

# Regeneration of St Mary's Parish Centre, Alverstoke

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## Business Case

### 1. The Executive Summary

St Mary's Parish Centre, Green Road, Alverstoke was built in 1968 with funds raised by the community. It was initially built to provide meeting rooms and community space for the parishioners of St Mary's Church. Over the past 48 years it has developed into a vital community resource which accommodates a wide range of local community groups, as well as maintaining the necessary space for Parish meetings, business and groups. The regular users are diverse – ranging from Mothers and Toddlers, through Youth Groups, model railway enthusiasts, the Women's Institute (three), Zumba classes, Cardiac Rehabilitation classes and Multiple Sclerosis lunches. This is not an exhaustive list, but does emphasise the popularity of the venue, and its importance in this community. The Parish Centre is also hired out for parties and private events, where the availability of a kitchen is a considerable benefit for those clients who prefer to cater their own events, and for groups to potentially raise much needed funds.

Currently the space available is booked for an average of 50% of its total capacity over seven days, and 60% over five days. There is spare capacity at weekends, and some evenings, but there is a shortage of time slots available during the day, where more customers could be accommodated, if there were additional rooms for hire. The noise from the main room precludes the use of both rooms at the same time, and some groups have had to find alternative venues, as their time requirement clashes with the use of the main hall.

The building is now tired and does not meet current regulations for accessibility. The heating and hot water systems are inadequate, and the centre relies on portable electric room heaters. The drains get blocked regularly, and are in need of repair. The toilet facilities need updating, with the provision of separate toilet facilities for children. The electricity supply is failing, and some of the sockets no longer work. A new consumer board will be required, with complete rewiring, and new sockets to bring the power supply up to the current BSI wiring regulations for electrical installations.

Additional office space is needed to facilitate Parish business. A second hall, for up to forty people, and a cafe style presentation room for around forty are required to satisfy the needs of the Parish and the wider Community.

This business case identifies the options for resolving the issues faced by the Parish Centre Management team, along with the estimated costs. This document provides a statement of current costs, income and usage with a forecast of what we hope to achieve with a new or extended building. There is a description of how the Project will be managed, a proposal for the Fundraising Strategy, and a discussion of some of the major risks facing this project.

Current thinking is that the cost of a complete rebuild will be prohibitive, at around £650,000. The Project team feels that the best way to maximise the potential for the Parish of St Mary's and the local community is to redesign the current footprint and add an additional floor. The working estimate for this major work is £350,000. The amount of funding that can be raised will, of course, dictate the final scope and detailed requirements. The Project Team feels that we need to start raising funds as soon as possible, to achieve a completion date of September 2020.

There will be risks and dependencies to this project which will be identified and mitigated as they arise, and monthly reports on progress will be delivered to the Project Sponsor.

**The Project Team is seeking approval from the Parochial Church Council to start raising funds, with a target of £350,000, to enable a major redesign and refurbishment of the current footprint, with the additional of an upper floor to house the main hall. This recommended development will meet the needs of the Parish, and of the wider community, for the foreseeable future.**

## 2. The Options and High Level Requirements

The Project team have identified four options for the future of the Parish Centre of St Mary's in Alverstoke. These options take into account the results of a detailed user survey carried out in September 2014.

### 2.1 "Do Nothing"

There is currently little money available for essential maintenance for the Parish Centre. Much of the upkeep of the building is done by volunteers, and some level of voluntary action will continue for redecorating and minor repairs. The current income is sufficient to cover running costs and minor repairs, but not to cover major repairs, or a major refurbishment project. Even if the Parish Centre management team could maximise the use of the main hall, and double the current income, it would generate an additional £27,000 per annum – which would not be enough to cover the costs of major repairs or refurbishment.

The impact for not doing any work at all will, in the long run, mean that the cost of maintaining the Parish Centre will become untenable, and the centre will be forced to either raise funds for major repairs – or close. The loss of this facility would cause serious issues within the community groups that use it regularly. There is no suitable alternative venue that offers the unique location, size of hall, access to a good-sized kitchen, the benefit of an outside space for summer events, and reasonable hiring rates.

The Project Team understands that if any **structural** repairs are undertaken, then these must include changes to allow accessibility to all areas, which will include new toilet facilities. These cannot be provided without changes and repairs to the drains, and so this would inevitably become a major refurbishment.

The Project Team has concluded that "Do Nothing" is not an option that will ensure the future of the Parish Centre.

