

STRICTLY PRIVATE AND CONFIDENTIAL

Stimpson's Piece
Initial Options Appraisal Final v2.0
May 2014

1. Introduction

- 1.1. In the autumn of 2013 Ingham Pinnock Associates (IPA) was commissioned by Reepham Town Council (RTC) to undertake a high level options appraisal in relation to Stimpson's Piece. The instruction developed as a continuum of the work IPA had undertaken for Broadland District Council on the Reepham Economic Strategy.
- 1.2. The appraisal was specifically required to help RTC consider a range of possible options for the future of the Stimpson's Piece Pavilion. Although the Pavilion was only constructed in the early 1990's the combination of limited revenue generation and increasing capital and revenue costs has brought the viability of the building into sharp focus as RTC finds itself subsidising its continued operation at a significant cost. This cost equates to an increasingly large proportion of RTC's annual precept and is impacting on its ability to deliver other community services.
- 1.3. This document comprises a final report to RTC. It is intended to help inform RTC's consideration about the future of the Stimpson's Piece but is not intended to provide conclusive or definitive advice or recommendations on the ultimate option to pursue which it is recommended should be informed by the local community.

Report structure

- 1.4. The remainder of this report is set out as follows:
 - Section two sets out the baseline position in relation to Stimpson's Piece and community facilities in Reepham more generally
 - Section three describes the options that have been developed and their key characteristics
 - Section four highlights the appraisal criteria and the appraisal scoring system
 - Section five comprises the appraisal itself
 - Section six provides a number of concluding remarks and suggested next steps.

2. Baseline position

History of Stimpson's Piece

- 2.1. In 1945 the Stimpson family offered RTC six acres of land to provide a sports field for Reepham as part of Thanksgiving for Victory at the end of WWII. The land was offered to the Town Council on a leasehold basis at a peppercorn rent.
- 2.2. In parallel, a smaller piece of land on the corner of Station Road and Stoney Lane was brought by RTC and fitted with children's play equipment. This piece of land became known as Children's Corner.
- 2.3. In 1987 the Stimpson family gifted the freehold of the land under the leasehold agreement to the RTC to be held in trust. Shortly afterwards an adjoining seven acres became available and was purchased by RTC. The resulting combined package of land is Stimpson's Piece as it is known today.

Figure 1: Approximate extent of Stimpson's Piece



For illustrative purposes only.

- 2.4. Since the first parcel of land was made available after WWII, Stimpson's Piece in its various arrangements has been used by a range of community and sports groups. Reepham Town Football Club, Reepham Ladies Hockey Club, Reepham Cricket Club and Reepham Tennis Club have all used the sports pitches at one time or another.
- 2.5. In 1995 the Stimpson's Piece Pavilion was constructed, paid for by RTC who raised a loan to cover the cost of the building work. It is understood that this loan has been paid-off in full.

- 2.6. The Pavilion is a single storey building which comprises a large community meeting hall with small bar area, a furniture store (the garage), kitchen, ladies and gents WC's, changing rooms and a number of smaller store rooms.

Ownership and management

- 2.7. Stimpson's Piece is a registered charity. The land and property are held in a trust where the sole trustee is Reepham Town Council.
- 2.8. It is understood that there are a number of restrictions in the trust deed relating to the use of the land / buildings that comprise Stimpson's Piece as follows (the below is our interpretation of the trust deed and is based on notes provided by RTC):
- Stimpson's Piece must be used and enjoyed as a recreation ground and park in the interests of the social welfare and with the object of improving the conditions of life of the inhabitants of the Parish of Reepham and the neighbourhood thereof
 - No house or building or other erection shall be erected or put upon Stimpson's Piece other than:
 - Pavilions
 - Refreshment Rooms
 - A community centre
 - Other buildings of a similar kind adapted to improve the convenient use of the property.
- 2.9. The facilities that make up Stimpson's Piece are managed by the Stimpson's Piece Management Group. The Management Group is intended to include members of RTC and representatives of user groups. In reality it is understood that the Management Group comprises almost entirely members of RTC with few other interested parties contributing.

Access and use

- 2.10. The main vehicular access to Stimpson's piece by from Bartle Court which is a small residential cul-de-sac off Station Road. There is also a small car park on the north-western side of the site which can be accessed off Kerdiston although this is understood to primarily be used by the Tennis Club.
- 2.11. Upon arrival at Stimpson's Piece (off Bartle Court) there is an unsurfaced car park which leads to the Pavilion and children's play area.

