

MID SUFFOLK DISTRICT COUNCIL

TO: Cabinet	REPORT NUMBER: MCa/20/23
FROM: Councillor Gerard Brewster, Cabinet Member for Economic Growth	DATE OF MEETING: 04 January 2021
OFFICER: Fiona Duhamel, Assistant Director for Economy and Regeneration	KEY DECISION REF NO. CAB239

JOHN PEEL CENTRE EXPANSION

1. PURPOSE OF REPORT

- 1.1 To consider supporting the ambitions and objectives of the Stowmarket Vision by leasing 11 Market Place as an asset to the John Peel Centre, enabling the expansion and growth of that organisation.
- 1.2 To review the reports commissioned by Mid Suffolk District Council and delivered in partnership by Culture Shift, EDRM Architecture and The Garage Norwich in July 2020 and agree recommendations.
- 1.3 To review the Business Plan, Funding Strategy and Director and Staffing Structure submitted by the John Peel Centre, upon which the lease of the building is conditional.
- 1.4 To seek agreement and commitment to the recommendations in this report for the 11 Market Place building.

2. OPTIONS CONSIDERED

- 2.1 Option 1 - Agreement from Cabinet to enter into lease negotiations with the John Peel Centre to agree a future use for the 11 Market Place building that support the ambitions and objectives of the Stowmarket vision.
- 2.2 Option 2 – Market property commercially to seek alternative user

3. RECOMMENDATIONS

Members are recommended to:

- 3.1 Note the key recommendations of the consultant report
- 3.2 Approve the grant of a lease on 11 Market Place to JCP which will be conditional on:
 - the JPC providing a formal business plan acceptable to Mid Suffolk District Council,
 - the provision of an acceptable funding strategy for the refurbishment of the building in 2 phases,

- making the necessary governance improvements proposed by the report.

3.3 Delegate authority to the Assistant Director Economic Development and Regeneration in consultation with the Portfolio Holder for Economy to finalise the terms and legal agreements for a long-term lease for the building (suggest 40 years) at token rent

REASON FOR DECISION

To support the objectives of Stowmarket vision and cultural regeneration of town by enabling the John Peel Centre to develop and grow as a key cultural organisation in the town

To ensure the councils investment in the John Peel Centre though the grant of a lease at a peppercorn rent is properly monitored through the agreed KPIs

To ensure the recommendations of the consultant's report, including the need for JPC to secure sufficient funding for the works are delivered.

4. KEY INFORMATION

4.1 MSDC acquired 11 Market Place in early March 2018 recognising that the property's position made it a strategically positioned asset for the council to make best use of in order to contribute to its strategic priorities including regeneration of the market town.

4.2 The position of the building offered a "front door" to the JPC, enabling the organisation to expand their operation and provide a significant heritage and cultural tourism boost for the town.

4.3 As well as improving the confidence and marketability of the JPC through a more visible high street entrance, works within the building would also enable the JPC to offer a broader spectrum of events and activities through both reorganised and increased floorspace options and green room capacity

4.4 The Stowmarket Vision, developed over a period of time with the involvement of key stakeholders from the community and busines together with public sector recognises the significant opportunities of the town as;

- A place for innovation, enterprise, and creativity
- The strategic Gateway to Suffolk...
- A strong and proud community ...
- A great place to live, work, learn, visit, and experience

The ambitions of the vision go on to describe a future for the town, where it is acknowledged as a centre of excellence for creative, cultural, technological and innovative opportunity enabling a high quality of life, a vibrant town centre and benefit for all of the community of the town and wider district. This outcome is underpinned by a cross cutting program of project delivery and intervention that builds on existing advantages and develops national and regional attractions such as the National Museum of Food and the John Peel Centre

4.5 The report delivered in partnership by Culture Shift, EDRM Architecture and The Garage Norwich anticipates a significant social, community and economic benefit for

Stowmarket and the wider area by supporting the John Peel Centre to evolve and grow their offer identifying;

- a conservative estimate of an additional £1m pa if the centre achieves the long-term vision for the building and their delivery.
- opportunity for partnerships with other venues offering additionally to complementary district investments and generating a cultural campus that will enhance the cultural regeneration of the town
- a cultural centre and meeting place attractive to both residents and visitors

4.6 Appendix B, the Building Report, visualises the possibilities for the building and how it can be repurposed to support a broad range of future use and functionality

4.7 The Key recommendations of the report delivered in partnership by Culture Shift, EDRM Architecture and The Garage Norwich are:

- That the John Peel centre will demonstrate a business plan that illustrates the steps to deliver phase 1 and 2 of the recommendation within 3 years of completion of the lease agreement.
- That the John Peel Centre is granted 11Market Place on a 40 year lease at a peppercorn rent
- That in recognition of the evolving funding landscape, Mid Suffolk will work with the John Peel Centre to support and facilitate access to the required additional capital and revenue funding.

