

Report of the Director of City Development

Report to Executive Board

Date: 17th July 2017

Subject: Ground lease of land at Beeston Village Community Centre to Health for All (Leeds) Ltd

Are specific electoral wards affected?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If yes, name(s) of ward(s): Beeston & Holbeck	
Are there implications for equality and diversity and cohesion and integration?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Is the decision eligible for call-in?	<input checked="" type="checkbox"/> Yes <input 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. Health for All (Leeds) Ltd (HFA) is a charitable company providing services to communities across Leeds, although most activities take place in south Leeds. They have applied to Big Lottery for significant grant funding towards redeveloping Beeston Village Community Centre. The funding bid has been successful and they have been awarded grant support of £1,006,616 made up of £966,022 capital and £40,594 revenue.
2. HFA will require a long leasehold interest in the land around the centre. They have requested a 50 year ground lease at peppercorn rental on land sufficient to rebuild the centre and provide car parking with some outdoor space. The land has been assessed as having a capital value of £151,000 so a decision to grant the lease must be taken in line with the Less Than Best Disposal policy.
3. The new building will allow HFA to further develop the services they offer to the local community as well as providing more space to be let to the local community and other service providers. The building will include a community hall, changing places toilet and large kitchen on the ground floor with a smaller hall, second kitchen, meeting rooms and large IT suite on the first floor.

Recommendations

4. Executive Board is recommended to:
 - i) give approval to grant a 50 year ground lease to Health for All (Leeds) Ltd for a peppercorn consideration for land at Beeston Village Community Centre, St Anthony's Drive, Beeston, Leeds, LS11 8AB to enable a new community centre to be built using external funding;
 - ii) give approval for Health for All (Leeds) Ltd to demolish the existing Beeston Village Community Centre building; and
 - iii) note that the Head of Asset Management will be responsible for implementing the recommendations.

1. Purpose of this report

- 1.1 The purpose of this report is to seek approval to grant a 50 year lease at peppercorn consideration to Health for All (Leeds) Ltd for land at Beeston Village Community Centre, St Anthony's Drive, Beeston, Leeds, LS11 8AB.
- 1.2 The report also seeks approval to grant permission for Health for All (Leeds) Ltd to demolish the existing Beeston Village Community Centre building.

2. Background information

- 2.1 Beeston Village Community Centre is the former Beeston Library building located adjacent to Hugh Gaitskell Primary School in Beeston, Leeds 11 (please see the location plan at appendix 1). Following relocation of the library to the nearby parade of shops the building was leased to Health for All (Leeds) Ltd (HFA) by way of a six year lease. They are currently holding over on the original lease.
- 2.2 The building is of flat roofed design and was constructed in 1972. It has a gross internal area of 308m² made up of a main hall, a small meeting room, two small offices and a kitchen. The building is in need of significant investment and although HFA have maintained the building, they have been unable to invest in the structure due to a lack of available funding.
- 2.3 HFA is a charitable company limited by guarantee established in 1991. They provide community services across the city although predominantly in south Leeds. They utilise a number of buildings on a variety of tenures including Tenants Hall Enterprise Centre, Belle Isle Family Centre, Holbeck Youth Centre, Middleton Family Centre, Menspace Skills Hub and Gipton Friendship Centre. They have significant experience of managing community buildings and delivering services successfully.
- 2.4 HFA run a number of activities from Beeston Village Community Centre for the local community including family groups, services for people with learning disabilities, exercise groups for people with disabilities and services for children.

3. Main issues

- 3.1 HFA have applied to Big Lottery for funding towards demolishing and rebuilding the community centre. On 27th April 2017 Big Lottery informed Health for All (Leeds) Ltd that their application had been successful and formally offered grant support of £1,006,616 made up of a capital grant of £966,022 and a revenue grant of £40,594. The capital grant will fund construction, fees, contingencies and other costs. The revenue grant will contribute toward the salaries of a volunteer co-ordinator, receptionist and caretaker.
- 3.2 Planning consent is in place for a two storey 585m² centre to be built on the site, as per the drawings at appendix 2. The new building will have a footprint similar to the existing building although will be slightly further away from the adjacent primary school, aiding issues with access to the school grounds during drop off and pick up times. The overhead link between the existing building and the school will be removed.
- 3.3 The new building will allow HFA to further develop the services they offer to the local community as well as providing more space to be let to the local community and other service providers. The building will include a community hall, changing

places toilet and large kitchen on the ground floor with a smaller hall, second kitchen, meeting rooms and large IT suite on the first floor.

