

WIRRAL COUNCIL

DELEGATED DECISION

SUBJECT:	<i>COMMUNITY ASSET TRANSFER - LIVINGSTONE STREET COMMUNITY CENTRE</i>
WARD/S AFFECTED:	<i>BIDSTON AND ST JAMES</i>
REPORT OF:	<i>HEAD OF UNIVERSAL AND INFRASTRUCTURE SERVICES</i>
RESPONSIBLE PORTFOLIO HOLDER:	<i>COUNCILLOR JONES</i>
KEY DECISION?	<i>NO</i>

1.0 EXECUTIVE SUMMARY

- 1.1 This report seeks approval for a transfer by lease of Livingstone Play and Community Centre, Birkenhead to Wirral Change, in accordance with the Council's Community Asset Transfer Policy.

2.0 BACKGROUND AND KEY ISSUES

- 2.1 Cabinet, at its meeting on 15th January 2009, identified a number of facilities that should be transferred to community management, where the community expressed an interest.
- 2.2 Cabinet, at its meeting on 19th March 2009, approved the Community Asset Transfer policy. The policy sets out the mechanism to pass over the ownership and control of assets to community based groups and explains in detail the key principles and basis for transfer. The minute also resolved that Community Centres first be offered to the established and viable Joint Management Committees (JMC).
- 2.3 The JMC at Livingstone Street Community Centre was willing to pursue a transfer of the Centre and wishes to continue to have a role in its future, however, the group is not confident that it would be able to pursue a successful transfer on its own. Consequently the group has explored a number of avenues to identify a group to progress a transfer which would be willing to incorporate its activities.
- 2.4 Wirral Change currently occupies space in the former St Lawrence's School and is a Black and Minority Ethnic outreach service that has been supporting the needs of minority groups in Wirral since 2006. Wirral Change is looking to expand its operation and has been looking for another venue to deliver these activities. The JMC has had discussions with Wirral Change which has resulted in a proposal being submitted to pursue a Community Asset Transfer of the Community Centre. The proposal confirms that Wirral Change intends to accommodate the existing Joint Management Committee in the building and will continue to deliver the JMC's activities. Wirral Change is also willing to have existing JMC members on its board. Accordingly the JMC is very supportive of the proposal submitted by Wirral Change.

- 2.5 In order to satisfy the Community Asset Transfer process, Wirral Change has produced a five year business plan which is based upon information from operating at its current facility and advises that it will relocate some operations immediately and thereafter develop further activities and also shows that it will move quickly into a profitable position.
- 2.6 The Community Asset Transfer policy advises that the Council will not normally seek payment of rent under a lease from community based groups, unless substantial commercial use of buildings generates large profits in excess of the running costs of the property. However, the Council will normally expect community based groups to be responsible for the running costs of the building, including repairs, maintenance and all insurance. In light of the business plan and the benefits to the community the main terms of the proposed lease are as follows:
- Term: 99 years
 - Rent: Peppercorn
 - Liabilities: The lessee to be responsible for all outgoings and maintenance.
 - User clause: Community Activities including activities currently delivered by Wirral Change.
- 2.7 Members will be aware of the Council's obligation to obtain the best price reasonably obtainable on the disposal of its land and property. However, under the General Consent, the Council does have the power to restrict the value of land by imposing restrictions as to its use on the grounds that to do so is in the interest of the economic and / or environmental and / or social well being of the inhabitants of the Borough and provided also that any such restriction in value does not exceed two million pounds, per transaction.

3.0 RELEVANT RISKS

- 3.1 The business plan has been assessed and is considered to show viability and sustainability. However, should the facility not achieve the income needed to produce the profits predicted, it would have difficulty operating. Under these circumstances the Council's Community Asset Transfer Policy advises that the Council will normally be willing to accept a transfer back of a building, without any payment or penalty, if the community based group no longer wishes to manage the facility. In these circumstances the building would then normally be sold on the open market, unless another community based group expressed an interest in its management.

4.0 OTHER OPTIONS CONSIDERED

- 4.1 The proposed transfer is in accordance with the resolution of Cabinet of 15 January 2009 which resolved that the facility should be transferred to community management, where the community expressed an interest. A number of options have been considered by the JMC for potential partner organisations, but so far this is the only one to have resulted in a full transfer request.

5.0 CONSULTATION

- 5.1 Wirral Change has worked with the JMC and Council officers to develop its proposals for transfer. As part of its business planning process Wirral Change has consulted with users and the community.

6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

- 6.1 Wirral Change is a voluntary group with charitable status. The facility will however, still be reliant on voluntary support to continue to provide this community facility.

7.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

7.1 FINANCIAL IMPLICATIONS

- 7.1.1 Wirral Change will be able to fund the initial set up costs and will be able to cover any deficit in the first years operating costs and hopes to be in profit thereafter. Consequently Wirral Change is not seeking any funds from the Council.

- 7.1.2 The transfer of this asset on the terms described will result in revenue savings to the Council in running costs and will no longer be responsible for life cycle maintenance costs.

7.2 STAFFING IMPLICATIONS

- 7.2.1 There are no Council staff operating at this facility and consequently there are no staffing implications arising.

7.3 ASSET IMPLICATIONS

- 7.3.1 If the Council were to sell the property with vacant possession it could achieve a capital receipt. The actual amount would be determined by a marketing exercise, but would be expected to be in the region of £100,000.

8.0 LEGAL IMPLICATIONS

- 8.1 Approval of the recommendations will require the Council to prepare the appropriate legal documentation to enable the transfer to proceed.

9.0 EQUALITIES IMPLICATIONS

- 9.1 Has the potential impact of your proposal(s) been reviewed with regard to equality?

No because there is no relevance to equality.

10.0 CARBON REDUCTION IMPLICATIONS

- 10.1 Post transfer, the company will need to operate the facility in a cost effective manner and will need ensure that energy bills are kept to a minimum.

- 10.2 The transfer will result in a reduction in the Council's CO2 emissions.

11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

- 11.1 The site is designated as part of the Primarily Residential Area, where provision is made for new housing or small scale community facilities in the Council's Unitary Development Plan.

- 11.2 There are no planning implications arising directly from this report.

12.0 RECOMMENDATION/S

12.1 That a transfer by lease of the Livingstone Community Centre to Wirral Change be approved and authority be given to complete the necessary legal documentation on the terms set out in this report.

13.0 REASON/S FOR RECOMMENDATION/S

13.1 To implement a previous decision.

13.2 Wirral Change is operated by a team who take a very active role in the community. The proposal submitted by the Wirral Change is considered to be the best way to achieve a successful transfer which incorporates the activities of the Joint Management committee.

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APPENDICES

Location Plan

REFERENCE MATERIAL

Reference has been made to the Council's Community Asset Transfer Policy which can be viewed through the Council's website.

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Cabinet - Transforming Wirral	15 January 2009
Cabinet - Asset Management Update	19 March 2009