Children's Play Area

- 2.12. Close to the entrance to Stimpson's Piece there are a range of children's play equipment and a small skate park. These facilities are understood to be well used and have recently benefitted from a programme of maintenance and investment.

Formal recreation space

- 2.13. It is understood that the only formal user of the sports pitches today is Reepham Town Football Club (RTFC). RTFC also use the changing rooms, storage and social facilities inside the Pavilion.

- 2.14. On the western side of Stimpson's Piece are a number of self-contained tennis courts, parking area and a portacabin containing changing facilities. These facilities are managed and maintained by Reepham Tennis Club who we are advised operate on the basis of a short-term lease.

Informal recreation space

- 2.15. In the north western corner of Stimpson's Piece there is an area of more informal recreation space not given over to sports pitches. This corner is bounded by a reasonably deep band of mature trees.

Pavilion

- 2.16. The primary user of the Pavilion today is the Reepham Nursery School. The Nursery use the Pavilion from Monday to Friday inclusive from 0830am to around 1600pm although the closing time varies slightly from day to day. Other occasional users of the Pavilion during the week (primarily in the evening) include Chilsong, Tai Chi, Carpet Bowls.
- 2.17. RTFC has use of the pavilion every Saturday until 6pm during the football season.

Derelict play area

- 2.18. On the immediate left of the entrance to Stimpson's Piece at the end of Bartle Court is an area of hard-standing. It is understood that this area had previously been used for tennis courts and a children's play area. The area is now un-used and in poor condition.

Recent financial issues

- 2.19. As noted above, limited revenue income and increasing revenue and capital costs has meant that Stimpson's Piece runs at a significant annual deficit. This deficit has been met by RTC's own funds.
- 2.20. Financial information supplied for the 2012 accounting year for Stimpson's Piece is summarised in the following table to illustrate the indicative finances of the facility:

Figure 2: Summary of financial information for Stimpson's Piece, 2012

2012 costs / income	
Revenue income (approx.):	
Nursery	£8,000
Reepham Town FC	£1,300
Other regular users	£4,200
Feed in tariff	£1,500
Sub-total income	£15,000
Revenue costs (general running costs, approx.)	£20,000
Management cost of Town Clerk	£3,000
Annual revenue surplus / deficit	£8,000 (deficit)
Annual capital costs (it is recognised these may not be consistent each year)	£20,000
Approx annual subsidy from RTC during 2012	£28,000

Competing facilities

- 2.21. For a town of its relatively small size, Reepham benefits from a large number and good range of community facilities, some of which are particularly high-quality. These facilities all compete with the Stimpson's Piece Pavilion or have the potential to compete with the Pavilion but are not currently doing so.
- 2.22. The feature of Stimpson's Piece that other local facilities cannot compete with is the provision of formal sports pitches although this may be something that the High School could do if it so desired.

Figure 3: Competing facilities in and around Reepham

Name	Location	Description	Activities
Methodist Hall	Station Road, Reepham	Understood to be a large community room with associated wcs and kitchen	Youth club.
Bircham Centre	Market Place, Reepham	Meeting rooms available to hire accommodating up to approximately 20-30 people	Royal British Legion, Yoga Classes, Music Groups, Citizens Advice, WI Country Market
Reepham Town Hall	Church Street, Reepham	Large hall available to hire	Bingo, Carpet Bowls, Gardening Club, Line Dancing, Reepham Society
Whitwell Hall Country Centre	Whitwell	Hall set within 40 acres of land, available to hire: Large rooms for meetings, 54 beds, camping area, conference room, kitchen, lounges	Weddings, school parties, hall hire, camping
Reepham High School	Reepham	A range of facilities available to hire including classrooms, meeting rooms, sports hall (football, hockey, badminton etc), computer suites, sports pitches, food technology rooms/kitchens. Catering is available	Badminton, Basket Ball
Scout Hut	Smugglers Lane	Unknown.	Beavers, Brownies, Cub Scouts, Guides, Rainbows, Scouts
St Mary's Church	Church Hill	Large, modern meeting space recently refurbished.	
Reepham Primary School	School Road	Unknown.	

