

**PORTFOLIO HOLDER'S DECISION, PORTFOLIO: FINANCE, CORPORATE SERVICES AND IMPROVEMENT – MARCH 2018**

**MERGER OF ARTSWAY WITH SPUD (Space, Place-making and Urban Design) AND THE NOVATION OF THE CHARGE ON THE BUILDING.**

**1. INTRODUCTION**

- 1.1. In March 2005 the Council agreed a capital funding contribution of £40,000 to Artsway Trust Ltd for providing facilities and their community use on behalf of the Artsway Trust Ltd, which was set against the continued community use of the Artsway building in Sway.
- 1.2. The agreement for community access was for a 60 year term, but should the provision for public use be terminated then the grant should be repaid to the council in full less 1/20<sup>th</sup> thereof for each complete year that has elapsed since the commencement of the agreement.
- 1.3. Therefore the current value of the grant outstanding against the building is £14,000.

**2. PROPOSAL**

- 2.1. Artsway are currently in negotiations with SPUD, a charity with very similar objectives, about merging the two organisations into one, with SPUD being the single organisation going forward.
- 2.2. SPUD are a well-known arts based organisation who have done some considerable work in the area with New Milton Town Council and at Buckland Rings in Lymington.
- 2.3. In February 2018 the Artsway Trustees approached the Council to formally novate the existing charge on the building from Artsway to SPUD, as legally this would need to be agreed or the grant repaid before the proposed merger could take place.
- 2.4. It is felt that this merger is a positive move in terms of Arts provision in the New Forest and therefore it is recommended that the Capital Financial Support agreement with Artsway dated 30<sup>th</sup> March 2005 be novated to SPUD (Space, Place-making and Urban Design).

**3. RECOMMENDATION**

- 3.1. That the Capital Financial Support Agreement dated 30<sup>th</sup> March 2005 with Artsway Trust Limited be novated to SPUD, and that the Service Manager, Legal, take the necessary action to bring this into effect.

**PORTFOLIO HOLDER'S ENDORSEMENT: I agree the recommendation**

**SIGNED:**

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CLLR J D HERON

**Date:** ..28 FEBRUARY 2018

**Date Notice of Decision given:** ..... 28 FEBRUARY 2018  
**Last Date for Call-in:** 7 MARCH 2018

**For further information please contact:**

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