



SALISBURY GARDENS

TOWN COUNCIL MEETING

REPORT 94/13

9 DECEMBER 2013

The purpose of this report is to provide an update on the latest situation in respect of the development of Salisbury Gardens and the decisions that now need to be made in respect of it.

No. DETAIL

1) INTRODUCTION

- a) The decisions that need to be made at this meeting of the Town Council, and much of the detail behind them, are commercially sensitive at this stage of the development and, consequently, are in the matching report (98/13) listed on the Private Agenda.
 - b) Those decisions reflect the detailed planning that has been in progress in preparation for the 9 January Isle of Wight Council's Cabinet meeting's hoped for decision to sign off on a lease of the building to Ventnor Town Council for a 25-year term with the right to renew.
 - c) Subject to a positive Cabinet decision, it is expected that the refurbishment programme will be able to start on Monday 3 February 2014 with completion in time for the building to open for business on Monday 5 May 2014.
 - d) The development will be in two phases to take account of the funding application timetables (see section 4 below) with Phase I consisting of the refurbishment of the upper three floors and Phase II the basement area.
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2) REFURBISHMENT

- a) A tender process has been carried out in accordance with the Town Council's Financial Regulations for the refurbishment and reconfiguration works needed for the building to be fit for the range of purposes planned for it.
 - b) The top two floors will provide 12 rooms for business start ups and enterprises in the creative industries and office based services, with the ground floor being the base for local public services and the basement consisting of meeting rooms, a community resource area and kitchen.
 - c) It is expected that the internal works to achieve this will cost in the region of £190k with £65k of that being required for the basement area.
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3) TELECOMS

- a) The fact that the building already has phone and internet cabling to all of its rooms represents an excellent basis for a telecommunications system that will be a real attraction for incoming businesses as well as providing all users of the building with the best possible access to phone and data services.
 - b) The cables are currently connected up to a central server feeding off a fibre optic cable that is also linked to other Isle of Wight Council premises. The server has been classified as a fire risk by the Buildings inspector (it's literally under the stairs) and the building will need to be separated from the wider connections.
 - c) It is expected that the Isle of Wight Council will remove its equipment and its replacement be located in a safe area.
 - d) The replacement is likely to be an iPECS MFIM 300 system serviced by an ISDN 30 connection from BT, providing up to 60 lines, one handset for each room, a 40 DDI number range, high level and a new cabinet installed and reconnected to all the building's 130 datapoints.
 - e) The cost of around £10k, depending on the outcomes of the funding applications, will either be paid directly or phased over 5 years through a leasing agreement.
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4) FUNDING

- a) There are two funding applications in process:
 - o the Coastal Communities Fund for a total of £95k to provide the base for business growth and job creation; and
 - o the Reaching Communities Fund in a total of £144k over three years with £58k committed for the basement's capital programme and equipment in year one.
 - b) The Town Council also has Borrowing Approval from the Department for Communities and Local Government up to £150k.
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5) LEASE AGREEMENT

- a) Draft Heads of Terms for a 25-year lease with a right to renew have been issued by the Isle of Wight Council for discussion.
 - b) They have been assessed by the Town Council's Solicitors for this purpose, Anthony Collins Solicitors, and their comments passed back to the Isle of Wight Council.
 - c) The issue of what, if any, rent will be applied to the lease has yet to be resolved. The Town Council's case for either a peppercorn or greatly reduced rent has been supplied to the Isle of Wight Council on the grounds of social value, the condition of the building and the policies of the Island Plan.
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6) OPERATIONAL BUDGET

- a) The operational costs of the building have been identified and costed, with quotations where appropriate.
 - b) The budgeting process has examined a range of possible hire charges for the 18 lettable rooms and the impact of ranges of occupancy and borrowing requirement, an exercise which has given confidence to the commitment that no demand will be made on future precepts for the operational costs of Salisbury Gardens.
 - c) It is worth noting that Hampshire Constabulary have now confirmed that, subject to final agreement on terms, they will hire 4 ground floor rooms as the base for the local Safer Neighbourhoods Team. They will share the ground floor with the Town Council's occupancy of the other two rooms on that floor and a consequent secure income of the order of £20k pa.
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7) MARKETING

- a) Although the building will reconnect with its local history by being identified as Salisbury Gardens, the upper two floors will be branded as the Ventnor Enterprise Centre consisting of twelve rooms to be hired for business startups and business activities in the creative industries and office based services.
 - b) A logo has been developed along with a quality design style and standard for the range of related documents.
 - c) A Marketing Plan has been agreed with the Town Council's Public Buildings Working Group to be launched following the Cabinet Meeting of 9 January.
 - d) At its core is an excellent 3-minute film of the town and the building showing the attractiveness of both as a place to live and work.
 - e) In addition to a link to the film being attached to Press and Media releases to all local print, radio and television producers, it is expected to achieve very wide circulation through the internet and social media with all the relevant information for those wanting to follow up their viewing of the film being available on our web site.
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8) CONTEXT

- a) The new Salisbury Gardens, in addition to its very significant contribution to the life of the town will be an excellent example of Localism in Action.
 - b) It is properly rooted in the extensive consultation with residents last year when over 1,350 signed up to support the proposals for the development rather than lose another iconic facility.
 - c) It is being made possible by collaborative working with the Isle of Wight Council and positive working relationships with Officers and Members.
 - d) As the recent round of Budget consultations has shown, that collaborative connection between the Isle of Wight Council and Town and Parish Councils is now a matter of economic necessity as well as political principle: it is the only way to protect valued resources.
 - e) Salisbury Gardens can be retained for the town because it will be economically viable through the services and activities it makes possible: and that is a model that will need to be applied ever more widely across the Island.
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