

CONFIDENTIAL REPORT - August 2019

12 MARKET PLACE, FAVERSHAM, ME13 7AE

Background

12 Market Place was purchased by FTC in June 2016 for the sum of £580,000 + VAT. A PWL of £1.1 million was approved which is repayable over 50 years on a fixed rate equating to £42,000 pa. Public meetings and a consultation were held at the time. Subsequently public interest has been raised again, particularly following the article, 'Shoe Shop Shambles' in The Faversham Eye.

Following May 2019 Elections, new Members have requested that the Town Clerk considers options for the sale or re-purpose of 12 Market Place.

Considerations

A SWOT analysis has been undertaken on a number of options.

The current redemption figure for the PWL is **£1,518,522**

Property Valuation

Two valuations have been sought as follows:

	1	2
Freehold	£523-580,000	£816,000*
Downstairs Rent	£23,500pa	£25,546pa
First Floor Rent	£10,500pa	£15,250pa

*Assuming FTC remains as sitting tenant on a full repairing and insuring lease at £40,000pa

Conclusion

Although the terms of the loan approved by the Secretary of State were for "(1) ...the purchase of a property which will house the town council offices and

museum...” KALC’s advice is “the role of the SoS was to oversee the due diligence of the application process; rather than any long term role of scrutiny”

Furthermore the approval states “(5) This approval is given subject to the following conditions, and any borrowing by the Council in breach of any of these conditions will not be authorised by this approval: (a) The Council may borrow only for the purpose specified in paragraph (1) above”. KALC agrees that FTC can clearly show that an attempt was made to further the original project idea through its application to the HLF and consider reputational damage of the Council to be a greater threat than the possibility of a Judicial Review, which is costly and has to be pursued within 3 months of an issue arising.

Whatever decision the Town Council makes there must be evidence of a solid process of engagement by presenting a variety of options to the community.

Louise Bareham
Town Clerk
05/08/19

Opportunities for 12 Market Place

- Option 1** Sell 12 Market Place
- Option 2** Ground Floor: Rental - Retail
First Floor: FTC
- Option 3** Ground Floor: FTC
First Floor: Rental - Offices
- Option 4** Ground Floor: VIC, Heritage Hub, Magna Carta
First Floor: FTC, Doddington Library
- Option 5** Ground Floor: VIC, Heritage Hub
Rear Room: Rental - Various
First Floor: FTC, Doddington Library
Ground Floor: Exhibition Space
- Option 6** First Floor: FTC, Doddington Library
Ground Floor: Swale Borough Council, Citizens Advice & Job Centre Plus
- Option 7** First Floor: FTC, meeting space for the above

Option 1

Sell 12 Market Place

S

Strengths

- Would stop negative comments

W

Weaknesses

- Sale value insufficient to repay PWL
- Loss of purpose built accommodation
- The Guildhall would not provide suitable permanent office space
- Loss of secure storage for town's artefacts

O

Opportunities

- Staff could work from home
- Staffing review to reduce salary costs

T

Threats

- FTC left with a large loan and no capital asset
- No suitable offices in Faversham to rent
- Staff redundancies which have not been budgeted
- Loss of services to the town
- Loss of profile within the town

Option 2
Ground Floor – Rental
First Floor - FTC

S

Strengths

- Projected income of £23-25k pa
- Additional retail space in the town centre
- Reduction in Business Rates (circa £5k)
- Community engagement could lead to a positive outcome
- Would release FTC staff from managing the space

W

Weaknesses

- Loss of flexible space for community use
- Interest from national coffee shops could lead to competition to independent cafes
- Rear room would be used for retail storage
- Lack of community engagement could lead to a negative outcome
- Rental value is likely to be too high for an independent trader

O

Opportunities

- Sufficient space for national retail
- Pop-up space for a number of independents
- Short-term lets for exhibitions

T

Threats

- Currently a number of empty retail units for rent in Market Place
- Other empty retail units in West Street and Preston Street
- Could return to being a charity shop
- The Secretary of State gave approval for the PWL only for the purpose specified which was “the purchase of a property to house the Town Council Offices and a museum”
- Heritage Hub group partnership

