

Report of : Head of Property Services
Report to : Acting Chief Asset Management Officer
Date: 11 March 2013
Subject: BRAMLEY LAWN DAY CENTRE, BRAMLEY, LEEDS 13

Are specific electoral Wards affected?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, name(s) of Ward(s):	Bramley and Stanningley	
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, Access to Information Procedure Rule number:		
Appendix number:		

Summary of main issues

1. Approval is sought to the grant of a 25 year lease of the subject property to Bramley Elderly Action (BEA)
2. The rent will be at a peppercorn as approved at Executive Board on 18 July 2012.
3. The outline Heads of Terms for the lease have been agreed between the Council's Chief Acting Asset Management Officer and BEA.

Recommendations

4. It is recommended that approval be given to the grant of a 25 year lease to BEA on the terms proposed in the report.

1 Purpose of this report

- 1.1 The purpose of this report is to seek approval to the grant of a lease of Bramley Lawn Day Centre to BEA for 25 years.

2 Background information

- 2.1 The premises comprise a single storey building constructed in the 1960's. It is constructed of brick. The roof is flat. The accommodation consist of:- entrance hall, laundry, bathroom, stores, office, staff room, wc's kitchen. There is a small

garden to the right hand side of the property, parking is available to the front. There are a number of maintenance/repairs issues outstanding.

- 2.2 The Day Centre closed as a Council managed elderly day care centre in March 2010. Part of the report approved at Executive Board in October 2009 for closure of the facility stated that alternative usage would be actively pursued. This led to Bramley Elderly Action, who had opposed the closure, declaring interest in taking over the property and starting dialogue with colleagues in Adult Social Care. No other interest has been expressed in the property. The centre is located on Stanningley Road, adjacent to Rossefield Manor Elderly Care Home.
- 2.3 Bramley Elderly Action (BEA) is a registered charity and company limited by guarantee. BEA was established in 1994 with Council funding and provides a broad range of support services and activities for older people throughout the Bramley & Stanningley ward. BEA has over 1,200 members, 120 volunteers, 14 members of staff and generates funding of £270,000 per year. Recently BEA has expanded and now delivers services in Burley, Headingley, Little Woodhouse, Hyde Park and Kirkstall. BEA also owns a social enterprise which operates a community shop and mentoring service. The majority of BEA's funding is from its Neighbourhood Network Scheme and dementia care contracts with Adult Social Care.
- 2.4 On 18 July 2012 Executive Board approved the granting of a 25 year lease of Bramley Day Centre to BEA on a peppercorn rent.

3 Main issues

- 3.1 BEA proposes to take over Bramley Lawn Day Centre and operate it as a community resource which, although it will have a particular focus on older people's activities, will be open to all of the local community.
- 3.2 The centre will provide a second base for BEA and it will be used throughout the day to provide BEA's core services to older people as well as being available for hire by members of the local community, other voluntary and community groups and public sector agencies. The office space within the centre will be made available for hire to local businesses, including BEA's social enterprise. In the evenings and at weekends the facility will be available for community hire.
- 3.3 The centre will not only be self-sustaining, but will help BEA generate additional revenue so they can be less reliant on public sector funding. Although the majority of their funding is relatively secure for the next four years, beyond that time the nature of their funding is likely to change.
- 3.4 BEA have produced a business plan for the centre which estimates running costs to be between £20-30k per year. The building is relatively small so utilities and NNDR costs are limited. At first no additional staffing will be required, but as activities increase so will staff costs. The business plan shows relatively modest income forecasts, but these are sufficient to meet costs.
- 3.5 The property is in relatively good condition, especially considering it has been closed for two years. BEA have had a survey undertaken and the property could be brought back into use for about £5,000, which BEA have access to. There is a further £31,000 of desirable works for the roof, redecorating, electrical works and plumbing, but the property can be brought back into use before these take place. BEA intend to fundraise for these works once the centre is open.

3.6 Commissioning Services within Adult Social Care are supportive of the application and are the sponsoring service. They have an ongoing contractual relationship with BEA and will monitor their activities as part of that relationship.

A 25 year lease will represent the long term agreement necessary for BEA and will also provide sufficient security of tenure if they propose to raise loan funding in the future.

3.7 The following terms have been agreed:-

TERM

25 years

RENT

Peppercorn exclusive of all rates and other outgoings.

USE

Community use, with focus on older people.

REPAIRING AND INSURING

The tenant is to be responsible for repairing and maintaining the whole of the property including the outside areas.

SECURITY

The lease is to be contracted out of the security of tenure provisions of the landlord and tenant act 1954 PT 2 (or amendments).

4 Corporate Considerations

4.1 Consultation and Engagement

4.1.1 Ward Members have been consulted on the proposal to lease the property to BEA. One response in support of the proposal was received. Despite requesting comments on two occasions no comments were received from the remaining two Ward Members.

4.2 Equality and Diversity / Cohesion and Integration

4.2.1 There are no equality, diversity or cohesion implications.

4.3 Council Policies and City Priorities

4.3.1 The proposal fits in with the draft community asset transfer policy considered by Executive Board in March 2012 and which is currently out for consultation.

4.3.2 The Leeds Growth Strategy, published in 2011, outlines the social enterprise and third sector as one of the seven core priorities for the city in terms of economic growth. The proposed community asset transfer will support further development of BEA as well as providing additional community facilities.

4.4 Resources and Value for Money

- 4.4.1 An assessment of the alternative development potential of the site has been undertaken. The assessment showed that the site had potential for a small residential scheme and this would be the highest value use. On this basis the site has been valued at £130,000.

4.5 Legal Implications, Access to Information and Call In

- 4.5.1 Under Part 3 Section 3E Paragraph 2(a) of the Council's Constitution (Officer Delegation Scheme (Executive Functions)) the Director of City Development has authority to discharge any function of Executive Board in relation to the management of land (including valuation, acquisition, appropriation, disposal and any other dealings with land or any interest in land) and Asset Management.
- 4.5.2 The Acting Chief Asset Management Officer has authority to take the decisions requested in this report under Executive functions 1 and 10 (specific to the Director of City Development) of the Director of City Development's sub delegation scheme.
- 4.5.3 The proposal constitutes a significant operational decision and is therefore not subject to call in.
- 4.5.4 The transaction falls under the powers contained in the Local Government Act 1972 as amended by section 1 of the Localism Act 2011.

4.6 Risk Management

- 4.6.1 The proposal is low risk. Conditions in the lease will protect the use of the property to community activities. BEA will be responsible for all repairs and insurance. BEA's business plan for the centre is considered viable and their track record is very good. Should the project ultimately prove undeliverable the property will revert to us for reuse or disposal. It is likely we would demolish the existing building and re-use or dispose of the site.
- 4.6.2 Option 2 is recommended. It will bring back into use premises which are currently vacant, for the benefit of the residents in the locality.

5 Conclusions

- 5.1 There are two options available to the Council:-
- 5.1.1 **Option 1 – Not to proceed with the new lease proposed by this report.**
- 5.1.2 **Option 2 – To proceed with the new lease proposed in this report.**

6 Recommendations

- 6.1 It is recommended that approval be given to 'Option 2' to proceed with the new lease as proposed.

7 Background documents¹

- 7.1 None.

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.