

Agenda Item No: 6

Report to: Cabinet

Date of Meeting: 1 December 2014

Report Title: Combe Valley Community Interest Company

Report By: Virginia Gilbert
Head of Amenities, Resorts and Leisure

Purpose of Report

To present recommendations for Hastings Borough Council to join Rother District Council and East Sussex County Council in the formation of a Community Interest Company for the Combe Valley Countryside Park.

Recommendation(s)

- 1. That Members agree to the formation of a Community Interest Company in partnership with Rother District Council and East Sussex County Council, and;**
- 2. Agree that Groundwork South undertake the necessary steps to form the Community Interest Company.**

Reasons for Recommendations

Following the withdrawal of local authority funding for the Combe Valley Countryside Park, the Management Board was dissolved in February 2014. The local authority partners commissioned Groundwork South to develop an alternative governance structure for the Combe Valley Countryside Park for 2015/16 and beyond.

The formation of a Community Interest Company is considered to be the most realistic and sustainable model for future governance and one that has been approved by the partners who made up the previous Combe Valley Countryside Park Management Board.

Introduction

1. Hastings Borough Council and Rother District Council commissioned Groundwork South to develop proposals to form a Community Interest Company (CIC) to oversee the strategic direction and management of the Combe Valley Countryside Park (CVCP).
2. The framework for creation of a CIC is in its final stages. It is being overseen by a Shadow Board of elected members from the former CVCP Management Board. Rother DC and East Sussex County Council (ESCC) have approved the formation of the CIC through their respective Cabinets. Groundwork South are leading the partners through the process towards company formation.
3. This report outlines the administrative considerations for Hastings Council as land owner in joining with others to form a CIC and recommends that Cabinet approve the formation of the CIC and for Groundwork to lead that process with the CVCP Shadow Board.

Background

4. The Management Board which was responsible for the strategic direction of the Combe Valley Countryside Park officially dissolved in February 2014 after ESCC withdrew their £19,000 annual funding contribution from 2014/15. Rother agreed to fund for this financial year only on the basis that an alternative arrangement of governance was in place for 2015/16. HBC will also cease direct funding from 2015/16.
5. Our current £19,000 contribution, together with Rother's, is funding Groundwork South for this financial year. ESCC S106 funding is paying for the part-time ranger post, formerly funded by HBC, and will continue to do so for the next 2 years.
6. Groundwork South has been working with the partners during this year to develop proposals for the formation of a Community Interest Company for the Combe Valley.

A Community Interest Company for the Combe Haven Countryside Park - an overview

7. The new CIC would not have any automatic rights over HBC land management decisions. HBC will retain full control of its land and can restrict the uses of the land, mandate specific uses and require consent for the erection of any structures on the land. If HBC generates income from land uses, that income may be fully retained by the Council.
8. We anticipate that the CIC will seek external funding to create facilities or introduce new activities at CVCP, reaching agreement with the Council on specific land uses and rent or income sharing.

9. Having a CIC in place will expand the opportunities to secure funding to improve the Park environment and facilities beyond the opportunities available for HBC acting on its own.
10. Rother, for their part, are depending upon the CIC vehicle to support their negotiations for S106 funds from development opportunities at North Bexhill and are actively pursuing this with developers.
11. The CIC will have a public benefit remit, similar to a charity, where its assets can only be used for public benefit related to its purpose.
12. The CIC will be limited by guarantee to limit the liability of its Directors and company members and be governed by specific Articles of Association. The Articles of Association have been drafted and are in the process of final agreement.
13. The CIC will be governed by a Board with a number of directors, a separate advisory group and will have the remit for establishing sub groups or working groups to report to the Board.
14. Local authority directors will not be in the majority on the Board. Each Local Authority would have 2 votes (1 for each elected member) of 15 on the Board. A CIC that is 'influenced' rather than 'controlled' by local authorities is in a better position to secure external funding.
15. The Board may consist of a number of Directors from business, community and third sector organisations. They will all be governed by the Mission and Objectives of the CIC. Any elected members appointed to the Board of the CIC will be acting in the interests of the company. Membership of the Board will be in line with Hastings Council's equalities policy.
16. After initial inception, the Board will constitute and appoint an Appointments Committee. This committee will, realistically, be the initial Board members from each of the partner authorities. The Appointments Committee will have the power to appoint/replace Directors. The Board will nominate the Chair.
17. The key role of the Chair is to lead the Board of Directors and ensure the CIC acts in accordance with the constitution and objectives. The Chair will drive the business plan and champion the work of the CIC. The Chair will be expected to have experience in leadership, operating partnerships arrangements and financial accountability.
18. Groundwork South will undertake administration for the Company through a Service Level Agreement. The CIC will not have its own staff; rather, it will buy in the services it needs. In addition to Groundwork as managing agent, this could include services from one of the partner local authorities.

Timetable

19. Following Hastings Council's Cabinet decision it is proposed Groundwork proceed immediately to instigate the first Board meeting of the CIC and undertake the appropriate steps to register the CIC at Companies House. The company will be formed and the Board established before the end of the financial year.

The Shadow Management Board

20. Following the dissolution of the CVCP Management Board in February 2014 an interim Shadow Board was established to oversee the implementation of the S106 funds held against the CVCP and steer the process towards the formation of the CIC. Councillor Dawn Poole is chairing the Shadow Board to realise those objectives
21. The S106 monies held by ESCC and overseen by the Shadow Board fund the Ranger post until 2016/17, infrastructure improvements, work towards a new visitor hub on HBC land off Freshfields Lane and assisting the local community to fund raise towards a new community play facility near the current garden centre.
22. The new visitor hub will act as a Ranger base and community facility. This will be a low key installation and is proposed to be formed of a refurbished shipping container in keeping with the Park's 'upcycling' theme. It is proposed to install the container at the current car park along Freshfields Lane.
23. The work to facilitate a new centre is being undertaken by Groundwork South on behalf of the partners. The land is within Rother District; therefore Groundwork South will submit a planning application to Rother District Council.

Policy Implications

24. Community Safety - People feel safer around sites which are well maintained and well used. The CIC vehicle will attract external investment to enable the gradual creation of a significant destination for local people and visitors to engage in sporting activities and experience the countryside.
25. Financial Implications - There are no immediate financial implications for the Council from the formation of the CIC other than the proposed reduction in contributions to the park project.
26. Local People's Views - Local people have been involved in the park design and individual projects such as the planned playground. A Friends group has been formed and will participate in the CIC.

Conclusions

27. A Community Interest Company is a fundamentally different governance structure to that previously implemented for the Combe Valley Project. However it is considered to be the best vehicle for development of Park as it opens up opportunities for funding and local involvement.
28. Groundwork South are providing the support for the Shadow Board to realise the new CIC and following Hastings Cabinet decision will convene a meeting to progress the formation of the CIC.
29. The provision of a new visitor hub is the first step in realising a wider improvement strategy for the Park.
30. Cabinet are asked to approve the recommendations of the report.

Wards Affected

Hollington, West St. Leonards, Wishing Tree

Area(s) Affected

South St. Leonards

Policy Implications

Please identify if this report contains any implications for the following:

Equalities and Community Cohesiveness	Yes
Crime and Fear of Crime (Section 17)	Yes
Risk Management	No
Environmental Issues	Yes
Economic/Financial Implications	Yes
Human Rights Act	No
Organisational Consequences	No
Local People's Views	Yes

Background Information

Officer to Contact

Officer Name Murray Davidson
Officer Email Address mdavidson@hastings.gov.uk
Officer Telephone Number 451107