2.23. The distribution of these facilities is shown graphically below.

Figure 4: Distribution of competing facilities



3. The options

- 3.1. This section of the report sets out six possible options regarding the future of the Stimpson's Piece pavilion. At this stage the options are only intended to be indicative and provide a basis for further development and testing.
- 3.2. It is important to note that the development of many of the options set out below would require further specialist input in order to be fully tested. For example, options which include the possible release of land from within the scope of the trust deed would need detailed legal advice.
- 3.3. The options are as follows:
- Option 1: Do nothing
 - Option 2: Increased rates and increased use
 - Option 3: Create endowment
 - Option 4: Refurbish Pavilion
 - Option 5: Replace Pavilion
 - Option 6: Remove Pavilion.
- 3.4. All six options are based around a set of common assumptions. These assumptions are informed by discussions with and information provided by RTC. The standard assumptions are as follows:
- The annual revenue cost of Stimpson's Piece and the Pavilion is around £20,000
 - There is an annual cost of £3,000 met by RTC towards time incurred by the Town Clerk on managing Stimpson's Piece over and above her core responsibilities as Town Clerk
 - The annual revenue income for Stimpson's Piece and the Pavilion is around £15,000
 - The Reepham Nursery pursue their relocation in the next two years
 - The short-fall between cost and income generated by the operation of Stimpson's Piece is met by RTC funds
 - Based on advice from RTC, any option which assumes the sale of land within Stimpson's Piece is considered highly unlikely.

Option 1: Do nothing

Description

- 3.3 Option 1 assumes that RTC does not implement any changes to the use, management or physical fabric of Stimpson's Piece or the Pavilion. The facility continues to operate under the existing conditions for the foreseeable future.

Income

- 3.4 Option1 assumes that Stimpson's Piece and the Pavilion continue to generate around £15,000 of revenue income per annum from activities in the Pavilion and use of the pitches.

Costs

- 3.5 This option assumes that Stimpson's Piece continues to cost around £20,000 to operate in its current form and the Town Council cover the time cost of the Town Clerk managing Stimpson's Piece which equates to £3,000.

- 3.6 Taking into account revenue income of £15,000, under this option RTC subsidises an annual revenue short-fall of £8,000.
- 3.7 This option assumes that the RTC is required to make occasional capital contributions to the cost of maintaining assets and equipment at Stimpson's Piece (i.e. in addition to general running costs noted above) for example maintaining play equipment, car parking, occasional works to the pavilion etc. For 2013/14 the Town Council has budgeted for around £10,000 (in addition to meeting the revenue short-fall mentioned above). A longer term budget has not been identified.

Risks

Future of the nursery

- 3.8 It is known that the nursery is seeking improved facilities as the pavilion in its current state is increasingly unfit for purpose. There is a reasonable risk that the nursery relocates to alternative premises in the future which would mean Stimpson's Piece loses around £8,000 of revenue income each year.
- 3.9 If the nursery did relocate and no alternative comparable users were identified to use the Pavilion, the annual revenue loss made by Stimpson's Piece would increase to around £16,000 per annum which it is assumed would be met by the RTC.

Abnormal maintenance costs

- 3.10 RTC has invested significant capital in abnormal maintenance costs over the last few years. This has included items such as improved CCTV, repairing and replacing play equipment, upgrading WCs etc. It is possible that the continued heavy use of Stimpson's Piece and the Pavilion will mean that there will be significant maintenance costs in the future which would be met by RTC.
- 3.11 The Pavilion is understood to be in reasonably poor condition and a building condition survey was recently undertaken that identified a programme of necessary maintenance over the next few years. The cost of this maintenance work will necessarily be met by RTC.

Option 2: Increase rates and increase use

Description

- 3.12 This option assumes that RTC increases the rates paid by the existing users of Stimpson's Piece and the Pavilion. In parallel this option assumes that RTC seeks to increase the level of use of Stimpson's Piece and the Pavilion by undertaking a concerted marketing and publicity campaign.
- 3.13 The objective of this option is to achieve a position where the income generated by Stimpson's Piece and the Pavilion is sufficient to:
- a) Cover annual running costs so that RTC is no longer providing an annual subsidy
 - b) Create a small annual surplus that can be held in a sinking fund for investment in abnormal maintenance costs so that RTC is not meeting these costs.

Income

- 3.14 This option assumes that as a result of increasing the rates and increasing usage, Stimpson's Piece could generate over £23,000 of revenue income per annum. Any surplus would be held as a 'sinking fund' and used to invest in abnormal items of capital maintenance.

Costs

- 3.15 This option assumes that Stimpson's Piece continues to operate at an annual revenue cost of around £20,000 plus £3,000 to cover the cost of the Town Clerk's time.
- 3.16 The option assumes that RTC is no longer required to contribute towards annual running costs or occasional capital maintenance costs as these would be covered by the accumulation of a surplus of income over running costs.