- 3.4 The building will have a receptionist and be staffed by HFA employees and volunteers delivering services, including a new volunteer co-ordinator. Caretaking will be carried out by HFA's in-house facilities management.
- 3.5 At present the centre has no dedicated parking. The redeveloped centre will include car parking for 26 vehicles on land previously occupied by garages associated with the nearby social housing and provided by colleagues in Housing Services. On 9th December 2016 the Director of Environment & Housing took a decision to approve the suspension of lettings, removal from charge and full demolition of garages including removal of abandoned contents and general debris at G1 to 12 and G14 to 29 Beeston Park Place, Beeston. The Director has also declared the site surplus to departmental requirements and approved that the site be taken forward by City Development as part of the development of the new Health for All community centre and housing on the adjacent Park Lees site.
- 3.6 The project will enable HFA to achieve the following outcomes which are included in the conditions of their offer from Big Lottery:

Outcome 1: Vulnerable people including ethnic minorities will benefit from volunteering opportunities, increased confidence and community cohesion.

Indicator 1: People using the services, including people from minority ethnic communities, will report an improvement in their self-confidence

Level: 100 people in year 1, 200 people in years 2 and 3.

Timescale: Year 1

Indicator 2: People using the services will report an increase in their self-esteem and self-worth

Level: 100 people in year 1, 200 people in years 2 and 3

Timescale: Year 1

Indicator 3: People using the services will report increased participation in community activities

Level: 300 people

Timescale: End of project

Outcome 2: Isolated and vulnerable people will benefit from support to build social networks and improved health and wellbeing

Indicator 1: People using the services will report an increase in self-confidence

Level: 100 people in year 1, 200 people in years 2 and 3

Timescale: Year 1

Indicator 2: People using the services will feel less isolated and lonely

Level: 100 people in year 1, 200 people in years 2 and 3

Timescale: Year 1

Indicator 3: People using the services will report an improvement in their health and wellbeing

Level: 600 people

Timescale: End of project

Outcome 3: Unemployed and people on low income will benefit from support that will lead to new skills, employment, further education or training.

Indicator 1: People using the services will report an increase in self-confidence

Level: 100 people in year 1, 200 people in years 2 and 3

Timescale: Year 1

Indicator 2: People using the services will report an increase in their skills levels

Level: 50 people in year 1, 60 people in years 2 and 3

Timescale: Year 1

Indicator 3: People using the services will report an improvement in their employment, further education or training prospects

Level: 210 people

Timescale: End of project

Outcome 4: People experiencing domestic abuse will benefit from support that will build self-confidence and self-esteem to improve their situation

Indicator 1: People using the services will report an increase in self-confidence

Level: 100 people in year 1, 200 people in years 2 and 3

Timescale: Year 1

Indicator 2: People using the services will report an increase in their self-esteem

Level: 30 people in year 1, 30 people in years 2 and 3

Timescale: Year 1

Indicator 3: People using the service will report having better coping strategies and being able to manage their lives

Level: 90 people

Timescale: End of project

- 3.7 A business plan has been produced as part of the project development. Council officers have examined the business plan and are satisfied that it demonstrates a viable and sustainable proposal and is realistic.
- 3.8 HFA have requested a 50 year ground lease on land sufficient to rebuild the centre and provide car parking with some outdoor space. A copy of heads of terms can be found at appendix 3 and a proposed site boundary at appendix 4.

4. Corporate considerations

4.1 Consultation and engagement

- 4.1.1 The Executive Member for Communities and the Executive Member for Regeneration, Transport and Planning have been briefed and are supportive of the proposal.
- 4.1.2 Beeston & Holbeck Ward Members have been consulted and all fully support the proposal.
- 4.1.3 HFA has carried out extensive community consultation which has been supportive of the redevelopment. Concerns were raised by Hugh Gaitskell Primary School who felt that the new building would overlook the school, would obstruct their sign and not improve congestion issues at pick up and drop off times. An open meeting was held on 19th October 2016 at the school. The meeting was attended by HFA staff, HFA's architect, a Ward Member, a council officer, some of the school

governors and school staff. HFA acknowledged the school's concerns and agreed to investigate an option to relocate the building even further away from the school. However, this proved to be unfeasible due to the presence of a main fibre cable nearby. HFA clarified that the new building will not have any windows overlooking the school and that the new building would be further away from the school, thereby aiding access.

4.2 Equality and diversity / cohesion and integration

- 4.2.1 An Equality Screening has been completed and identified no negative impacts for any of the equality characteristics. A copy of the screening document is attached at Appendix 5.

