



The purpose of this Report is for Members to agree the Town Council's response to the now identified funding issues of the current Project and to authorise staff time to investigate alternative developments for the building

**No. DETAILS**

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**1) CURRENT PROJECT - BACKGROUND**

- a) Funding for the Project to replace the old Ventnor Youth Centre with a relocated Library on the ground floor with three floors of social housing above it has now been fully explored based on the potential access to the Island's Community Led Housing Fund and support from the Isle of Wight Council.
  - b) During that exploration the Town Council has been greatly assisted by the two Officers that had led the Community Led Housing Fund during the period, John Brownscombe and John Prickett, and by the Isle of Wight Council's Housing Delivery Officer Dawn Lang.
  - c) The potential for additional funding from Homes England has been fully explored by John Prickett.
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**2) CURRENT PROJECT – DECISION**

- a) As reported to the Town Council's November meeting, an email from Dawn Lang of 5 November identified three remaining – and fundamental - issues for the funding of the Project:
    - *IOWC assumption that fully funding the library, however as set out below there is currently no funding to deliver and we would need to go through a process to be able to confirm if/when this might be available. There is also no provision for any repairs on the library.*
    - *VTC would need borrow around £1m to fund the scheme from practical completion.*
    - *There is a negative cashflow until year 22, which would mean a revenue impact for you*
  - b) The email included an invitation for a further meeting with Dawn Lang and John Prickett that took place on 13 November.
  - c) The meeting confirmed the Isle of Wight Council's decision that the Project can only proceed if the Town Council is willing to commit to borrowing £1m and that the decision on that requirement would be communicated to Dawn Lang and John Prickett following the Town Council meeting of 9 December.
  - d) Given the Town Council's other borrowing commitments, the negative cash flow predictions and the relatively high risk nature of the Project, the Assets and Services Group recommends that the Town Council withdraws from this Project and informs partners accordingly.
  - e) The only reason for postponing this action would be if there were to be a significant change in the Isle of Wight Council's support for it and that will not be known until after the planned meetings with them to discuss all eight of the Town Council's current eight major projects.
  - f) The meeting with the Isle of Wight Council's senior officers will take place on 10 December and the equivalent with its leadership is yet to be arranged after the General Election.
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**3) ALTERNATIVE DEVELOPMENT**

- a) Discussions with Members have indicated a continuing interest in the relocation of the Library to the more central and accessible site of Ventnor Centre, a commitment to preventing the building being left empty to deteriorate further and suggestions for the alternative use of the building's upper floor.
  - b) For example, Councillor Jamie Macaulay has proposed an approach to the Heritage Lottery Fund to enable its restoration and preservation; Councillor Delian Fry is aware of upcoming funding to provide a Regional Museum, Art Gallery and Conference rooms; and Councillor Colm Watling is exploring the possibility of accessing ERDF funding to provide local
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workspaces.

- c) In addition, the recently released Index of Multiple Deprivation 2019 rankings for two areas of the town – and the trends they reinforce – provide a solid foundation for an approach to other Big Lottery funding streams including, but not limited to, Reaching Communities.
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**4) RECOMMENDATION**

Members are recommended to:

- i) inform the Isle of Wight Council that the Town Council is not in a position to borrow the £1,000,000 identified as necessary to progress the current Project for the development of the old Youth Club; and
  - ii) authorise the staff team to explore these alternative proposals to establish which of them may be worth taking to a detailed project stage and to report to future Town Council meetings accordingly.
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