Option 3

Ground Floor – FTC

First Floor - Rental

Strengths

- Projected income of £10k pa
- Reduction in Business Rates

S

Weaknesses

- FTC would occupy space which could provide the highest income (£23k pa)
- Additional costs to upgrading the ground floor to office space
- Secure storage is on the first floor

W

Opportunities

- Renting offices to community groups, charities at a lower than market rate
- Hot desking space

O

Threats

- First floor office space is not as desirable as retail space for rental purposes
- Arrangements for Doddington Library to be in the Reading Room would be affected
- Offering cheap office space would be in direct competition to the Alexander Centre and their proposed extension to the second floor, and Creek Creative

T

Option 4

Ground Floor – Visitor Information Centre/Heritage Hub with Magna Carta Exhibition at the rear

First Floor – FTC/Doddington Library

Strengths

S

- VIC opens 7 days a week
- Already has a bank of volunteers
- Reduction in Business Rates (circa £5k pa)
- Could oversee Doddington Library and Magna Carta Exhibition
- Would release FTC staff from managing the space
- Community engagement could lead to a positive outcome

Weaknesses

W

- Loss of flexible space for community use
- The Faversham Society may not agree to the move
- Insufficient community engagement could lead to a negative outcome

Opportunities

O

- Potential for flexible community use
- Exhibitions could still use some wall space
- Partnership working

Threats

T

- Faversham Society would require a peppercorn rent
- Not raising funds for the Magna Carta exhibition

Option 5

Ground Floor – Visitor Information Centre/Heritage Hub with rear area rented First Floor – FTC/Doddington Library

Strengths

S

- VIC opens 7 days a week
- Already has a bank of volunteers
- Reduction in Business Rates
- Could oversee Doddington Library
- Additional income from rear area
- Community engagement could lead to a positive outcome

Weaknesses

W

- Loss of flexible space for community use
- Insufficient community engagement may lead to a negative outcome

Opportunities

O

- Potential for flexible community use
- Exhibitions could still use some wall space
- Partnership working
- Rental income from rear room as an office (no windows), counselling (type), pop-up gallery or retail

Threats

T

- Faversham Society would require a peppercorn rent
- FTC staff time to manage rear area could equate to income received
- The Secretary of State gave approval for the PWL only for the purpose specified which was “the purchase of a property to house the Town Council Offices and a museum”, although it could be argued that the Doddington Library and Heritage Hub cover this term

Option 6

Ground Floor – Exhibition Space for the Community/Art Groups First Floor – FTC/Doddington Library

Strengths

S

- Community engagement could lead to a positive outcome
- Flexible space for community use
- Evidence shows there are a number of local groups wanting to use the exhibition space
- The Fleur Gallery is booked a year in advance

Weaknesses

W

- Insufficient community engagement may lead to a negative outcome
- Whilst evidence shows groups using exhibition space, this would be reduced if there was a charge
- Little evidence of financial viability

Opportunities

O

- The Pie Factory in Margate exhibition space, although much larger is currently let @ £325 per week and is booked a year in advance
- Exhibition space could be let on a percentage of sale basis

Threats

T

- FTC staff time to manage area may equate to one FTE
- Direct competition to Creek Creative

Option 7

Ground Floor – Information centre for the community to include Swale Borough Council counter, Citizens Advice Swale, Job Centre Plus
First Floor – FTC/Meeting space for the above

S

Strengths

- Local government offices housed under one roof would make it more convenient for the Community
- Reduced business rates
- Community engagement could lead to a positive outcome

W

Weaknesses

- Loss of identity for the Town Council
- The building would be closed during weekends
- Insufficient community engagement may lead to a negative outcome

O

Opportunities

- Rental income from Swale Borough Council and Citizens Advice

T

Threats

- FTC's relationship with The Alexander Centre Trust due to their loss of income from SBC
- Loss of potential income and use of the Umbrella Centre, which could also provide space for Citizens Advice or Job Centre, which may lead to its closure
- Potential partners may not support the idea

**TOWN CLERK'S REPORT TO A MEETING OF FAVERSHAM TOWN
COUNCIL held on 12th August 2019**

To report on correspondence received or forwarded.