### 2.2 Refurbishment (Need a builder's estimate for this work) Cost Estimate = £?K

This would be the minimum amount of work to be carried out to bring the current building, in its current footprint up to the prevailing standards for accessibility, energy supply, drainage, toilet facilities, and food hygiene preparation. The costs would need to include either the cost of working weekends and evenings to achieve the refurbishment, or provision of alternative temporary accommodation for users whilst the work is undertaken. The basic requirements would provide:

- Disabled access
- Hearing loop
- New consumer board with new wiring, and additional sockets
- New heating system
- Replacement of drains
- New toilets, to include an accessible toilet, a separate toilet for children, and parent and child facilities
- New kitchen
- More storage for regular users

(NOTE : we need to add in an element to each of the cost estimates to cover professional fees, stationery, advertising, fundraising, planning applications, and any other associated costs)

### 2.3 Extension and Refurbishment – Cost Estimate = £350,000

The major refurbishment would cover the same items as listed at 2.2 above, with the addition of a second meeting room, and a rearrangement of the current accommodation to provide soundproofing between the main hall and the smaller lounge area.

Similarly to option 2.2, the costs would need to include either the cost of working weekends and evenings to achieve the refurbishment, or the provision of alternative temporary accommodation for users whilst the work is undertaken.

This option would provide an additional meeting room, more office space, an additional room for Parish Business and updated kitchen and toilet facilities. The minimum requirements would provide:

- A main hall for 150
- Soundproofing between meeting areas
- More office space
- Additional room for Parish Business
- A new room for 40 people
- Disabled access
- Hearing loop
- New consumer board with new wiring, and additional sockets
- New heating system
- Replacement of drains
- New toilets, to include an accessible toilet, a separate toilet for children, and parent and child facilities
- New kitchen
- More storage for regular users
- Additional car parking spaces

**The Project Team has been advised that this may be the best option for maximising the potential for the Parish Centre. It may be possible to deliver all the requirements listed under a complete rebuild (2.4 below), for around half the cost, by using the current framework, redesigning the internal space, and adding an additional level to provide the main hall for 150/180. This would allow a complete redesign for the better use of the current footprint, improving the efficiency of the space available, and maximising potential income.**

#### **2.4 Rebuild – Cost Estimate £650,000**

The preferred option is a complete rebuild - taking down the current structure, and maximising available space to develop a Parish Centre that will fulfil the needs of St Mary's Church and the Community of Alverstoke for the foreseeable future. This would allow the project team to:

- improve the quality of the venue
- provide a venue for additional groups
- deliver many of the stated preferences from the user survey
- maximise the potential income for the benefit of the Parish and the Community
- minimise the running costs by using energy efficient systems and insulation
- provide a secure income for the upkeep of the building in the longer term

The detailed requirements would provide:

- Hall for 150
- Room for 40
- Cafe style presentation room for 40
- Meeting room for 20
- Interview room for 6
- Crèche facilities
- New Kitchen
- Kitchenette for smaller rooms

- Additional car parking
- Energy efficient electric and heating systems (renewable energy supply)
- Temporary accommodation during rebuild
- Soundproofing
- Disabled access
- Hearing loop
- New Drainage
- New toilets, to include an accessible toilet, a separate toilet for children, and parent and child facilities
- Significantly more storage for regular users, which could, in turn, generate additional income
- More car parking spaces

### **3. Current and Forecast Income, Costs and Usage**

The Fundraising team has analysed the current running costs, income, and hours used for the current Parish Centre. Church groups can use the Parish Centre without cost, and this practice will continue with the new venue, so there is an element of usage where there is no income.

Currently the hall is hired for approximately 70 hours per month, and the Church Groups have the use of the halls for around 67 hours per month. A scale of Hiring Charges is in use, where charities do not pay the full price of private hire. Users are also allowed free use of the hall and room to set up and clear away, as there is no caretaker to cover this role.

#### **3.1 Current Income and Costs**

The PCC will have the details for 2015, but the Project Team do not yet have the detailed balance sheet for the Parish Centre.

In 2014 the income from hiring was £17,236, and income from other sources was £7,751, bringing the total income to £27, 121.

