

Background (presented in previous reports)

- 3.1 The ORT was set up in 2009 as a legacy vehicle to the Ocean NDC. They have begun to deliver on their purpose in line with the cabinet decision of 2007. The ORT has since been registered as a Charity, has a functioning board, and is developing projects in line with the Council's agreed NDC Succession Strategy. It has become a key stakeholder in the community.
- 3.2 There have been a number of cabinet reports and strategies agreeing the funding streams of ORT from 2007 onwards. This report is required because whilst the broad vision of the NDC Succession Strategy has remained constant, there are some details that have changed due to unforeseen circumstances.
- 3.3 This report seeks to outline those changes, which are recommended as they fulfil the agreed funding obligations outlined in the Cabinet reports and the Succession Strategy.
- 3.4 Cabinet decision in 2009 agreed to the disposal of the Ben Jonson Road shops to the ORT. The £1.5m NDC grant was to be used to fund the sale of the shops. However, this proposal did not come to fruition and the £1.5m was used to purchase the 25 year lease on the Harford St Multi Centre from East Thames Group. This arrangement was agreed by Government Office for London and as a result the council would instead passport the rental income from the shops to the ORT. The final sum agreed to go to ORT was £80,000.

4. ORT FUNDING STRUCTURES 2011 – PRESENT

4.1 New Deal for Communities

At its inception as part of the Ocean NDC legacy, a set up fund of £300,000 was agreed with the DCLG to be transferred to ORT. The funding split of £100,000 was transferred each year from 2011/12, 2012/13 and 2013/14. This enabled salary costs, office set up, stationery etc and some small project costs for local organisations.

4.2 Ground Rents

The ORT receives the ground rents from the private homes for sale. The provision of ground rents was part of the council's mechanism to fund the ongoing community and legacy funding strategy for the Ocean. The annual sum collected once the private homes for sale are complete is £105,000 plus RPI p.a. This has been collected each year, proportionately, as the new homes were complete.

4.3 Retail Rental Income

The rental income to date derives from the south side of Ben Jonson Road. The south side income which started in 2011 has been proportionately transferred for the last three years. The sum of £80,000 was identified to support the Trust as income from the south side retail units. This is a temporary solution pending a permanent arrangement of rental income from the north side of Ben Jonson Rd once these units are complete and leased.