Risks

Future of the nursery

- 3.17 It is known that the nursery is seeking to find better facilities as the pavilion is no longer fit for purpose. There is a reasonable risk that the nursery relocates to alternative facilities in the future which would mean Stimpson's Piece loses around £8,000 of annual income.
- 3.18 If the nursery did relocate and no alternative comparable users were identified to use the Pavilion, assuming the uplift in rates paid by other users, the annual loss made by Stimpson's Piece could be up to £8,000 per annum which it is assumed would be met by the RTC.

Compromise from the football club

- 3.19 In order to increase the levels of usage it would be necessary for the football club to relinquish the exclusive use of the building they have during the day on Saturday. It is not clear how this would be received by the football club and what the implications of this might be for them.

Affordability

- 3.20 Any increase in the price of using Stimpson's Piece could result in the loss of a number of the existing users. There is a good supply of alternative facilities in and around Reepham that could easily be substituted for the Stimpson's Piece Pavilion. The idea of increasing prices therefore carries the risk of deterring existing users and reducing the overall amount of income generated.

Increased use

- 3.21 It may be unrealistic to assume that the level of use of Stimpson's Piece and the Pavilion could be increased to generate additional revenue income of £23,000 when the current income is around £15,000. With the nursery in situ there is limited opportunity to take additional bookings during the day and the facility is reasonably well used in the evenings.
- 3.22 There is also a good supply of alternative facilities elsewhere which are all patronised by a range of local groups. Their willingness to relocate to the Stimpson's Piece Pavilion may be limited, especially given the condition of the facility.

Abnormal maintenance costs

- 3.23 RTC has invested significant capital in abnormal maintenance costs over the last few years. This has included items such as improved CCTV, repairing and replacing play equipment, upgrading WCs etc. It is possible that the continued heavy use of Stimpson's Piece will mean that there will be significant maintenance costs in the future which under this option could be met by the sinking fund (surplus of income after running costs).
- 3.24 The Pavilion is understood to be in reasonably poor condition and a building condition survey was recently undertaken that identified a programme of necessary maintenance over the next few years. The cost of this maintenance work would be met by the sinking fund created by this option.

Option 3: Create capital fund

Description

- 3.25 This option suggests that the derelict tennis court plot by the entrance to Stimpson's Piece is sold for redevelopment and the receipt provides a capital sum for the future maintenance of Stimpson's Piece. The option assumes that the land is sold with the benefit of a value generating planning permission, for example for residential development.
- 3.26 The objective of this option is to achieve a position where there is a capital fund created by the sale of the old tennis court site to subsidise any annual losses and future long-term financial needs. This would remove any financial liability from RTC.
- 3.27 It is understood from RTC that this option is considered highly unlikely on the basis of legal and planning advice provided to RTC on the restrictions of the trust deed. The option is however outlined below with this risk highlighted in the appraisal.

Income

- 3.28 This option assumes that no significant changes are made to the rates paid by users and that revenue generated from the use of the sports pitches and the Pavilion amounts to around £15,000 per annum.
- 3.29 This option assumes that the sale of the old tennis courts would generate a significant capital receipt although the value of the site is not known and would require valuation advice to estimate.

Costs

- 3.30 This option assumes that Stimpson's Piece continues to operate at an annual revenue cost of around £20,000 plus £3,000 to cover the cost of the Town Clerk's time.
- 3.31 The option assumes that RTC is no longer required to contribute towards annual running costs or occasional capital maintenance costs as these would be covered by funds generated from the sale of the tennis courts plot.

Risks

Capital income

- 3.32 We are advised that the trust deed precludes the sale of the any land for alternative development (outside of the specified uses). This would need to be overcome in order to create the capital sum assumed by this option.

Future of the nursery

- 3.33 It is known that the nursery is seeking to find better facilities as the pavilion is no longer fit for purpose. There is a reasonable risk that the nursery relocates to alternative facilities in the future which would mean Stimpson's Piece loses around £8,000 of annual income in addition to the existing deficit.
- 3.34 This option assumes that this annual loss is made up by cross subsidy from the capital sum generated by the sale of the old tennis court site. It is however important to note that any sum generated by the sale of the old tennis court site would be finite and only able to subsidise any deficit for a limited time.