Expenditure for the Parish Centre for 2014 was £24,475. The major expenses were:

- Insurance: £1,711
- Wages : £5,089
- Water, heating, lighting : £4,784
- Maintenance: £6,532
- Fairer Share : £1,107
- PCC contribution : £2,520

#### **3.2 Forecast**

The forecast is that we should be able to generate double the current income, even though we may still only achieve 50-60% of total available hours' usage. The income would be generated across the increased number of available rooms, which can be used at the same time. We also expect that the new venue will appeal to a wider customer base, and will encourage more groups and private individuals to hold functions where they can cater for themselves, or bring caterers in, knowing that the kitchen facilities meet current specifications.

The Project team do not foresee any additional use of the facility by church groups, so the percentage of hours where there is no income will be lower than currently in percentage terms. Currently the Church Groups have around 67 hours use per month, and it is expected to remain at that level.

The use of insulation, energy efficient heating and lighting systems, and the use of renewable energy supplies should keep running costs stable, and may even reduce the current running costs. The cost of maintenance

will be minimal over the first few years, although some provision for maintenance will be required in the annual running cost estimates.

The Parish currently pays the salary for the Parish Centre administrator. However, if the new centre can generate more income, it may be possible to hire a full time buildings manager. This person would then be able to co-ordinate bookings over all of the sites managed under the aegis of St Mary's Parish, maximising the use of a number of different venues.

## **4. Project Management**

### **4.1 Scope of Project**

This Project will deliver a new or refurbished Parish Centre to ensure that space for Church Business and Community activities will be available to Alverstoke for the foreseeable future.

**This Project will be responsible for the refurbishment or replacement of the building known as The Parish Centre, Green Road, Alverstoke, and will take a view on the whole of the land that surrounds the Parish Centre. This Project will not concern itself with any other property or land that falls within the purview of the Parish Council.**

This project will be responsible for ensuring that:

- each of the deliverables (identified in paragraph 4.6 below) is produced
- each deliverable meets the Quality Assurance procedures
- risks and issues are identified and mitigated
- stakeholder requirements are gathered and delivered
- all stakeholders are kept informed of progress
- all funds are managed in accordance with the statement of Compliance and Due Diligence and are audited each year
- reports are produced at agreed intervals
- suitable accommodation is provided to maintain business as usual during building work

### **4.2 Project Approach**

At the time of writing this first draft of the Business Case, there is no Project Manager in place. During April 2016, the Project Owner (the Rector of St Mary's Church in Alverstoke) will be seeking a volunteer from within the Church community, and, if a volunteer is found, then he or she will assume responsibility for all project Management functions at that time.

If a volunteer cannot be found, then an alternative option will be explored. This option will consider engaging a professional to oversee the gathering of requirements, delivering plans and obtaining planning permission. The scope of this job specification would cover all of the deliverables required to deliver the refurbished Parish Centre, but would exclude the work packages for Fundraising and Management. The usual remuneration for this type of project manager would be calculated as a percentage of the total build.

The default option would be to seek funding to pay for the services that a Project Manager can provide, on a part-time basis. This Project Manager would oversee all of the work, and work packages. The person profile and job specification have been developed, and these are at appendix A, at the end of this document.

The final decision on the extent of the work that can be carried out must be taken by August 2018. At this point, it will be clear what level of funding will be available, and which of the options will become the Project to be delivered. At that time, the Project Manager will:

- agree final requirements with the Project Owner and stakeholders
- request plans from the chosen architect
- agree the plans with the stakeholders
- secure planning permission
- produce a specification against which builders will offer bids
- agree the criteria that will be used to evaluate the bids

- manage the evaluation process
- let a contract
- deliver the project

#### **4.3 Project Governance and Organisation**

The Project Owner is the Rector of St Mary's Church, Alverstoke. He will guide this project, and have overall responsibility for ensuring that decisions are made in timely manner to meet the Project Plan. The Project Team includes members of the Parish Centre Trustees, one of whom is the Rector, and who jointly are responsible for the management and maintenance of the Parish Centre. The Trustees, in turn, report to the Parochial Church Council, which has oversight of all matters relating to Church property.

The Project Manager will co-ordinate the work of the work package teams, consult users of the Parish Centre, and other identified stakeholders to ensure that all interests are reflected in the final Business Case and Requirements specification.

When appointed, the Project manager will complete this section of the business Case, providing details of the project structure, and how it will be managed. These details will include, but are not limited to:

- roles and responsibilities in the project (the project team and stakeholders),
- the project tolerances,
- any standards that the project should take into account,
- review points, and
- the decision making process

#### **4.4 Progress Reporting**

The Project Manager will provide Project Status reports to the Project Owner, and other stakeholders at intervals, and in the format, that will be agreed with the Project Owner.