1. UPDATE FROM ECONOMIC DEVELOPMENT OFFICER

To receive a background to the Economic Development Officer's role and an update on recent work.

2. FAVERSHAM POOLS

To agree one representative for Faversham Pools from either Cllr B J Martin or Cllr J Saunders.

3. COMMITTEE AND OUTSIDE BODIES REPRESENTATIVES

Following a number of changes membership of Committees and representatives to Outside Bodies are reconfirmed.

4. FAVERSHAM POST OFFICE

Members are asked to note the online survey for changes to Faversham Post Office https://www.postofficeviews.co.uk/national-consultation-team/faversham-me13-8aa-010941/?fbclid=IwAR3qICJ6EsLuDi4P_OFvGvrzBMJJJaKlI8N1jr4Fun5P6ibd2DY_PBTX4SqTg

5. TRAFFIC ISSUES FOLLOWING THE CLOSURE OF THE M2

Members are asked to note Cllr Perkin's email to KCC Highways regarding the recent traffic issues in Faversham as a result of the M2 closures and roadworks on the A2.

"... On the weekend of July 12th-14th residents were caught in four-hour tailbacks as traffic from the closure of the M2 from Brenley Corner met with traffic using the A2 through Faversham which was also partially blocked with roadworks. I was relieved to see that the closure of the follow weekend was delayed as a result.

The A2 already experiences traffic levels that are contributing to air quality damage with some areas' pollution greatly exceeding the EU's legal limits. At the bottom of Ospringe it is also significantly narrowed and two HGV's barely pass each other. This is the cause of great concern for residents that live in buildings that were not designed to withstand the levels of and type of traffic that are passing.

As you can imagine the tailbacks and added pressure on the A2 through Faversham were the subject of rightful complaints from many of Faversham's residents and I would therefore like to request any information on further closures and on traffic mitigation measures that have been proposed so that this situation is not repeated. I will then be able to feed this information back to the Town Council in due course."

REPORT TO FAVERSHAM TOWN COUNCIL

BACKGROUND TO ECONOMIC DEVELOPMENT OFFICER'S ROLE

1. Following the demise of the Faversham Business Partnership, the role of Business Support Officer was agreed by Faversham Town Council in January 2018 and advertised over the coming months. Claire Windridge was employed in May 2018 on a three day week contract.
2. The Business Officer was to work in tandem with the Tourism Officer, supporting businesses in a process similar to Visit Faversham. However, during the recruitment process Faversham Traders Association was set up and shortly after engaging the Business Officer, the Tourism Officer left the Council's employment.
3. It was agreed not to replace the Tourism Officer (four day week contract) and instead Claire Windridge's job description would be changed to encompass both roles. Claire's contract was increased by one day to four and her title changed to Economic Development Officer. As part of a cost saving exercise, the remaining marketing and social media aspect of the Tourism Officer's role was contracted out to avoid associated employment costs (holidays, pension etc).
4. It was considered by continuing to take a subscription for Visit Faversham members there would be an additional expectation. The new Economic Development Officer's role was to support tourism and businesses equally, which would be better achieved by offering a 'pay as you go' service. This was achieved with the current year's Town Map, the cost of which was covered by the advertisers. It is envisaged that more opportunities will arise once Claire returns to full operational capacity.