Abnormal maintenance costs

- 3.35 RTC has invested significant capital in abnormal maintenance costs over the last few years. This has included items such as improved CCTV, repairing and replacing play equipment, upgrading WCs etc. It is possible that the continued heavy use of Stimpson's Piece will mean that there will be significant maintenance costs in the future which under this option could be met by the capital sum generated by the sale of the old tennis courts
- 3.36 The pavilion is understood to be in reasonably poor condition and a building condition survey was recently undertaken that identified a programme of necessary maintenance over the next few years. The cost of this maintenance work would be met by the capital sum generated by this option.

Option 4: Refurbish Pavilion

Description

- 3.37 This option assumes that the RTC delivers refurbishment / alteration work to the Pavilion to improve the attractiveness of the facility for a range of users for the next 10 to 20 years. The level and cost of work required at this point is unknown
- 3.38 The objective of this option is to invest in the Pavilion so that it is fit for purpose and able to generate a sustained income stream in the future and remove need for RTC to provide an indefinite subsidy.

Income

- 3.39 This option assumes that capital finance is generated to invest in refurbishment works to the Pavilion and future maintenance costs from either the sale of the old tennis courts and / or

future s106 / CIL income that would be accrued by RTC from development in and around Reepham.

- 3.40 It is understood from RTC that the sale of the old tennis courts is considered highly unlikely on the basis of legal and planning advice provided to RTC on the restrictions of the trust deed. The option is however outlined below on the basis that some of the capital costs could be met from future s106 funds.
- 3.41 This option assumes that some level of increase in hire charges is made to reflect the improved conditions of the facilities following their refurbishment.

Costs

- 3.42 It is not possible to estimate the running costs of this option at this stage as it is not known what form a refurbished Pavilion might take. However, this option assumes that any refurbishment works specifically include upgrades that will deliver reduced running costs (insulation, efficient heating / cooling systems, natural / efficient lighting systems etc)
- 3.43 This option assumes there would be a capital cost involved in refurbishing the Pavilion and making it fit for purpose.

Risks

Costs

- 3.44 It is not known whether the revenue cost reductions resulting from the upgrade of the Pavilion would be sufficient to relieve the RTC of any requirement to subsidise the running of the building.

Users

- 3.45 Detailed work with the nursery and other users would be required to understand how the building could be made fit-for-purpose and what the cost of this work would be. We are advised that the nature of the nursery's use may mean that even with significant refurbishment works it is not possible to create a facility that fully meets their needs.

Abnormal maintenance costs

- 3.46 The refurbishment works would limit the level of abnormal maintenance costs for the medium to long-term.

Option 5: Replace Pavilion

Description

- 3.47 This option assumes that the existing Pavilion is replaced with a smaller building that is only suitable for use by sports clubs i.e. it has no large community hall space.
- 3.48 This option assumes that the nursery is relocated to another site elsewhere and other users of the main space in the existing Pavilion are relocated to the Town Hall or other community venues in and around Reepham.

- 3.49 This option assumes that the old tennis courts are sold and that the receipt provides a capital sum for investing in the new Pavilion and under-writing future maintenance costs. If this is not possible, the option assumes that the cost of the replacement Pavilion could be met with s106 funds likely to be accrued by RTC in the future.
- 3.50 The objective of this option is to develop a much smaller Pavilion that is cheaper to run and can be financed by income generated from sports clubs without the need for RTC to provide an indefinite subsidy.

Income

- 3.51 This option assumes that the sports clubs would pay sufficient rates to cover the reduced running costs of the new, smaller Pavilion.
- 3.52 This option assumes that the sale of the old tennis courts would generate a significant capital sum for the development of a new smaller Pavilion. If it is not possible to sell this land, this option assumes that s106 funding from development in Reepham would be available to contribute towards the cost of the replacement Pavilion.

Costs

- 3.53 It is not possible to estimate the running costs of this option at this stage. However, this option assumes that the Pavilion would have lower running costs as a result of it being smaller and designed specifically to deliver reduced running costs (high performance insulation, efficient heating / cooling systems, natural / efficient lighting systems etc).
- 3.54 This option assumes there would be a capital cost involved in developing the new pavilion although further advice from a cost consultant and architect is needed to identify what this cost might be.

Risks

Nursery

- 3.55 It is not known how easily the nursery could be relocated within Reepham and whether the operators have any funding to deliver a new building or refurbish an existing building.

Income

- 3.56 It is not known whether income from the sports clubs would be sufficient to cover the revenue costs of the smaller more efficient pavilion.

Option 6: Remove Pavilion

Description

- 3.57 This option assumes that the existing Pavilion is removed altogether and not replaced. It assumes that all users reliant upon the Pavilion are relocated elsewhere in the town wherever possible.