#### **4.5 Outline Plan**

The Project Manager will produce a timetable with the deliverables and their dependencies for each of the work packages in this project. This timetable will list each of the deliverables, with the owner, and whether or not that item is dependent on some other activity being complete before it can start.

The Project Manager will agree a timeline with the Project Owner, and will take into account the time needed to finalise plans and obtain planning permission. In the meantime, the following milestones have been identified for the project:

- Feb 2016 - draft business case sent for approval by the PCC
- Mar 2016 - approval of the draft Business case which authorises the start of the project, and the fundraising needed to deliver it
- Apr 2016 - start the recruitment process for a Project Manager
- Jun 2016 - Project Manager in place
- Jun 2016 - fundraising strategy agreed
- Jul 2016 - potential large donors identified
- Aug 2016 - outline plans and cost estimates received
- Aug 2016 - Fundraising starts
- Aug 2016 - Project Documentation in place
- Aug 2017 - formal review of progress to assess feasibility of fundraising target, and final requirements
- Aug 2018 – final review of fundraising to decide which option will be selected
- May 2019 – start build
- Aug 2020 – Formal opening.

The last four dates could be brought forward, but must not slip, as this could jeopardise the delivery date for the regenerated Parish Centre.

#### **4.6 Current Work Plans**

In advance of the appointment of a Project Manager, three Work Packages have been identified – each with their own set of deliverables. These Work Packages are:

- Requirements, plans and delivery
- Fundraising
- Management

The Project Manager is needed in post urgently to move forward with the delivery of the project documentation.

#### **4.6.1 Requirements, Plans and Delivery**

Deliverables from this work package include, but are not limited to:

- Business Plan
- Project Plan
- Risk Register
- Contingency Plans
- Timeline
- Architect's drawings
- Building Cost Estimates
- Stakeholder requirements
- Planning permission
- Budget
- Evaluation Criteria for assessing Bids
- Plan to maintain Business as Usual

#### **4.6.2 Fundraising**

Deliverables from this work package include, but are not limited to:

- Work Package plan
- Fundraising Strategy
- Fundraising Plan
- Statement of Due Diligence and Compliance
- List of potential donors
- List of potential grant providers
- letters to grant providers
- Subscription/Standing order forms for regular donations
- Database of donors and donations

#### **4.6.3 Management**

Deliverables from this work package include, but are not limited to:

- Work package plan
- Staffing profile
- Budget (including salaries and pensions)
- Estimate for running costs
- Estimate of income
- Client database
- Booking system
- Invoicing system
- Bank account
- Management accounts
- Advertising

### **4.7 Risk Assessment**

During the course of the project, the project team, users and sponsor may identify risks and issues that impact on the successful delivery of the project. The Project manager will set up, maintain and manage a risk register which will summarise the risks as they are identified, and how they will be managed. Some of the risks that have already been identified are that:

- Requirements will be missed, work duplicated, communication will fail, deadlines will be missed, because there is no Project manager. No one person is currently responsible for ensuring that all deliverables are identified and delivered, and to liaise between work teams, the Architects, builders, Project Owner and the PCC.
- Not enough money will be guaranteed for the minimum requirement by the date final requirements must be agreed (August 2018)
- Revenue for the Parish Centre will be lost during the regeneration project because of the disruption to regular meetings
- The customer base may be reduced during the disruption of development, and having found alternative accommodation, may not return when the work is complete
- Potential customers may not in fact become customers if there is insufficient car parking in the village or at the Parish Centre to compensate for the greater venue capacity
- There will be additional unplanned costs and delays to the timetable because of Requirements Creep (overall cost increases, and time is added to the build because requirements are added after the contract has been awarded).

The Project Manager will record these risks, together with any new ones, and find solutions to mitigate them. For example, the Project Manager will set up a change control mechanism to ensure that the final requirements list is base lined. Any new requirements will be assessed for cost and its impact on delivery of the project. The Project Manager would then recommend whether the change be agreed, or refused.

## 5. Funding Strategy

The Fundraising work package will produce a fundraising strategy and plan with a target of £350,000. The Fundraising Strategy is a deliverable from the work package, and this will be a work in progress until the fundraising plan is complete.