4.8 Stowmarket Town Council own the building currently occupied by the John Peel Centre; it is let on a 99 year lease at £1 Per annum

4.9 John Peel Centre currently receive £15k PA revenue funding to support the role of General Manager and core running costs.

5. **LINKS TO JOINT STRATEGIC PLAN**

5.1 **Become a growing area for Innovation, Enterprise and Creativity in the East.**

- Support the creation of new jobs and high value growth in key emerging sectors
- Support for tourism and visitor economy
- Rejuvenate key towns by celebrating the wealth of culture, creativity and innovation

5.2 **Our Communities are thriving, attractive, sustainable, and connected.**

- By bringing volunteers, community leaders and publicly funded services together to plan and provide the most sustainable support for each other so that our communities are resilient and connected places for people to live and work.
- Providing guidance, support and inspiration to our communities so we have a clear picture of what we can achieve together now and in the future.
- Balance and target a range of services and support, equally accessible to all our residents and their future generations.
- Continue to build on successes of the past, providing grants and funding advice, supporting communities to make the most of the rights granted to them under Localism Act and supporting volunteering.

6. FINANCIAL IMPLICATIONS

- 6.1 11 Market place was purchased March 2018 for £350,000
- 6.2 Modernisation and conversion of the building to support a new use will have a Capital cost implication, phases of work are identified within appendix A as;
- phase 1 £122k.
 - phase 2 limited capital cost
 - phase 3 up to £5.5m depending on scope
- 6.3 Appendix C the JPC Draft Business plan includes the initial funding strategy, identifying how costs will be met by their occupation
- 6.4 John Peel Centre currently receive £15k PA revenue funding to support the role of general manager and core running costs.
- 6.5 Any alternative commercial use will have similar initial costs that will need to be met by landlord or future tenant to bring the building onto a current use.

7. LEGAL IMPLICATIONS

- 7.1 It is proposed to grant a 40 year lease of the building at a peppercorn rent.
- 7.2 However in order to ensure the initial conditions are met before the lease is formally granted it is proposed that an agreement for lease is entered into for a maximum of 12 months. In this period it is expected that a formal business case approved by JPC Board will be provided to the council, a funding strategy for completing Phase 1 and Phase 2 of the building redevelopment will be approved by the council, necessary governance improvements recommended by the Consultants report will be completed by JPC.
- 7.3 Upon Completion of the above conditions the formal lease will be entered into

8. RISK MANAGEMENT

- 8.1 This report is most closely linked with the Council's Corporate / Significant Business Risk No A202 Economic Development functions not delivered in line with Cabinet agreed Strategy. Key risks are set out below:

Risk Description	Likelihood	Impact	Mitigation Measures
That John Peel Centre fail to raise funding to support phased development of building and facilitate	2 unlikely	3 significant	John Peel Centre to provide clear funding strategy PRIOR to completion of the lease MSDC to support and facilitate

organisational growth That John Peel centre delivery does not support district strategic objectives	2 Unlikely	2 Noticeable	access to additional capital and revenue funding Ensure adequate Key Performance indicators and monitoring process agreed and inserted in lease
Impact of Major Event (For Example Covid 19) on organisation ability to deliver	4 Highly probable	3 Significant	Major events will be supported through alternative national, regional and local support MMSDC will support effective partnership working, and support to access those sources
That the required governance improvements are not delivered	2	3	Governance improvements will be completed prior to completion of the lease

9. CONSULTATIONS

Appendix A (Consultant report) identifies the consultations undertaken during that process with JPC Staff team, statutory planning and fire officers, local and regional music industry to inform the recommendations of this report.

10. EQUALITY ANALYSIS

JPC have an established Equality and Diversity policy (Appendix F) and are appointing a director for inclusion and diversity

(EQIA TO be attached)

11. ENVIRONMENTAL IMPLICATIONS

- 11.1 Environmental and carbon reduction initiative will be included as a KPI in an eventual lease enabling where possible, improved efficiencies in the management of the town centre listed building.

12. **APPENDICES**

Title	Location
(a) Confidential: JPC Full Consultants Report	Attached
(b) Building and Design Report	Attached
(c) Confidential: JPC Business Plan, Governance and funding strategy	Attached
(d) Confidential: Draft Lease Heads of Terms	Attached

13. **BACKGROUND DOCUMENTS**

Original Cabinet paper