

**Congresbury Village Hall /
Community Centre -
Community hub**

Parish Council

Project status update

June 2020

This update covers:

- The current tasks being progressed.
- Further clarification on a couple of questions councillors have asked in the past relating to viability and projected income.
- How the project is set up and what has been achieved so far.

1. Current tasks

The Covid 19 virus has impacted progression of the new build project and may well require changes to how the project is progressed in the future.

1.1. Funding strategy

The core part of the strategy is based on grant funding, a Community Share offer, s106 / CIL funding and fundraising activities. The Development Committee's current target is £1.4m for the build costs.

1.1.1. Build cost

A construction company Melhuish and Saunders Ltd have agreed to complete budget pricing exercise free of charge for the current build plan and look at potential cost savings. Subject to their other work they hope to look at this during June.

1.1.2. Grant funding

Prior to the lockdown we have been liaising with potential grant funders to check the projects eligibility for grants. Due to current situation we have put approaching further funders on hold as funders are concentrating their efforts on emergency funding.

The following summarises progress so far.

- Enovert confirmed eligibility max £50,000.
- Sport England confirmed eligibility max £150,000.
- Lottery community fund – application made for £160,000 to cover completing planning permission, initial working capital, bar and kitchen equipment and fit out. Funding officer appointed but due to virus the application has been put on hold in April for 6 months
- National Grid – the fund manager has recommended we apply for more funding following the award of a £5,404 grant for the Community Café. Max £20,000.
- Rural Community Energy fund re grants for feasibility of energy saving options and potential income. Following discussions, we will contact them again once we have confirmed the project is ready to move forward.
- Power to Change business fund is not currently open, but they have granted us money for the Community share offer and offered matched equity funding, see below*. We feel that gives us good chance of being successful with an application to the business fund when it reopens. Previous max. £300,000.

1.1.3. Community share offer

- Power to change have granted the project £10,000 to press the share offer and we have been working with a practioner from Locality (<https://locality.org.uk/>). Power to Change have also offered matched equity funding of up to £100,000 subject to a formal application and the funds remaining available.

- Progressing the share offer is dependent on:
 - Completing discussions with potential grant funders.
 - Provision of the build cost budget.
 - Agreement on a draft lease between Fields in Trust, the George V trustees and the society. We are currently drafting a lease based on the Council's lease covering the Broadstones' football ground.

1.1.4. s106 / CIL monies

The availability of monies for the new build project are dependent on the Parish Council recommending monies from current developments being set aside monies for future buildings and the developments being built.

1.2. Community Café

The community café started in mid-February 2019 at the rear of Bridge House two mornings a week, selling hot drinks and homemade cakes to raise funds for the build project. The set-up costs were mainly covered by grants and donations including the fixtures and fittings by a local kitchen supply company. After a couple of months, one Saturday a month was added and in January this year we went to three mornings a week. Following improvements, we have increased the number of covers to 19 inside and a further 24 in the courtyard.

In the first 12 months of trading the café generated a total income of £12,819 (Cafe Sales £11,792, Glut Market sales £513 and donations £514). **Excluding set up costs and capital items the trading surplus was £6,300.**

However the café is not just about raising money:

- We are using more volunteers some of whom are new to volunteering, they all feel they are given something back and are more engaged in village life. There are 46 volunteers in the pool who either work in the cafe or bake cakes or both. A study by scientists at Harvard University found that altruistic behaviour as well as helping others, showed that volunteers enjoyed significantly higher levels of mental and physical benefits over those that did not volunteer.
- A number of older customers are now regulars and enjoy meeting and chatting with others. E.g. one lady who is in her late 80's comes in nearly every Wednesday and Friday. Before we opened she would walk to the library but couldn't then walk straight home, she uses a Zimmer frame, so she would sit on the bench near the cafe. She came in the day we opened and told us how happy she was that she had somewhere so nice to come to break the walk.
- Every Friday morning during term time a group of young mums and children came into the cafe.
- The cafe has enabled us to engage more with villagers and promote other fund-raising activities for the new building. The success of the cafe has increased the profile of the project by showing what can be achieved by the community working together. It will help us prove our ability to potential grant funders and potential investors in the community share offer.
- The Glut market helps to reduce food waste and people only donate what they can afford, but it is not compulsory to pay anything.
- The café ran sessions to fundraise for Macmillan and the Air Ambulance, raising a total of £930.
- Some of the cafe users come from the wider community outside of the village.

The surplus funds raised to date have gone into the funding pot towards the new build project and some improvements in the café.

Currently closed due to the Covid 19 virus, prior to the lockdown we had plans to extend the offering with additional sessions and have been awarded a £5,404 grant from National Grid. This will cover improvements including purchase of the coffee machine to save on the rental costs, a 6m x 3m gazebo which will increase capacity in inclement weather and allow us to run some fundraising activities.