Louise Bareham
05/08/2019

EDO Update August 2019

- **Easter Hat Parade** – A low budget event seeing the Mayor and Mayoress, accompanied by the unknown Easter Bunny, parade through the Town on Easter Saturday. The event was well attended and a great start to the Summer event season.
- **Faversham Transport Weekend** - This year saw FTC run the event for the first year in-house, thus saving a huge additional administration charge, which was a very successful event. Advance publicity both in print and via our social media channels generated a lot of interest. The income from sponsorship, support from local businesses and ticket sales meant that the event generated a small profit.
- **Capture Faversham** – A first for FTC the #capturefavershams competition was hugely successful with over 600 entries culminating in a week long exhibition of short listed entries. Local engagement was very good with social media via the Visit Faversham Facebook Page and Instagram creating great advance publicity and PR for Faversham. Local businesses supported the event with prizes and the exhibition was very well attended.
- **Visit Faversham Group** – Now no longer operating as a subscription based group all members were refunded any fees paid and engagement with a focus group takes place on a regular basis. Two items of print were designed and produced (Town Map/What's On Guide and Groups Guide) to support the Town's tourism effort, and these were paid for by the businesses represented on the items of print on a 'pay as you go' basis, with a small profit having been made for FTC.
- **Faversham Social Media** – FTC looks after the Visit Faversham, Faversham Transport Weekend and The Guildhall Facebook pages and these are regularly posted to with hugely improved figures for followers and engagement from posts. The Visit Faversham page in particular has benefited from a huge increase in traffic in the last 12 months with a total current following of 4k likes. In the last week posts have achieved a 324 engagement level which is purely organic.
- **Faversham Websites** – www.faversham.org was re-branded and re-launched in August last year with the History pages slowly being re-written by a local volunteer. Events organisers, community groups and businesses can list their details for free and the site can be edited in house. In recent weeks a premium business listing option now offers businesses a more comprehensive listing with images. www.visitfavershams.org is the tourism platform for Faversham and can be edited by previous VF members, and FTC. It has a newsletter subscribe link which automatically adds users to our MailChimp database of visitors. Seasonal newsletters are published to the site, and the visitor database receive emails with news about Faversham attractions and events. The websites could become potential revenue streams, particularly thinking about many of the joint marketing initiatives discussed at the 15th July meeting.
- **Media & PR** – Regular press releases are sent to various press and other media contacts (both local and national), particularly when there is an event on, i.e. #capturefavershams, transport weekend, etc. Faversham has benefitted from some great free PR as a result, most notably a full page article in and a Facebook story by Forbes magazine.

- **Town Council Newsletter** – Currently produced quarterly the newsletter communicates Town Council news to 9k residents via Royal Mail Door to Door delivery. Since re-branding there is scope if the Council wishes, to offer businesses the opportunity to advertise in this publication. The current 6 page format could be altered to an 8 page booklet; if the advertising cost is pitched correctly and sufficient interest is generated by businesses there is potential for the cost of this to be assisted by revenue from adverts.
- **Guildhall as a Wedding Venue** – Licenced in January this year for the next 3 years the first wedding took place on 26th July and was extremely successful, with the next wedding will taking place on 17th August. The Guildhall has a Facebook page which will be a priority for me to get up to speed, with potentially purchasing a dedicated domain to set up a website for further promotional opportunities; the website would be managed in house to avoid additional web design and build costs. There is potential here for local wedding businesses such as florists, photographers, etc. to advertise on the site to cover any costs and create a revenue stream.
- **Town Information Boards** – All have now been renovated with funds secured by LB from a SBC grant. The information panels themselves are being re-written by the Faversham Society, with design and artwork completed in house to produce new panels – the first of which at Stonebridge Pond has been completed.
- **Joint Marketing Initiative** – On the 15th July I was unable to make the first meeting of this group, a meeting set up to engage with all relevant groups in an effort to co-ordinate the marketing efforts of the town. The interested parties are FTC, Visit Faversham, FTA and Faversham Market. The aim of the group is to work together to promote attractions, shops, services and events to visitors, residents and people throughout the region. There is a huge potential for the organisations to work together where relevant - this could lead to improved, better co-ordinated marketing and publicity and shared resources including both manpower and financial. The July meeting confirmed that there is an eagerness for everyone to work together and the discussions led to many suggestions for future joint-working initiatives co-ordinated by myself.
- **Faversham Networking** – As part of the joint marketing initiative above scope here to develop similar support as that provided for Visit Faversham as a means to deliver marketing support to local businesses.

Compiled by: Claire Windridge
Date: 5th August 2019

