

**Heads of Terms  
agreed between  
Wealden District Council and Mayfield & Five Ashes Parish Council  
relating to the building and subsequent operation of a  
new Mayfield Community and Health centre**

This agreement is made between Mayfield and Five Ashes Parish Council (hereinafter referred to as the PC) and Wealden District Council (hereinafter referred to as WDC)

**1. Recitals**

1.1. Recognising that:

- 1.1.1. The PC is committed to providing facilities within the village of Mayfield for the health and well-being of its residents
- 1.1.2. That Court Meadow has been specifically identified as the ideal location for the provision of health and well-being facilities and services within Mayfield
- 1.1.3. That PC owns all the land known as Court Meadow shown in grey in figure 1 and that it also owns the existing Mayfield Memorial Hall
- 1.1.4. That the PC plans to build a community centre in the area shown hatched in figure 1
- 1.1.5. That the PC also wishes to see the building of a new health centre to be occupied by the Mayfield GP practice on land adjacent to the community centre referred to in 1.1.4 above such that the buildings are conjoined
- 1.1.6. That WDC is prepared to lease the land upon which the healthcare centre will be built
- 1.1.7. That the PC is prepared to grant a lease for the land upon which the healthcare centre will be built.
- 1.1.8. That WDC is prepared to invest in the new health centre.

**2. General Agreements in principle**

- 2.1. The PC and WDC agree to work together to establish the Mayfield Community and Health centre as shown in figure 1. The community centre part of the building is referred to as CC and the healthcare section of the building is hereinafter referred to as HC.
- 2.2. There will be a joint project team comprising representatives of both the PC and WDC which will have responsibility for implementing the project
- 2.3. The joint project team will be led by a representative from WDC on the understanding that all the PC requirements for building and subsequent operation of the CC will be taken into account
- 2.4. Each party will have overall design responsibility for their part of the centre with WDC taking input from the prospective sub-tenant GP practice and / or the CCG with regard to the HC section. However the design of the HC element should have the full agreement of the PC>
- 2.5. A single architect will be appointed to undertake the design of both parts of the centre
- 2.6. A single building contractor will be appointed to undertake the building of the whole centre (CC+HC)
- 2.7. WDC will provide the project manager

- 2.8. WDC will act as banker for the project and the PC undertakes to pay agreed amounts to a designated ring-fenced bank account administered by WDC
- 2.9. That the PC will arrange for funding of the community centre largely via a loan from the Public Sector Loan Board
- 2.10. That WDC agrees to fund the construction of the HC section of the building using its own internal funding sources
- 2.11. WDC agrees to sub-let the HC part of the new Community & Health Centre to the Mayfield GP practice. The lease for the HC, as defined in figure 1, will be for a period of 25 years from completion and handover of the new centre. There will be no break clause in the tenancy agreement.
- 2.12. The lease by WDC of the HC section of the building shall require payment of a ground rent or lease payment, to the Parish Council payable twice yearly on 1<sup>st</sup> April and 1<sup>st</sup> October each year. A commercial rate shall be mutually agreed at a level that will not adversely impact the economic viability of the project from the WDC perspective.
- 2.13. The new community and health centre will be built adjacent to the existing Memorial Hall so as to allow the continued operation of the Memorial Hall during the construction process.

### **3. Detailed points**

#### **3.1. Use of the healthcare centre (HC)**

- 3.1.1. In the event that the GP practice and or the CCG or its successors vacate the HC, in the first instance, tenants providing the same health services (ie GP services) should be found as future tenants
- 3.1.2. In the event that WDC is unable to find suitable health service tenants but still wishes to sub-let the HC section the landlord reserves the right to approve the tenant
- 3.1.3. On termination of the initial 25 year lease ownership of the HC section of the building will revert to the Landlord unless it can be shown that an ongoing tenancy providing healthcare services will be in place.
- 3.1.4. In the event that WDC is unable to find a tenant to provide healthcare services at any time after the initial 25 year lease ownership of the health section will revert to the Landlord (ie the PC)
- 3.1.5. In the event that WDC as an organisation is subsumed by some other entity during the period of the initial lease then the new body shall be obligated to take over responsibility for the lease and the ensuring of the ongoing provision of healthcare services and payments or ground rent to the PC.

#### **3.2. Use of the community centre**

- 3.2.1. The CC section of the building will be used as a community centre available for the use of all residents, groups and societies from within the village
- 3.2.2. In addition to 3.2.1 above the CC will also be used for weddings and other commercial activities where these will help with the finances of the CC and will not adversely impact any of the activities in 3.2.1 above

#### **3.3. Car park**

- 3.3.1. The car park will be available for use by both visitors to both the community centre and the health centre. The anticipated number of car parking spaces

should be more than adequate during the normal working day such that allocated parking for the health centre should not be necessary. It is accepted that a dedicated ambulance bay may be necessary.

- 3.3.2. Whilst the parties will be contributing to the cost of the car park on the same basis as for the building, the PC ultimately owns the land used for car parking. As such WDC will not have the right to impose and car parking charges at any time.

#### 3.4. Management of the Community Centre

- 3.4.1. The CC will be owned by a Charitable Interest Organisation (CIO) on behalf of the village
- 3.4.2. Directors of the CIO will be drawn from the PC and representatives of groups and societies from within the village
- 3.4.3. The PC appointed directors of the CIO will have a majority on the CIO Board. This is because the PC will have taken out a loan for the purchase of the CC and as such has to ensure that the objects behind the granting of the loan are met at all times, especially in relation to financial matters.
- 3.4.4. The CIO will be responsible for the day to day running of the CC
- 3.4.5. The CIO will be responsible for ensuring an income stream that is adequate to cover the expenses incurred in the day to day running of the CC including long term maintenance costs, utility costs, rates etc. Further funding from the PC will not normally be available for operational expenditure.

#### 3.5. Operational Management

- 3.5.1. Each party will be responsible for the operational management of their respective parts of the building.
- 3.5.2. If there are any shared areas the responsibility for operational management will be mutually agreed by the parties
- 3.5.3. Each party and/or their tenants will be responsible for the payment of utility services

### 4. Design

- 4.1. The CC part of the structure will total c. 700m<sup>2</sup> of which the main hall will be 230m<sup>2</sup> and a community area/café will be c. 210m<sup>2</sup>
- 4.2. The HC part of the building will total exactly 350m<sup>2</sup> since this is the area that the CCG will permit and will not fund the rent for any area in excess of this

### 5. Cost

- 5.1. The total building costs including groundworks, landscaping, car park and professional fees are expected to amount to a total of £2.63M based on a build cost of £2,500 /m<sup>2</sup>
- 5.2. Apportionment of costs
  - 5.2.1. Building costs, landscaping, parking and professional fees are expected to be split 67% payable by the PC and 33% payable by WDC
  - 5.2.2. Fixtures and fittings will be paid by the PC for the CC and by WDC for the HC
  - 5.2.3. Legal fees will be split 67% and 33% for PC and WDC respectively. The PC may use the services of the WDC legal department if this is appropriate and the costs acceptable.