We are working on the for the re-opening of the café subject to Government instructions, and safeguarding our volunteers and customers.

1.3. Recreation club group alternative plan

We will be meeting with the Recreation club group about working together and the way forward.

2. Councillors questions

At times some councillors have asked the question about what happens if the new building goes bust and where will our income from. Hopefully the following clarification will help.

2.1. What happens if the new building goes bust?

Should the new building get into financial difficulties which we believe is low risk – see below – it will be the responsibility of the Society's Directors, Management committee and members to put an action plan in place to resolve. This would if necessary include a village 'save our hall campaign' in view of its importance to the village.

In the unlikely event the building had to close **members liabilities are limited to their £1 membership fee or the remaining amount they have invested in the society (through community share offers, or loans)**. It should be borne in mind that whilst the sports clubs exist they will need facilities, and subject to Field in Trust's approval parts of the building could be used for other purposes to keep it open.

As yet the council have not applied to be a member of the society and therefore not taken up its position on the board of directors, as set out in the society's rules.

We believe that there is a low risk the building will go bust for the following reasons:

- The Board of Directors and the management committee will be made up of a mix of stakeholders who have a significant interest in ensuring the new building is successful and members of the community. They will look to ensure that the society follows appropriate financial controls, including ongoing reporting and a robust reserves policy:
 - The sports clubs – cricket, football and tennis.
 - Skittles teams (currently 4)
 - Parish Council
 - George V trustees
 - Key users e.g. Toddler group, Senior Citizens lunch club
 - Society members
 - Investors in the community share offer
- The society is governed by the Financial Conduct Authority and the society's rules cover the requirements regarding the provision annual reports etc. to ensure members are kept up to date with the society's financial progress.

- As a Charitable Community Benefit Society, it could issue a community share offer, if necessary, to rebuild its working capital position.
- The new building unlike other buildings in the village will have a broader mix of income streams reducing the risk of reductions in one stream e.g. sports fixtures being postponed by bad weather.
- The facilities will make it easy to run ongoing and ad hoc fundraising activities.
- Salary costs can be reduced by some roles being undertaken by volunteers e.g. the current community café is managed and run by volunteers.
- The availability of ever-changing grant opportunities will be monitored to enable applications to be made to support activities and replace equipment etc.

2.2. Where will its income come from and how robust are the figures?

2.2.1. Income comparisons

To ensure that our budget projections are realistic we have used actual income figures from the Recreation club, Community café and current village group activities from the village diary as a baseline. The projected income streams compare favourably with other community buildings in the village and Claverham and Shipham village halls, see the income comparison table below:

Building	Dates	Income	Notes
Congresbury village Hall limited	Projected first year	£173,000	Breakdown of projected income: <ul style="list-style-type: none"> • Bar income - £100,000 • Community café - £40,000 • Fundraising activities / events - £20,000 • Hire income £7,000 • Other income £6,000 (including solar)
Recreation club	1 April 2017 to 31 March 2018	£79,365	<ul style="list-style-type: none"> • Bar income £75,387. Recreation club draft 2019/20 figures show bar income at £102,000 • Member subscriptions £755 • Bank error refund of charges £3,223
Congresbury village Hall limited- Community café	First 12 months trading (13/2/19 to 12/2/20)	£12,819	<ul style="list-style-type: none"> • Excludes set up costs and capital items • The café was open an average of 33 hours per month
Memorial Hall	1 April 2017 to 31 March 2018	£17,146	<ul style="list-style-type: none"> • Has a bar but no cafe
The Old School Rooms	2019/20	£12,720	<ul style="list-style-type: none"> • No bar or cafe
Claverham village hall	1 April 2018 to 31 March 2019	£126,787	<ul style="list-style-type: none"> • Bar income £83,470 • Hall income £40,216 • Investment income £3,101 • Bank balances at 31/3/19 £195,300
Shipham village hall	1 July 2018 - 30 June 2019	£40,216	<ul style="list-style-type: none"> • Shipham does not have a bar or café. • Hall income £30,592 • Donations £4,424 • Solar energy £3,405 • Bank balances at 30/6/19 £62,900

2.2.2. Projected income

Bar income - £100,000. The Recreation club draft figures for 2019/20 bar income are £102,000. We have used a £100,000 but expect this to be higher from the increased bar use by hirers etc.

- **Community café - £40,000.** The café generated income of £12,819 in its first 12 months from an average of 33 hours per month. Starting at 2 mornings a week increasing to 3 mornings per week plus 1 Saturday per month up to the lockdown. The current number of sessions would generate annual income of £20,000. We are looking to increase the number of sessions at Bridge House and there will be income from sales in the new building.

- **Fundraising activities / events - £20,000** – the main hall at 18m x 10m with the bar will increase the number of activities / events and therefore the amounts that could be raised.
- **Hire income £7,000** – the main hall size (the same size as Shipham village hall) and the buildings modern facilities will mean villagers and village organisations do not have to hire halls in other villages, which the Gardening club had to do recently to accommodate the numbers expected at one of their talks.
- **Other income £6,000** - including solar energy income.