- 3.58 The objective of this option is to significantly reduce any long-term financial liability to the RTC related to Stimpson's Piece.

Income

- 3.59 This option assumes that revenue income is significantly reduced as a result of the loss of a number of income streams from users of the Pavilion which would be demolished.

Costs

- 3.60 This option assumes that the costs of managing and maintaining Stimpson's Piece would be significantly reduced. There would still however be some cost associated with maintaining the park and play equipment and a cost associated with the demolition and removal of the existing pavilion. It is assumed that these are met by RTC.

Risks

Nursery

- 3.61 It is not known how easily the nursery could be relocated within Reepham and whether they have any funding to create a new building or refurbish an existing building.

Sports clubs

- 3.62 It is not known how easily the sports clubs could be relocated within Reepham or the surrounding area although options are thought to be available such as use of pitches at the High School.

4. Criteria and scoring system

- 4.1. The following section sets out the criteria against which each of the options described in the previous section are appraised.
- 4.2. The criteria represent a combination of our interpretation of RTC's aspirations and concerns and the practical constraints and opportunities that surround the use of Stimpson's Piece in the future.
- 4.3. The criteria are:
 - a. **Feasibility based on RTC advice on the restrictions of the trust deed.** This criteria is used to assess the extent to which each of the options identified comply with the parameters of the trust deed
 - b. **Requirement for further specialist work:** This criteria is used to assess the extent to which RTC would be required to procure further specialist work in order to progress the option, for example legal advice on the trust deed or design work for new facilities. This requirement would have a time and cost impact on RTC
 - c. **Meeting the needs of existing users:** This criteria is used to assess the extent to which the option is capable of meeting the needs of the existing users of Stimpson's Piece and the Pavilion
 - d. **Likely requirement for capital expenditure from RTC.** This criteria is used to assess the likelihood of RTC having to invest its own funds in the capital repair and maintenance of Stimpson's Piece Pavilion in the future.
 - e. **Likelihood of achieving an annual surplus:** This criteria is used to assess the likelihood of Stimpson's Piece making an annual revenue surplus based on assumptions set out earlier in the report regarding annual running costs and income. If a breakeven or a surplus can be achieved RTC would no longer be required to subsidise the running of Stimpson's Piece
 - f. **Financial sustainability:** This criteria is used to assess the broad long-term financial sustainability of the option. It is not possible to undertake detailed long-term cashflow forecasts of each option at this stage and so this criteria has been assessed on a qualitative basis. If the options can be assumed to broadly achieve long-term financial sustainability they would remove any requirement for RTC to subsidise the running of Stimpson's Piece or invest in major capital repairs and maintenance.
- 4.4. Each option is scored in the following section against each criteria. Options score highly where they are appraised and found to have a positive effect in relation to each criteria. The criteria have been allocated scores as follows.

Figure 5: Appraisal scoring system

Criteria	Appraisal score		
a: Feasibility based on RTC advice on the restrictions of the Trust Deed	1 point (unfeasible)	2 points (potentially possible)	3 points (feasible)
b: Requirement for further specialist work	1 point (significant requirement)	2 points (some requirement)	3 points (minimal requirement)
c: Meeting the needs of existing users	1 point (needs not met at all)	2 points (some needs are met)	3 points (all needs are met)
d. Likely requirement for capital expenditure from RTC	1 points (highly likely)	2 points (some requirement)	3 points (minimal requirement)
e. Likelihood of achieving an annual surplus	1 point (unlikely)	2 points (possible)	3 points (likely)
f. Financial sustainability	1 point (unlikely)	2 points (possible)	3 points (likely)

5. Indicative appraisal

- 5.1. The table below provides the initial appraisal of the options for Stimpson's Piece Pavilion.
- 5.2. The appraisal is based on our interpretation and judgement of the effects and implications of each option and is designed to stimulate further discussion with RTC.

