to growing cycles). However, possible reductions in public spending rounds would see timescale for delivery of this scheme delayed and where previously anticipated that such a scheme could be delivered out by 2012/13. This would in all reality commence after 2014/2015.
Sustainability	The Pennine Lancashire Choice Based Lettings Scheme shows over 600

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	applicants requiring social rented properties in Bacup and Stacksteads. Once built this scheme would be utilised by local residents requiring much needed quality, secure housing.
Scheme finance and implications on the public purse	Minimal implications on Council funds, demolition; interim land use of site (grassing over) could be met through existing Environmental Budgets. Any costs associated with this site preparation would be recouped on sale of site if that proposal is taken forward.
Community, social and economic benefits	The scheme would provide an economic benefit to the area on delivery of the development though the potential to provide local jobs and an increased trade to local businesses during construction as well as during occupation of the houses. It would also provide a social benefit through the provision of much needed affordable housing across the Valley. There is also the potential that apportionment of the capital receipt generated or rent revenue generated could be used to bolster and support existing capital projects within Bacup and Stacksteads and/or provide new bespoke facilities through identified community gap provision highlighted through the Bacup Neighbourhood Forum.
Strategic relevance to the Council's corporate priorities	Yes the scheme would contribute to:- <ul style="list-style-type: none"> • Delivering Regeneration across the Borough. • Promoting the Borough. • Providing Value for Money Services.
Other issues	This would show a commitment from the Council to delivering affordable housing for Rossendale residents. Measures would need to be installed to prevent vehicle access to the site to ensure that illegal encampments were discouraged and the recycling facilities would require relocation.

Option E Sale to Private Business

Proposal

Outright sale to Business.

During the Expression of Interest process, interest was identified from a private business, currently operating outside the Borough, who wished to purchase part of the site (Hall and Hardstanding Car-park Area) for their business expansion. The firm is a long-term established business operating nationally and internationally and with a manual based workforce the majority of who reside within Bacup. The business function is "clean" i.e. in that it does not provide a waste product, generate excessive noise and would be of minimal impact to surrounding buildings and residents. The operation is focussed around books and currently employs 20 members of staff

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with plans to expand in the next five years. Planning permission will be needed before the business can be fully operational as it involves storage/distribution with a small element of retail.

They have expressed an interest to consolidate their business by acquiring their own site and expanding the enterprise in the future. The company have indicated a preference to purchase and not enter into a lease.

Option Appraisal Criteria

Deliverability	The business is an established firm with a substantial turnover so could deliver the scheme on acquisition of the site. The Council would need to be mindful to grant change of use for the site in order to facilitate this new use.
Timescale	On closure of the Hall. Sale of the building could happen immediately with occupation completed within 6 months from acquisition due to internal; refitting.
Sustainability	They are an established business with a high level turnover that appears to have weathered the current economic climate. They are looking to expand in the future and would appear to provide a sustainable solution for Bacup and could lead to an increased economic prosperity for the Town Centre. However, there are no guarantees with regard to future business climate.
Scheme finance and implications on the public purse	Limited financial commitment from the Council in securing the premises prior to the sale if this falls outside of the RLT operating period.
Community, social and economic benefits	Initial indications are that they would provide economic benefits to the area and Rossendale as a whole through future job creation and citing of large-scale business close to Bacup Town Centre and associated footfall to the Centre. The scheme could act as a catalyst for the Town Centre. They would also provide social and community benefits through the nature of their work and have an established track record in working with the local community where they are currently based. As part of World Book Day they arranged events with local schools and engaged professional writers and poets to read to groups. They have an open door policy and would encourage local groups to see the business as a useful add-on to the community; for meetings for local drama groups, schools and writers groups.
Strategic relevance to the Council's corporate priorities	Yes the scheme would contribute to:- <ul style="list-style-type: none"> • Delivering Regeneration across the Borough. • Providing Value for Money Services
Other issues	The workforce would reduce their carbon footprint by moving closer to where they live which would impact on their quality of life and would provide a catalyst for shopping within Bacup town Centre.

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