

WIRRAL COUNCIL

DELEGATED DECISION

SUBJECT:	<i>COMMUNITY ASSET TRANSFER - BEECHWOOD 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?	NO

1.0 EXECUTIVE SUMMARY

- 1.1 This report seeks approval for a transfer by lease of Beechwood Community Centre, Beechwood, 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, including Beechwood Community Centre, which 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 Beechwood Community Centre is a single storey purpose built community centre and comprises office and community space with a sports facility along with outside space. The centre is located within the Beechwood Estate and is identified in thick black edging on the attached plan.
- 2.4 The Beechwood Community Centre JMC is willing to take a transfer of the centre and has developed a business plan to demonstrate how it intends to operate the building. The business plan identifies the requirement for refurbishment and improvements works to the building. It also shows that, with some tapering revenue support the centre will move to a profitable position straight after transfer.
- 2.5 To meet the financial requirements for the works to the building, along with the revenue support monies, the JMC has applied for funding from a number of sources which will enable it to achieve viability and sustainability. These sources of funding are as follows:
- Section 106 Funding of £200,000 to fund the majority of refurbishment and improvement works.
 - Parks and Countryside Funding of £100,000 to develop outside space.

- Estate Management Board Funding of £37,000 to complete the redevelopment and refurbishment works.
- Estate Management Board Funding of £115,000 to provide tapering revenue support.

2.6 The JMC aims to develop activities at the centre which will produce benefits to the community. Its business plan identifies the following objectives:

- Improve opportunities for local grassroots activity in the area by providing high quality, accessible facilities for community groups for local people of all ages
- Increase local enterprise activity by providing facilities and support that will encourage and enable the development of community led enterprises – acting as a local catalyst for community enterprise
- Maintain access to high quality public services delivered at the centre, particularly those supporting children, young people and families
- Secure the sustainability of the centre through the provision of a high quality facility that will support performance, exercise, sport and other physical activities

2.7 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 objectives 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.

2.8 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. Under the circumstances no other options have been considered.

5.0 CONSULTATION

- 5.1 Officers have been working with the JMC to develop the business plan.

6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

- 6.1 The JMC is a voluntary group. To satisfy the transfer process, it will form The Beechwood Centre, a company limited by guarantee, which proposes to appoint paid staff to operate the facility. 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 The JMC has identified the need for Capital works and revenue support as described in the report, which it has applied for independently and is not a matter for approval in this report.
- 7.1.2 The transfer of this asset on the terms described will pass on any liabilities for any operational costs including services, security, maintenance etc.

7.2 STAFFING IMPLICATIONS

- 7.2.1 The group currently makes its own arrangements for cleaning and janitorial services. There are therefore no staffing implications arising directly from this report.

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 There are no planning implications arising directly from this report.

12.0 RECOMMENDATION/S

12.1 That a transfer by lease of the Beechwood Community Centre 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 Beechwood Community Centre is operated by a dedicated team of volunteers who take a very active role in the running of the centre. The proposal submitted by the group is considered to show, with the financial support described in this report, a viable and sustainable business plan which is considered to be the best way to achieve a successful transfer.

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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