



OTTERPOOL PARK

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Otterpool Park garden town, Folkestone & Hythe



Governance and Stewardship steps to date

1. Study visits with Members and lessons learnt from elsewhere
2. Principles agreed by Cabinet
3. Which assets?
4. Financing the new vehicle
5. Governance model



Principles approved by Cabinet 18 Oct 2017

- The long-term stewardship of open space, public realm (other than highways) and non-commercial community buildings will be the responsibility of a new body, i.e., not SDC.
- The responsible body will form part of an approach to land value capture for Otterpool Park. Its income is likely to come from a range of sources including income generating assets, endowment and potentially service charges. However, income sources being reinvested in the new community will need to be balanced against income generation to SDC for investment in facilities and services for residents across the whole district.
- While a trust or similar structure is likely to be the most suitable vehicle initially, potential future transition to a Town Council should be allowed for. SDC should retain representation on the body.
- The body will be community-led (as distinct from a privately run management company). It should also allow for future residents and businesses to shape the objectives and governance of the organisation, and to influence the design of new community facilities and spaces.
- High quality management and maintenance over the long-term is of fundamental importance when setting out the objectives of the stewardship body.

New bespoke stewardship vehicle

- Assets to be transferred

- All landscape, green space and public realm outside of adopted highways, and including public art
- Community facilities
- Sports facilities (indoor and outdoor)
- Heritage assets (other than Westenhanger Castle)
- SuDS, unless adopted by the Water and Sewerage Undertaker, and;
- wetland habitat

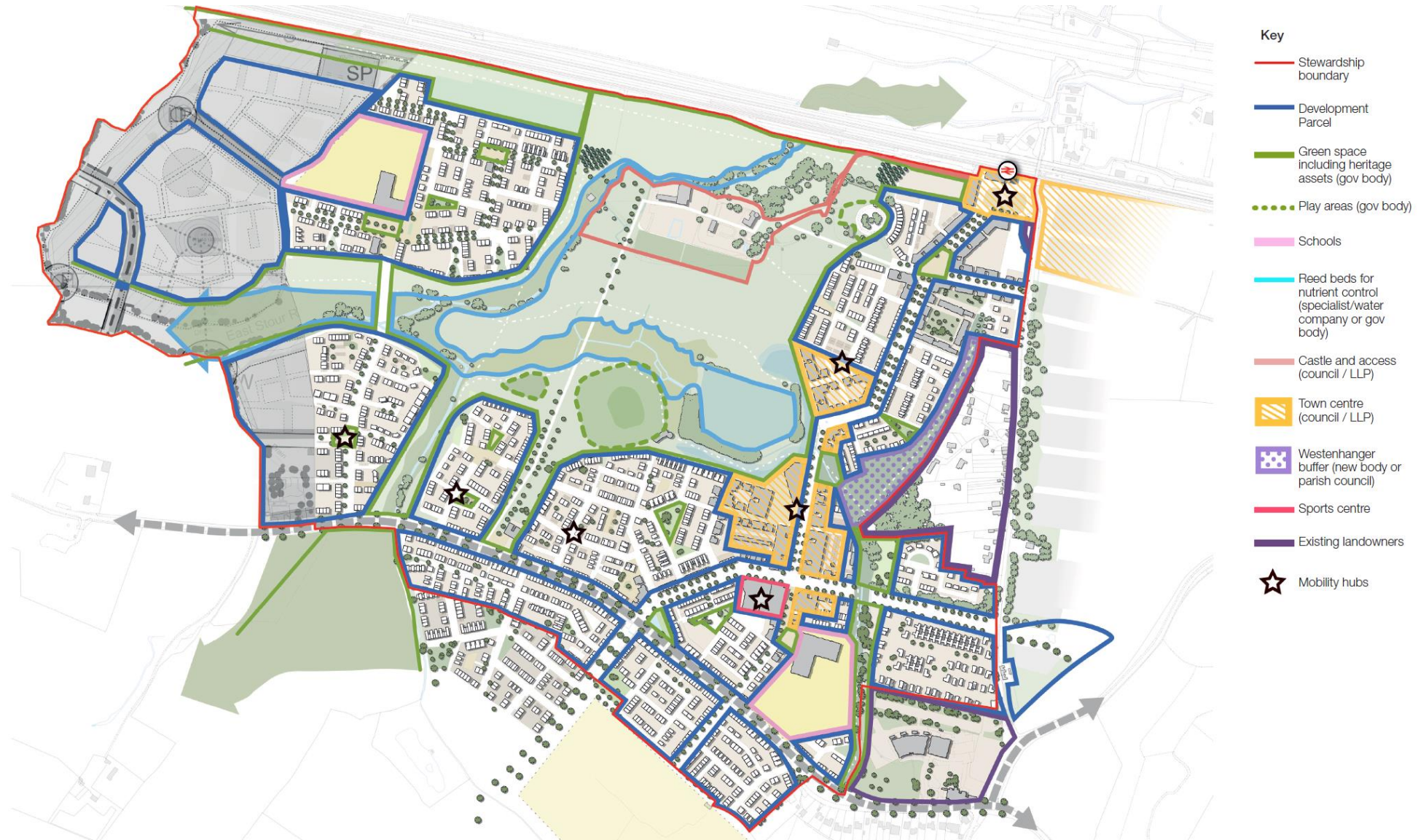


Assets not being transferred

- Roads (to be adopted by KCC, except in exceptional circumstances)
- Energy generation (though option remains to pursue ESCO or similar in future)
- Westenhanger Castle (this could be brought in later, or a separate trust created)



Phase 1 assets



Financing the new vehicle



- mix of income sources recommended, balancing estate charges and other revenue sources such as car parking; commercial lets and facilities hire
- Modelling indicates an estate charge of £300 – £500 pa
- Endowment not a suitable option
- Deficit funding needed in early years

NOW UNDER REVIEW BASED ON CHALLENGE
FROM MEMBERS ON ESTATE CHARGES



Governance structure



- Company Limited by Guarantee and Limited Liability Partnership favoured options following legal advice
- An LLP is preferred model based on tax advice
- Council and LLP representation and control on Board would be high to start with, then taper off as community representation grows
- To include community development role
- Still allows for new town council role in future (important to Members)



Stewardship Vehicle (SV) Roadmap

1. SV Principles
(Oct 17)

2. Form company
(2022)

3. Develop 30 year
business plan
(2022-3)

4. SV legal activities
(2022-3)

5. Early operations
(2023-4)



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Case studies – lessons learnt

- No one size fits all solution – every case is different
- Establish the structure, specification and costs as early as possible, as it's difficult to retrofit
- Design spaces and facilities with their long term management and maintenance in mind
- Ensure capital payment up-front as early possible to give sufficient flexibility to cope with future circumstances, including potential recession, and set up and admin costs
- Take into account the challenge of finding Trustees / Board members with the necessary skills and experience (and time)
- Set up one body rather than multiple organisations
- Build in flexibility in the type, range and size of facilities to be managed as the needs of the community are likely to change over time.