2.2.3. Expenditure

We have used the Claverham and Shipham expenditure figures to benchmark our expenditure projections.

3. The following table summarises the project set up and what has been achieved to date.

Heading	Status
L e g a l structure	<p>Congresbury Village Hall Limited is a Charitable Community Benefit Society (CCBS)</p> <ul style="list-style-type: none"> • Registered with Financial Conduct Authority no. 7759 on 25/4/2018 under the Co-operative and Community Benefit Societies Act 2014. The society was set up so a Community Share offer could be progressed. • HMRC have confirmed the CCBS is a charitable company. • The CCBS has a Board of Directors with management of the project delegated to a Development Committee (includes all the Directors). • The registered charity Congresbury New Village Hall Development Trust has been dissolved and its assets transferred to the CCBS. It was dissolved as registered charities cannot make community share offers.
P r o j e c t t e a m structure	<p>Volunteer teams</p> <ul style="list-style-type: none"> • The work of the project is broken down into three teams who report to the Development Committee. <ul style="list-style-type: none"> ○ Four project managers manage the progression of the project’s plan. ○ Ten volunteers manage the local fundraising activities. ○ Seven volunteers manage the running of the community café. • The project has a pool of over 100 volunteers, 49 of whom either work in the community café, bake cakes or both.
Finances	<p>Bank accounts</p> <ul style="list-style-type: none"> • Cash at bank - £33,912 including £6,094 grant monies which have not yet been spent. • This does not include £2,440 of the Power to Change grant which has not yet been drawn down.
Planning / Building plans	<p>Planning</p> <ul style="list-style-type: none"> • The project was the first community group in the UK, not led by a parish or town council to be awarded a Community Right to Build order in November 2016. This is the equivalent of outline planning permission. <p>Phased option - reduced footprint</p> <ul style="list-style-type: none"> • Following a further review to reduce the build costs the footprint has been reduced to 635m². Basically, a multi-use room has been taken out, and the skittle alley moved into the main hall and storage relocated. • The multi-use room could be added once monies were available at a later date.

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Fundraising	<p>Since 2015 the fundraising team have raised a total of £117,000 net of costs.</p> <ul style="list-style-type: none"> £65,000 in grants, £42,000 from a variety of activities including the community café and £10,000 from donations <p>Grants</p> <p>The project has a successful track record of being awarded grants totalling £65,000 to date:</p> <table border="0"> <tr> <td>Dec-14</td> <td>Parish Council seed funding</td> <td>£1,000</td> </tr> <tr> <td>Feb-15</td> <td>George V trustees</td> <td>£500</td> </tr> <tr> <td>Mar-15</td> <td>Homes & Communities Agency</td> <td>£9,109</td> </tr> <tr> <td>Mar-15</td> <td>Homes & Communities Agency</td> <td>£11,847</td> </tr> <tr> <td>Apr-15</td> <td>My Community</td> <td>£11,935</td> </tr> <tr> <td>May-15</td> <td>My Community</td> <td>£11,511</td> </tr> <tr> <td>Sep-17</td> <td>Parish Council re café</td> <td>£500</td> </tr> <tr> <td>Jul-18</td> <td>Bristol airport re café</td> <td>£1,750</td> </tr> <tr> <td>Sep-18</td> <td>Tesco Bag scheme re café</td> <td>£1,000</td> </tr> <tr> <td>Oct-18</td> <td>Power to change</td> <td>£10,000 £2,440 has not yet been drawn down</td> </tr> <tr> <td>May-19</td> <td>Quartet re café</td> <td>£1,000</td> </tr> <tr> <td>May-20</td> <td>National Grid re café</td> <td>£5,404</td> </tr> </table> <p>How has the bulk of the grant monies and fundraising been spent to-date?</p> <ul style="list-style-type: none"> £50,500 Community Right to Build order and planning (Architects £34,500, survey reports £16,000 (Flood risk, transport, mechanical and engineering etc.) £9,700 Community café set up costs and capital items. £4,600 Community share offer documentation preparation (paid in advance – on hold due to Covid19 virus). <p>KIV £33,912 cash at bank including £6,094 grant monies which have not yet been spent.</p>	Dec-14	Parish Council seed funding	£1,000	Feb-15	George V trustees	£500	Mar-15	Homes & Communities Agency	£9,109	Mar-15	Homes & Communities Agency	£11,847	Apr-15	My Community	£11,935	May-15	My Community	£11,511	Sep-17	Parish Council re café	£500	Jul-18	Bristol airport re café	£1,750	Sep-18	Tesco Bag scheme re café	£1,000	Oct-18	Power to change	£10,000 £2,440 has not yet been drawn down	May-19	Quartet re café	£1,000	May-20	National Grid re café	£5,404
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