

St Michael's Community Rooms Summary Business Plan



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New Community Rooms for Framlingham - St Michael's Rooms Redevelopment

1 Purpose of this Business Plan

This document provides a realistic picture of the ongoing financial viability of the new Community Rooms for Framlingham (the Rooms), how this would be assured and how the new Community Rooms would be managed.

2 Facilities for hire in the local community

This Business Plan takes into account income from the hire to the local community of the following facilities:

- A large hall for larger groups/events, possibly sub-divisible if this is financially achievable within the projected build cost;
- A meeting room for smaller groups on a regular or occasional basis with seating for up to 20 people at meetings or for presentations;
- A kitchen of adequate size to support events in the hired facilities;
- Modern accessible toilets and baby changing facilities.

Car parking will be available to users of the Rooms in close proximity to the Rooms. The scheme proposed allows for 22 parking spaces. However, part of the land to the west of the Rooms on which vehicles currently park is owned by the PCC, the remainder being owned by the Diocese. The PCC is currently in discussion with the Diocese regarding the use of the land that they own and, subject to their agreement and the final design, the totality of parking available to both users of the Rooms and the PCC is likely to be significantly in excess of the 22 spaces. It is the intention of the PCC to appropriately manage this land to the west of the Rooms for the benefit of users of the Rooms and for the purposes of the PCC.

3 Financing

The professionally estimated cost of the project is £840,000 including fees and contingencies. The PCC has been advised that VAT would not be payable on the construction costs. Funding would be £700,000 from the ESC Community Infrastructure Levy fund, £70,000 raised by the St Michael's PCC and £70,000 match funded by Framlingham Town Council from local CIL funds. The £70,000 PCC funding would come from donations, fund raising events and grants secured by the PCC with any shortfall underwritten by interest free loans (already offered) until the full £70,000 PCC contribution had been raised. The PCC would take full liability and responsibility for raising its contribution and thus the repayment of any such loans. There is therefore no liability for the new Rooms to repay either these loans or any interest from its income.

4 Users

From the current user profile, demand for local user groups in the centre of Framlingham is known to be high. Appendix 1 to this plan summarises the current users and other community groups and organisations that it has been indicated could be interested in hiring facilities in the new Rooms.

5 Management of the new Community Rooms

Although the primary management responsibility will rest with the PCC, it is expected that volunteers from the local community will be part of the management team to ensure representation of the interests of both users and other local interest groups.

6 Financial Viability of the New Rooms

Over the last 35 years the current St Michael's Rooms has been financially viable and has returned a small surplus even taking into account the improvements and refurbishments undertaken during this time. This indicates very positively the financial viability for the new St Michael's Community Rooms for Framlingham. For at least the last 6-7 years, charges have remained constant as those of other local halls have increased. This means that, certainly by the time that the new Community Rooms is completed, rates could be increased moderately to be in line with other, local, comparable halls whilst still being able to attract new users and former users back. It is the full intention of the project to provide facilities at an affordable cost to organisations that serve the local community whilst maximizing income from fully commercial organisations to ensure ongoing financial viability of the new Rooms.

The current practice to offer session (morning/afternoon/evening) bookings for up to 4 hours at approximately a multiple of 3 times the hourly will continue to be applied.

With a new Community Rooms, expenditure on repairs and major maintenance should be minimal for several years (excluding damage) and heating costs should be substantially reduced with a building that is many times more thermally efficient. Other costs, such as other utilities, cleaning, caretaking etc will, to a large extent, track usage.

The projected income for 2019 for the current SMR is expected to be around £10,000. Because of increased usage this is higher than in previous recent years but in those years it has still returned a surplus despite significant expenditure on refurbishments such as the kitchen and hall floor. With modern facilities, the addition of a reasonably sized meeting room, revised hire charges and good marketing the income from the new Rooms is predicted to be substantially greater than that for SMR. This will allow for expenditure on a higher level of cleaning/caretaking, maintenance of the interior, exterior and surrounding grounds and for funds to be established for the timely replacement of equipment (eg tables, chairs and kitchen equipment) and for future enhancements, re-decoration and refurbishment. No provision is being made for a 'sinking fund' to pay for another replacement Rooms at the end of the life of the new Rooms. Not only is it not possible to predict what the requirements might be in, say 100

years' time, but to do so would unnecessarily place a financial burden on the new Rooms to establish such a fund. The Charities Commission also strongly dissuades charities from accumulating long term funds of this type, as to do so would work to the disadvantage of their primary charitable objectives.

Experience of re-opening SMR after a closure of several years indicates that it takes between 3 and 4 years for a full level of bookings to be established. Expenditure will be managed accordingly to ensure that, at least from the second full year of operation, the new Rooms will return a surplus of income over operating expenditure sufficient to contribute to the replacement and enhancement/refurbishment funds.

7 Marketing

Despite its success, St Michael's Rooms has never been actively marketed and all its business has derived from word-of-mouth. A marketing plan will be created during construction of the new rooms and the new Rooms will be effectively marketed both in the months before its opening and during its operation. The methods used to market the new rooms will include:

- Web marketing , eg web sites that publicise village and other halls for hire including hallshire.com and a fully informative web page on the St Michael's web site or a new, purpose designed site;
- Cost-effective local advertising such as in the free publication 'Framfare', the 'About Fram' magazine and other marketing literature. Maximum publicity will be sought for the opening of the new rooms. These publications will be approached with a view to including an article about the new rooms to co-incide with its opening;
- Local organisations and the local populous in general will be made aware of the facilities offered by individual contact or general publicity. Previous hiring groups and individuals who have expressed interest will be informed of the re-build plans prior to closure, the facilities to be offered and will be kept informed on progress during construction via a newsletter;
- Information will be placed on the outside of the Rooms giving information on its facilities and how to make bookings;
- An leaflet will be produced that provides information for booking enquirers, and copies left with FTC to be given to organisations that ask them about local venues;

The fact that the new rooms will be uniquely situated between the historic church and castle will be used to full advantage.

8 Conclusion

The new Framlingham community rooms will enable the service that the current St Michael's Rooms provides to the local community to be substantially enhanced whilst

remaining affordable by local organisations and thus remaining financially viable without the need for recurring financial subsidy.

Appendix 1 – Anticipated user groups for the New Rooms

Current St Michael's Rooms user groups

- Dancing classes
- Local clubs/societies
- Keep fit
- Yoga
- Young people's activities
- Parties, dinners, events for local groups and private events
- Commercial sales
- Entertainment eg pantomimes and productions
- St Michael's church

Anticipated additional user groups

- Low impact sports activities eg table tennis
- Age related support groups and charities
- Health clinics
- Wellbeing and social support
- Community development and support (low income groups)
- Citizen's Advice
- Disability discussion groups
- Young parents
- Social groups
- Outreach and adult training and education classes
- Mental health support
- Family planning
- One-to-one support
- Pre-school and after-school clubs

In addition, FTC receives requests from commercial and other organisations that wish to hold events, seminars and exhibitions in Framlingham. It is anticipated that many of these organisations will find the facilities offered by the new Rooms attractive for their purposes.