Figure 6: Appraisal table

Option	Feasibility based on RTC advice on the restrictions of the Trust Deed	Requirement for further specialist work	Meeting the needs of existing users	Likely requirement for capital expenditure from RTC	Likelihood of achieving an annual surplus	Financial sustainability
Option 1: Do nothing	(3). This option does not deviate from the existing arrangement.	(3)	(2). The Pavilion is no longer fit for purpose for use by the Nursery.	(1). A recent building survey identified a programme of necessary work over the short to medium term that would necessitate investment from RTC.	(1). Stimpson's Piece operates at an annual loss. This is likely to be exacerbated with the anticipated loss of the Nursery.	(1). Stimpson's Piece currently runs at an annual loss. This is likely to remain or worsen in the future if the Nursery relocates.
Option 2: Increased rates and increased use	(3). This option does not deviate from the existing arrangement.	(3)	(2). The Pavilion is no longer fit for purpose for use by the Nursery and it is possible that an increase in rates could make the facility unaffordable for a number of existing users.	(1). A recent building survey identified a programme of necessary work over the short to medium term that would necessitate investment from RTC.	(1). There is a good supply of alternative premises in Reepham which existing users may relocate to if rates are increased. There is some potential to increase usage of the facility especially if the Nursery relocates but it is unlikely that a similarly valuable user could be found.	(1). Whilst it may be possible to increase income to some degree it is considered unlikely that this will be sufficient to bridge the annual revenue gap, especially if the Nursery relocates.
Option 3: Create endowment	(1). It is understood that the sale of land to create an endowment from within the scope of the Trust is not feasible.	(1). Further work would be required in order to test whether or not land could be sold for redevelopment to create an endowment.	(2). The Pavilion is no longer fit for purpose for use by the Nursery and this option would not overcome this.	(1). A recent building survey identified a programme of necessary work over the short to medium term. RTC has advised that the sale of land to create an endowment is highly unlikely and therefore RTC would need to continue to cover any short-falls.	(1). It is understood that the sale of land to create an endowment from within the scope of the Trust is not feasible. RTC would therefore be required to continue to cover annual revenue short-falls.	(1). It is understood that the sale of land to create an endowment from within the scope of the Trust is not feasible. This option is therefore unlikely to be financially sustainable.
Option 4: Refurbish pavilion	(1). It is understood that the sale of land to create a sum to under-write the cost of refurbishment from within the scope of the Trust is not feasible.	(1). Further work would be required in order to test whether or not land could be sold for redevelopment to pay for the refurbishment and then design and deliver the refurbishment works.	(2). The refurbishment works would ensure that the Pavilion is fit for purpose for all existing users. However, it is not clear if refurbishment works would be sufficient to create a facility that is appropriate for the nursery.	(2). Subject to the cost of the refurbishment works, this option could be funded by s106 although this funding is unlikely to be available in the short-term.	(2). A refurbished pavilion could result in increased use from a range of users. However, it is not clear if refurbishment works would be sufficient to create a facility that is appropriate for the nursery. If this is not possible, it is unlikely that the pavilion would generate a surplus.	(2) This option could create a financially sustainable Pavilion that requires minimal support from RTC but it is contingent upon being able to create a facility that meets the long-term needs of the nursery.
Option 5: Replace pavilion	(1). It is understood that the sale of land to create a sum to under-write the cost of a new pavilion from within the scope of the Trust is not feasible.	(1). Further work would be required in order to test whether or not land could be sold for redevelopment to contribute to the cost of the new pavilion. Work would also be required to design and procure the new pavilion.	(2). The new Pavilion would be smaller and designed only for sports clubs. It would not contain a large general purpose community hall and would therefore not be capable of retaining the nursery. The facility would therefore only be fit for purpose for a limited number of users.	(2). Subject to the cost of a new pavilion, this option could be funded by s106 although this funding is unlikely to be available in the short-term	Unknown – therefore medium (2). The running costs and level of income from a new, smaller facility are not known. However it is assumed that it would be designed specifically to minimise running costs through the use of renewable technology and high performance insulation.	(3). This option could create a financially sustainable Pavilion that requires minimal support from RTC.
Option 6: Remove pavilion	(2). It is not thought that the Trust Deed would preclude the removal of the pavilion but this would need further testing.	(2). Further work would be required in order to remove the pavilion.	(1). This option would necessitate the loss of all existing users of the Pavilion.	(2). The only cost related to this option is for the demolition and removal of the Pavilion.	(2). Whilst there would be a reduction in income related to the loss of users of the Pavilion, income would still be generated from use of the grounds and the tennis club which may be able to cover the running costs of the outdoor areas.	(3). This option could create a financially sustainable Stimpson's Piece that requires minimal support from RTC.

