



## **Five Villages Community Hub project update - June/July 2020**

### **Recap**

Progress on matching funds with the quoted prices of the preferred contractor, despite two value engineering exercises, stalled probably late April and into May. No progress on the proposed contract – as our contact was furloughed and communication very difficult as the world closed down. The decision was taken to cease proceedings with the preferred contractor and re-think our options.

### **Re-Set**

Fresh meetings were held via the web with our professional team (architects, QS etc) as well as with our major funder The National Lottery (TNL) with the aim of agreeing a new track to follow in pursuit of our new hall. The project team prepared fresh scenarios ready for these discussions. Both our professionals and the TNL were very supportive of our proposals. An open and honest discussion was held as to the best way forward during which the TNL offered to confirm their support to two of our funders who have made pledges to fund on the proviso that we raised sufficient funds to meet project costs.

The agreed scenario was to return to the contractor market and approach builders in our area with a view to encouraging more up-to-date prices. Given the overall situation in which the UK found itself we thought that we would be entering a different market dynamic compared to that of pre-March 2020.

We found that there is a desire amongst local builders to start work again not least to have the opportunity to release their workforce

from furlough.

With the continued backing of and encouragement from the TNL and advice from our professionals a suite of project documents was collated and sent out for pricing. We do remain under the requirement of competitive pricing as laid out by the TNL. We had hoped for prices to be returned without too much delay but even now the sluggishness of the responses of the supply chains (C-19) resulted in a requested extension to the closing date to mid-July.

### **So where are we now?**

The project team has been encouraged by the engagement of the new potential builders, most of whom have visited the site and all of whom have asked questions relating to various aspects of the technical build. With price offers returned by mid-July we'll plan to start assessing bids immediately and will discuss the bids with our QS professionals for their views, thoughts and recommendations. Contract signing is a reality now, sooner than later.

Since the last funding award in January, we learned in late June of our success in winning more funding from a *landfill credit* funder which is of course a super boost to the project.

So we have backing from all of our funders – either having received the funds already or have received fresh confirmation that the pledged funds are still available for our project. Our big two funders are The National Lottery (ca. £647k) and Sport England (ca £95k).

The third biggest funding amount will come from the Public Works Loan Board – (PWLB) to whom our three parish councils applied last year for a loan. This loan will be financed from the increase in the parish councils' precept which was the subject of a 2019 residents' survey seeking approval of same. Approval was overwhelmingly given and as such our three parish councils are fully engaged in this project for the benefit of the community.

The PWLB approved the loan last year. However, the result of the above events (value engineering exercises, slowing down of UK

activity, the postponement of normal business activity, public and parish council proceedings not least the closing of our hall) was a hibernation of project progress. An extension to the timing of the PWLB agreed loan is currently being requested so as to re-align to our project timetable.

Given that a loan has already been approved by the PWLB, we are hopeful that the parishes' request for this vital extension is approved again. Without it and with no time left to re-start fundraising, the project would fail at the very point at which we are close to signing a contract and starting the build.

**The Five Villages Project Team**