

Community Reserve Sites – Frequently Asked Questions

What is a Community Reserve Site?

'Community Reserve Sites' refer to the plots of land scattered throughout Milton Keynes that were gifted to the Milton Keynes Community Foundation by the Milton Keynes Development Corporation. As a result of the transfer, the Foundation created a property company, MK Community Properties, to manage the portfolio of land and premises for the benefit of the local community.

MK Community Properties currently owns 33 Community Reserve Sites, which are set aside for community use, and can be purchased and developed by **not-for-profit organisations, the local authority groups or charities working for the benefit of the people of Milton Keynes**. Groups may be eligible to purchase a Community Reserve Site at not less than 25% of the market rate for land, provided that they can show that their development of a site would be for community use i.e. **charitable use or other non-commercial or non-residential use for the benefit of the community of Milton Keynes**.

I've seen that there's a Community Reserve Site near my house – what does this mean for me?

Many Community Reserve Sites are as yet undeveloped plots. MK Community Properties ensure that the plots are kept in a reasonable state of repair until they are purchased by a suitable non-profit group. Once a group has successfully applied to purchase a site from MK Community Properties, the group will have to go through the usual planning application procedures for the building itself. Possible developments of a Community Reserve Site include the headquarters of a charity, community centres, faith-based buildings that run community activities and centres, buildings that are used for community activities such as scouts and guides, buildings providing services for people with disabilities or providing activities for older people. If you have any queries about the current or future development of a Community Reserve Site in your neighbourhood please refer to our website for more information.

What are the eligibility criteria for developing a site?

Applicants must show that their organisation is eligible to develop a Community Reserve Site and that their project would be an appropriate development of the plot.

Applications must show:

- That your organisation is not-for-profit and a registered charity or local authority group
- That your proposed project will be of benefit to the Milton Keynes community
- That your organisation has an appropriate plan for sustainability and capital funding, and a Business Plan that encompasses the proposed project
- That you can demonstrate the capacity to run a large-scale building project without comprising the core charitable activities of your organisation.

Community Reserve Sites CANNOT be:

- developed by an individual, or by a profit-making company

- used for housing or residential buildings (even if charitable in nature)
- used for projects or activities that will not directly benefit the people of Milton Keynes.

How can a group apply?

Organisations interested in purchasing and developing a site should contact our Grants Team at the Milton Keynes Community Foundation on 01908 690276 for more information.

The next step would be to begin the three-stage application process by submitting a Community Reserve Site Expression of Interest Form, which can be requested in hard copy from the Foundation or downloaded from www.acornhousemk.co.uk. If the proposed development is deemed eligible in principle, the group will be invited to meet with Foundation representatives and will be required to submit a detailed application and supporting documentation.

Can we get help with our application? Please contact the Grants Team on 01908 690276 or e mail information@mkcommunityfoundation.co.uk

Are sites freehold or leasehold?

Sites will usually be disposed of on a long lease (125 year in the first instance). This is to protect the site for the benefit of the community in perpetuity. However, in exceptional circumstances, the freehold of a Community Reserve Site will be considered using relevant and testable evidence.

How much would a group pay for a site?

In the case of an enquiry an indicative valuation will be given, as the site will be valued at current residential land values and offered for disposal at not less than one quarter of that value. A site may be reserved for a maximum of 2 years at any one time, on payment of a valuation fee and a deposit of £5,000 or 5% of the value of the land (after subsidy), whichever is greater. Reservation fees are always deducted from the purchase price of the land. A formal valuation will be given on formal reservation of the site after the application process is completed.

There will be no automatic right to renew a reservation if there has been no progress in the project over the initial 2 years, and an application to renew will be considered by MK Community Properties Ltd, in the light of all prevailing circumstances. In the event of a renewal being agreed, it will be on the basis of a fresh valuation at current residential land values. A further reservation fee will be required, this time £5,000 for each of the third and fourth years.

In the event of the enquirer not proceeding for any reason, the deposit will be forfeited. In the event of the enquirer proceeding to completion, the deposit paid will be deducted from the agreed financial consideration.

The financial consideration agreed would be paid in a lump sum on agreement of the lease, or in equal instalments over no longer than a 10-year period. If the applicant chooses to pay in instalments, charges will apply.

Groups that make a successful application for a site will be required to appoint a solicitor to represent them through the process and advise them on all the legal aspects.

Would the development of the site be monitored?

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If a group makes a successful application for a site, the development will be monitored to ensure that the build and subsequent service delivery is in line with the objectives of the Community Reserve Site programme. During the build, members of the grants staff will be in touch on a 6-monthly basis to monitor progress of the development and to report to our Property Board.

6 months following the opening of the new facility, the Grants Director and one of our Property Company Directors will undertake a visit to the site to assess issues such as community benefit, service delivery and sustainability, against the original proposals. This information will assist us with the ongoing disposal of the sites and we aim to have an ongoing relationship with groups that have developed sites for ongoing community benefit.

Who can we contact for more information?

In the first instance please contact the grants team at the Foundation on 01908 690276 or email information@mkcommunityfoundation.co.uk. Forms and further information sheets can be downloaded from www.acornhousemk.co.uk.