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22 July 2020

To: **MEMBERS OF THE STRATEGIC DEVELOPMENT KEY AREA GROUP, BURGESS HILL TOWN COUNCIL**

A **MEETING** of the **STRATEGIC DEVELOPMENT KEY AREA GROUP** will be held online on **27 July 2020** at **19.00 hours**, when your attendance is required.

Steve Cridland
Chief Executive Officer

Following government advice on social distancing, essential Council Meetings will be held virtually during the Covid-19 period. All papers will be published on our website as usual. Members of the public can attend the meeting by using the Zoom link that will be placed on the town council's website and social media shortly before the meeting takes place.

****PLEASE NOTE THE START TIME OF THE MEETING****

Filming, recording of Council meetings and use of social media:

During this meeting members of the public may film or record the Committee and officers from the public area only providing it does not disrupt the meeting. The Confidential section of the meeting may not be filmed or recorded.

If a member of the public objects to being recorded, the person(s) filming must stop doing so until that member of the public has finished speaking.

The use of social media is permitted but members of the public are requested to switch their mobile devices to silent for the duration of the meeting.

A G E N D A

Cllrs Roger Cartwright (Chairman), Graham Allen, Joseph Foster, Kathleen Willis, Andrew Barrett-Miles, Robert Duggan

1. **OPEN FORUM**

Members of the public are invited to put questions or to draw relevant matters to the Council's attention. Each member of the public is allowed to speak once only in respect of a business item on the agenda (whether in the Open Forum or during the meeting) and shall not speak for more than three minutes at the discretion of the Chairman.

If it appears that the number of speakers is likely to unreasonably delay the disposal of business items on the agenda the Chairman may direct that a member of the public submits a question or comment in writing which shall be answered in due course.

2. **APOLOGIES FOR ABSENCE**

3. **SUBSTITUTES**

4. **DECLARATIONS OF INTEREST**

In respect of any matter on the agenda.

5. **NOTES OF THE STRATEGIC DEVELOPMENT MEETING**

Notes of the meeting held on 29 April 2020 (previously distributed).

7. **ASSETS OF COMMUNITY VALUE**

A meeting between the working party appointed to consider assets of community value and the Theatre Club was held on 30 June 2020. The notes from this meeting are attached as Appendix 1.

8. **FOOD PANTRY**

Appendix 2 – 7

Financial Review

8.1 Members have received a report (appendix 2) providing information on the *No Cupboard Empty* project. The purpose of this report is to provide a financial review.

8.2 A CIO will be set-up by the town council as the delivery vehicle for the No Cupboard Empty project and will, effectively, be a franchisee of a well established *Your Local Pantry* franchise. The costs associated with the project are defined in the report, however, for Members' benefit, the core charges, and impact of the town council are detailed below:

Set-up	
£2,000*	1 st year Franchise fee (£500 thereafter)
£5,000	purchase of chillers/freezers

£2,250** Fareshare annual fee (for provision of food)
£9,250*** Commitment from the town council to be given as a
“start-up” grant. It would be prudent to allow £10,000 to
cover incidentals such as promotional costs (see 8.5)

**There is a £500 cancellation fee payable to Your Local Pantry should the project not go ahead after signing the agreement.*

**Future annual franchise fee charges would be for the CIO.*

***this would be a one-off “start-up” charge as subsequently to this the annual fee would be paid for by membership fees paid to the CIO. This charge varies from £400 to £2,250 per year depending on the level of food taken, a “maximum case” has been assumed.*

***Each “pantry” is limited to 150 membership and depending on the initial community take-up i.e. membership levels, additional Fareshare (food) start-up costs may arise should the pantry need to expand. You can have more than one pantry.*

**** The initial report (appendix 2) at the time of writing, considers the option of treating the £10k commitment as a loan, however, as an important project being forwarded by the town council in serving the community, Members are being requested to approve this as a grant so as not to incur the start-up with debt which could make it unviable.*

- 8.3 Costs associated with the fit-out of the premises are dealt with under agenda item 10 Trading Spaces.
- 8.4 By operating as a CIO (which is a charity) there are a number of benefits in regard to business rates relief (currently 100% discount), fund raising, grant applications and gift aid.
- 8.5 The town council has some £157k* split between the Covid 19 fund, Bridge the Gap fund and Trading Spaces fund. Members are being requested to release money from these fund to support this project.

8.6 In regard to the financials of the CIO, based on the No Cupboard Empty report of attaining an initial membership of 150 @ £4 per week per member, there would be an annual income in the region of £30,000 (during the initial start-up period it could be less than this) to pay for ongoing franchise fees (£500), Fareshare fees (£2,250), premises (£5k*), utilities and a reasonable contribution (£21k) towards paid part-time staff working alongside volunteers.

**In regard to premises costs, this is covered under the Trading Spaces agenda item.*

It should be noted, however, once the CIO is set-up, running costs and future commitments would be for the CIO and not the town council although the CIO would be eligible to approach the town council

through the grants programme and could, of course, apply for other grants and seek donations (with eligibility for gift-aid).

Financial risks (to the town council)

- 1) The project does not go ahead (after signing the agreement) giving rise to a £500 cancellation fee. This would be, however, covered under the grant money allocation.
- 2) Should the project fail, for what-ever reason, after being set-up, the risk to the council is limited as the start-up costs, if approved, had been given as a grant, however, the recovery of premises charges via the Trading Spaces project, could become a liability for the town council should a replacement tenant not be found.

Financial risks (to the CIO)

- 1) Lack of members to a level that does not sustain the core costs. The CIO would cease trading. Some or all of the grant may be lost.
- 2) Unable to find suitable premises. Some or all of the grant may be lost.

8.7 Recommendations

Members are referred to the recommendations set out in Appendix 2 which are recommended for approval.

9. NOTES OF THE CULTURAL QUARTER COMMITTEE

The notes of the Cultural Quarter Committee held on 8 July 2020 are attached as Appendix 8.

10. TRADING SPACES

To be discussed under confidential.