4.3 Council policies and best council plan

- 4.3.1 The vision for Leeds 2011 - 2030 sets out the long term aim for Leeds to be the Best City in the UK. Key aims are that: Our communities will thrive and people will be confident, skilled, enterprising, active and involved; and that Leeds is the best city for children and young people to grow up in – to study work and play.
- 4.3.2 The Best Council Plan 2017/18 has the main objective of 'tackling poverty and reducing inequalities' and the ambition of Leeds City Council being 'an efficient and enterprising organisation'. The priority areas of focus to achieve these include 'resilient communities', 'health & wellbeing' and 'child-friendly Leeds'. As can be seen from the list of anticipated outcomes detailed at 3.6, the HFA redevelopment of Beeston Village Community Centre will contribute towards achievement of these priorities.
- 4.3.3 The proposal fits in with the Asset Management Plan 2014-17 aims of:
- Manage underused, empty and derelict Council owned property effectively, including listed and other traditional buildings;
 - Work with the Third Sector, private and other partners to support, through asset related work, service delivery.

4.4 Resources and value for money

- 4.4.1 The land has been valued at £151,000. The recommended course of action would prevent the council from disposing of the property and therefore realising the site's value for the term of the lease.

4.5 Legal implications, access to information, and call-in

- 4.5.1 The lease will be contracted outside the terms of the Landlord & Tenant Act 1954, so the tenant will have no automatic right to renew.
- 4.5.2 Section 123 of the Local Government Act 1972 provides that a local authority shall not dispose of land for less than the best consideration reasonably obtainable without the consent of the Secretary of State. The Local Government Act 1972: General Disposal Consent (England) 2003 permits local authorities to dispose of land for less than best consideration where:
- the difference between the unrestricted value of the land and the consideration for the disposal does not exceed £2,000,000; and

- the purpose for which the land is to be disposed of is likely to contribute to the promotion or improvement of the economic, social or environmental wellbeing of the area.

- 4.5.3 In this case, the difference between the unrestricted value of the land and the consideration for the disposal is within the parameter indicated above. In addition, granting a long ground lease for the land at Beeston Village Community Centre to Health for All (Leeds) Ltd will promote/improve the economic/social/environmental well-being of the area by providing for additional public sessions for fitness and other healthy activities in the local area, reducing journey times to other facilities and promoting more community cohesion.
- 4.5.4 The garage site which forms part of the property was housing land. Any disposal of land which is held by the Council for the purposes of Part II of the Housing Act 1985 requires the consent of the Secretary of State pursuant to Section 32 of that Act. A local authority may, under the General Housing Consents 2013 under Section 32 of the Housing Act 1985, dispose of vacant land at any price determined by the local authority. Vacant land would include cleared sites and sites where buildings are due to be demolished.
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- 4.5.6 A local authority may, under the General Housing Consents 2013 under Section 32 of the Housing Act 1985, dispose of vacant land at any price determined by the local authority. Vacant land would include cleared sites and sites where buildings are due to be demolished.
- 4.5.7 The decision to grant the lease will be made in line with the Less than Best Disposal policy. That policy sets out that if the undervalue is £100k or more then the decision must be taken by Executive Board.
- 4.5.8 The decisions requested are eligible for Call In.

4.6 Risk management

- 4.6.1 The lease will contain clauses limiting the use of the land for the purposes of a community centre and associated car parking. The lease will also require the council's consent for sub-letting or assignment.

5. Conclusions

- 5.1 HFA have been delivering valuable services from the existing building for a number of years. However, the centre is now in a state of disrepair and would require significant investment to have any future lifespan.
- 5.2 HFA have been offered over £1m of investment to redevelop Beeston Village Community Centre for the benefit of the local community. They now have the opportunity to redevelop the centre to significantly improve the facilities available to local residents. Approval of a 50 year ground lease will enable HFA to unlock that investment.
- 5.3 Ward members fully support the proposal and consultation with the local community has been positive. HFA have worked with the adjacent primary school to address their concerns as best they can.

6. Recommendations

6.1 Executive Board is recommended to:

- i) give approval to grant a 50 year ground lease to Health for All (Leeds) Ltd for a peppercorn consideration for land at Beeston Village Community Centre, St Anthony's Drive, Beeston, Leeds, LS11 8AB to enable a new community centre to be built using external funding;
- ii) to give approval for Health for All (Leeds) Ltd to demolish the existing Beeston Village Community Centre building; and
- iii) note that the Head of Asset Management will be responsible for implementing the recommendations.

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.