The fundraising strategy is based on reaching and engaging the maximum number and range of donors. The strategy will not be reliant only on the individuals and organisations that already support the parish. However we anticipate that all users of the Parish Centre, and the congregation of St Mary's Parish Church will participate in the fundraising effort. We will adopt a staged approach where initial fundraising will be required to pay for surveys, architect fees, plans, initial project management costs, planning permission etc. A second phase will then be required to cover the main building costs, fixtures, fittings and a contingency fund. It is envisaged that fundraising initiatives will fall into three categories:

### 5.1 Grants

There are a large number of grants available from a wide range of charitable and government organisations. Hampshire County Council promotes a grant finding database which alone includes over 8,000 grant programmes. An initial review of this database has identified a number grants where we appear to meet the donor's criteria. Most grants would not cover the full building costs we require so it is likely that we would need to apply for a number of grants for the same project. We will structure our applications to allow funds to be used for refurbishment should insufficient money be raised for rebuilding.

The Awards for All section of the National Lottery recently hosted a workshop for Gosport and Fareham Voluntary and Charitable organisations to provide advice on how to prepare a grant application, and to encourage applications for grants up to £10,000. The success rate of applications to Awards for All is approx. 60% compared to 20% for the main National Lottery funds. The workshop was most helpful and it is possible that an application could be made for plans and initial project management costs. Awards for All have recently provided a grant of £7,000 toward the cost of retiling the Brodrick Hall, and we have received practical guidance in completion of the application, and liaison with staff at Awards for All.

**NOTE:** Organisations that provide grants normally expect that any grant made will be used to the benefit of all, and will not normally fund any project where groups may be excluded from the benefits of the grant.

In fulfilling their charitable obligation the Parochial Church Council (PCC), as Trustees of St Mary's Church Parish Centre, reserve the right to ensure that all activities within the centre are not, in the opinion of the PCC, contrary to the principles, values and faith of the Church of England.



There is no history of any group having been denied use of the centre, but the Fundraising Team will be obliged to state the above reservation when making grant applications.

## **5.2 Local Authorities**

The County and Borough Councils have funds available to support local community projects. We believe that there is a need for a community space in Alverstoke which is not being met from any other source, and that we should be eligible to apply for grants from both Hampshire County Council and Gosport Borough Council.

Hampshire County Council has recently provided grants and Gosport Borough Council has also been supportive in the past. We would seek to develop the existing good relationships with councillors to investigate ways that the parish centre regeneration could contribute to the plans of the County and Borough, and how the regeneration project could benefit from the funds available for support of community spaces

## **5.3 Traditional Fundraising Events**

A range of fundraising events such as barn dances, quiz nights, sponsored events and buy-a-brick would be organised with the dual aim of raising money but also involving the wider community in the project.

We will ask all the users of the parish centre to hold events where the proceeds raised would be donated to the project. A range of local organisations will be approached to make the project their annual nominated charity.

We will approach all the local supermarkets, large employers, and other businesses to ask for their support either with direct funding, or with contributions for raffle prizes, and to publicise fundraising events to their staff.

We intend to set up a variety of options for individuals to donate on a regular, but finite, basis, or to donate online. This has the potential to raise a considerable amount of money – for example for each 100 individuals who are willing to donate £10 per month for 24 months, we will raise £24,000 – which would increase to £28,800 with Gift Aid.

## **5.4 Donor Grid**

The Fundraising Team is setting up a file of potential donors to whom we could apply, and these include: Veolia Environmental Trust, Biffawards, Garfield Weston Foundation, Co-operative Community Trust and Hampshire & IOW Community Foundation. A summary of potential donors identified to date can be found in the Fundraising Grant Grid at Annex 1 to this document. We will draw up a short list of those whom we think are most likely to look favourably on our applications, and start the process of applying for grants. We will need Architect Plans and Building Estimates before we can send off grant applications.

## **Appendix A**

### Project Manager Person Profile and Job Specification

#### **Person Profile**

- Proven experience of developing a project specification and delivering the project on time and within budget
- Proven ability to communicate with all stakeholders

#### **Job Specification**

- Deliver a regenerated Parish Centre within the agreed timescale and budget
- Finalise the client led business case and options study
- Lead the work to define the project scope, objectives and feasibility, involving all relevant stakeholders
- Develop a detailed project plan to monitor and track progress
- Ensure resource availability and allocation
- Manage changes to the project scope, project schedule and costs using an agreed change control procedure
- Manage the relationship with the client and all stakeholders
- Identify and manage risks and issues
- Create and maintain comprehensive project documentation
- Provide project status reports to stakeholders at agreed intervals