5.3. The table below presents the total scores for each of the options.

Figure 7: Appraisal scores

	Appraisal criteria						Total scores
	a. Feasibility based on RTC advice on the restrictions of the Trust Deed	b. Requirement for further specialist work	c. Meeting the needs of existing users	d. Likely requirement for capital expenditure from RTC	e. Likelihood of achieving an annual surplus	f. Financial sustainability	
Option 1: Do nothing	3	3	2	1	1	1	11
Option 2: Increased rates and use	3	3	2	1	1	1	11
Option 3: Create endowment	1	1	2	1	1	1	7
Option 4: Refurbish pavilion	1	1	2	2	2	2	10
Option 5: Replace pavilion	1	1	2	2	2	3	11
Option 6: Remove pavilion	2	2	1	2	2	3	12

6. Conclusions and next steps

Options appraisal

- 6.1. The options appraisal in the previous section suggests that with the exception of the option to create a capital endowment which is considered unfeasible, all options result in a broadly similar appraisal score. The option with the highest score and therefore the optimal option to pursue based on this appraisal is the option to remove the Pavilion which scores 12 points. However, do nothing, increase rates and replace the Pavilion all score 11 points and the option to refurbish the Pavilion scores 10 points.
- 6.2. Whilst there is one option that scores higher than others, the closeness of the appraisal scores do not present an obvious or compelling route for RTC to pursue at this stage given the likely sensitivity surrounding the future of an important community asset such as Stimpson's Piece.
- 6.3. Before any one option is pursued we therefore suggest that further work is undertaken as set out at the end of this section.

Issues

- 6.4. There are a number of consistent issues which directly or indirectly affect the appraisal scores worth noting.

Inflexibility of the trust deed

- 6.5. At the time of its writing, the trust deed had only admirable ambitions for Stimpson's Piece. However, it was not possible at that time to anticipate issues that would arise in the future such as the creation of the Pavilion and the increasing financial burden that it would become, the changing way in which the community use facilities such as Stimpson's Piece, the increased cost of upkeep, the increase in regulatory burden of maintaining a public facility such as this and the increase in supply of other competing community facilities.
- 6.6. The trust deed did not therefore include flexibility to address future problems. For example, whilst there is a site within Stimpson's Piece site that could be sold to generate income (old tennis courts) to overcome many of the financial liabilities faced today without undermining the community provision, this step does not appear to be possible within the parameters of the existing trust deed. Or, if the trust wanted, it could create a facility that is wholly fit for purpose for a user that would pay a market rent to cover the costs of operation and generate a surplus. However, converting or creating a building for the exclusive use of one user does not appear to be possible within the parameters of the trust deed which requires the facility to be available for use by the whole community.
- 6.7. This inflexibility makes identifying any realistic option for the future of Stimpson's Piece particularly challenging. This is particularly pertinent given that it is in competition with other facilities that are not hamstrung by these constraints and that are able to adapt and change to meet current needs.

The perception of losing a community asset versus the cost of maintenance

- 6.8. Very few communities will be supportive of the prospect of losing community assets, even where they run at a significant loss and are heavily subsidised by town or parish councils. Some community members will take the view that it is part of the role of local government to pay to keep these assets running, even at the expense of other services. Others will take a more commercial view and accept that if a facility is not financially viable in its own right then its future should be called into question.
- 6.9. The important point here is that in both cases, the community are aware of the cost of maintaining the asset versus the income it generates and are able to make an informed choice about how they want it to be addressed. This public 'conversation' has not yet taken place in Reepham regarding Stimpson's Piece and we consider that it is important that this debate should be aired to allow the community to make a fully informed choice about how they want to proceed.

Next steps

- 6.10. Before RTC make a decision about which option to pursue for Stimpson's Piece we suggest that they consult the local community.
- 6.11. We suggest that RTC prepare and circulate to all households a simple flier. The flier would highlight the cost of continuing to maintain Stimpson's Piece and the Pavilion, future risks and capital costs, the level of income it generates and may generate in the future and the level of subsidy that RTC is providing. It should also include basic information on key parameters such as the inflexible nature of the trust deed.
- 6.12. The cost of subsidising Stimpson's Piece should be illustrated relative to RTC's annual precept to highlight the proportion of the precept that is being used on this one item. It might also be illustrated relative to the cost of other potential community projects such as improving parking or the pedestrian environment in the Market Place so that residents can understand the opportunity cost of maintaining Stimpson's Piece.
- 6.13. This financial information is critical in allowing the community to reach an informed view about the future of a community facility which they are paying for.
- 6.14. The flier would ask residents to indicate:
- If they are happy for RTC to continue subsidising Stimpson's Piece wholly and indefinitely regardless of cost / or not
 - If not, would residents support RTC seeking to transfer responsibility for Stimpson's Piece to another more suitable body within 12 months and only if this was not possible, the Pavilion would be likely to be removed altogether or replaced with a much smaller facility.