

Property Sub-Committee

Wednesday 19 July 2023

11:30

Oak Room, County Buildings, Stafford

The meeting will be webcast live and archived for 12 months. It can be viewed at the following link: <https://staffordshire.public-i.tv/core/portal/home>

John Tradewell
Deputy Chief Executive and Director for Corporate Services
11 July 2023

Agenda

- 1. Apologies**
- 2. Declarations of Interest**
- 3. Minutes of the Meeting held on 03 June 2023** (Pages 1 - 4)
- 4. Review of the Terms of Reference and Schedule of Decision Making Levels** (Pages 5 - 18)
- 5. Proposed Lease of Five Spires Academy, Lichfield** (Pages 19 - 24)
- 6. Renewal of Lease on the Landywood Voluntary Services Day Centre Premises at 154 Walsall Road, Great Wyrley** (Pages 25 - 42)
- 7. Exclusion of the Public**

The Chairman to move:

“That the public be excluded from the meeting for the following items of business which involve the likely disclosure of exempt information as defined in the paragraphs of Part 1 of Schedule 12A (as amended) of the Local Government Act 1972 as indicated below”.

Part Two

(All reports in this section are exempt)

8. Assignment of Lease at Limewood

(Pages 43 - 50)

Membership	
Mark Deaville	Alan White (Chair)
Ian Parry	Philip White (Vice-Chair)
Jonathan Price	

Notes for Members of the Press and Public

Filming of Meetings

Staffordshire County Council is defined as a Data Controller under the Data Protection Act 2018. The County Council has agreed that public meetings should be the subject of live web transmission 'webcasting'. Fixed cameras are located within meeting room for this purpose.

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If you have privacy concerns about the webcast or do not wish to have your image captured, then please contact the Member and Democratic Services officer named at the top right of the agenda.

Recording by Press and Public

Recording (including by the use of social media) by the Press and Public is permitted from the public seating area provided it does not, in the opinion of the chairman, disrupt the meeting.

Minutes of the Property Sub-Committee Meeting held on 7 June 2023

Present: Alan White (Chair)

Attendance

Mark Deaville
Jonathan Price

Philip White (Vice-Chair)

Apologies: Ian Parry

Part one

8. Declarations of Interest

There were no Declarations of Interest on this occasion.

9. Minutes of the Meeting held on 03 May 2023

Resolved – That the minutes of the meeting held on 3 May 2023 be confirmed and signed by the Chairman.

10. Proposed Sub Lease of premises at 7 Eccleshall Road, Loggerheads, Market Drayton, Staffordshire

Details were submitted for the proposed sub-lease of the property at 7 Eccleshall Road, Loggerheads, Market Drayton to Loggerheads Parish Council.

Resolved - To approve the sub-letting of premises at 7 Eccleshall Road, Loggerheads, Market Drayton TF9 4NX to Loggerheads Parish Council for a term of 5 years from 1st July 2023 at a peppercorn rent for the express purpose of running a community managed library from the premises in line with other operating agreements for community managed libraries in Staffordshire; Approval of the final details of the transaction be delegated to the Assistant Director for Commercial and Assets to approve.

11. Yearly Report on the Activity of the County Farms' Tenancies Panel

The Sub-Committee considered the yearly activity report by the County Farms Tenancies Panel from 1 July 2022 to 30 June 2023.

Resolved – That the report be noted.

12. Exclusion of the Public

Resolved – That the public be excluded from the meeting for the following items of business which involves the likely disclosure of exempt information as defined in the paragraph of Part 1 of Schedule 12A (as amended) of the Local Government Act 1972 as indicated below.

13. County Farms - Holding no.16 Aston Hall Estate - Approval of Progression Farm Letting at Rental Value Over £200,000 For Term (exemption paragraph 3)

Details were submitted for the proposed progression farm letting of Holding no.16 Aston Hall Estate.

Resolved – That approval be given for a progression farm letting of Holding no.16 Aston Hall Estate.

14. County Farms - Holding no.64 Bodnett's Estate - Approval of Starter Farm Letting at Rental Value Over £200,000 For Term (exemption paragraph 3)

Details were submitted for the proposed starter farm letting of Holding no.64 Bodnett's Estate.

Resolved – That approval be given for a starter farm letting of Holding no.64 Bodnett's Estate.

15. Disposal of the Ryecroft Site exemption (paragraph 3)

Details were submitted for the proposed disposal of the Ryecroft site.

Resolved – That approval be given to dispose of the Council's interests of the Ryecroft site to Newcastle under Lyme Borough Council on the terms set out in amended recommendations a-c as circulated at the meeting.

16. Sale of Former Magistrates Court, Spinning School Lane, and the adjacent Property known as 56A Albert Road, Tamworth exemption (paragraph 3)

Details were submitted of the proposed sale of the Former Magistrates Court, Spinning School Lane and the adjacent property known as 56A Albert Road, Tamworth.

Resolved – That approval be given of the proposed sale of the former Magistrates Court, Spinning School Lane and the adjacent property known as 56A Albert Road, Tamworth to Tamworth Borough Council; That final details

of the sale to be approved by the Assistant Director for Commercial and Assets.

Chairman

Property Sub-Committee – Wednesday 19 July 2023

Review of Terms of Reference and Schedule of Decision Making Levels

Recommendation

I recommend that Sub-Committee

- a. approve the proposed amendments to the Terms of Reference and Schedule of Decision Making Levels as shown on the appendix to this report; and
- b. consider whether any further changes are needed to the document.

Report of the Deputy Chief Executive and Director for Corporate Services

Background

1. This Sub-Committee was established as part of a review of the Strategic Property Governance and Asset Management activity within the Council. An in depth audit report in 2019 specifically recommended that the Sub-Committee should review its Terms of Reference at least every 2 years.
2. The Sub-Committee last updated its Terms of Reference in August 2020 therefore a review is overdue.
3. The Terms of Reference along with the Schedule of Decision Making Levels are attached for consideration. Amendments to both documents are proposed. For the Terms of Reference a minor amendment is suggested to record the need to review the document on a 2 yearly basis. For the Schedule of Decision Making levels, the opportunity has been taken to improve the detail, particularly in relation to referral to the Secretary of State.
4. If members support the changes, due to their minor nature I propose to use my delegated authority to approve their implementation.

Equalities Implications - None

Legal and Risk Implications –Clear and Detailed decision making authority avoids the risk of challenge

Resource and Value for Money Implications- None

Climate Change Implications - None

Contact Details

Report Author: Julie Plant, Governance and Support Manager

Contact: 01785 276135 julie.plant@staffordshire.gov.uk

Property Sub-Committee

Membership and Terms of Reference

Purpose:

1. To exercise full delegated executive powers to consider and make decisions on all land and property transactions where the County Council has an interest and the value of that transaction is between £200,000 and below £2 million as defined in the schedule of decision making authority appended to these Terms of Reference.
2. To advise the Cabinet on the contents of the property strategy for the use of land and property in which the County Council has an interest, including Economic Regeneration Sites, County Farms and Enterprise Centres.

Meetings Arrangements

The Sub-Committee will be convened in accordance with the Access to Information Rules and will meet at monthly intervals on dates published in advance in the County Council's calendar of meetings.

The Director of for Corporate Services, as Monitoring Officer, shall be the Proper Officer for the purpose of administering the Sub-Committee.

The provision for County Councillors to attend Cabinet meetings in accordance with the 'Local Member' provisions in the Constitution will be extended to permit attendance at Sub-Committee meetings.

Membership

The Sub-Committee will comprise:

- The Leader of the Council
- The Deputy Leader of the Council
- Cabinet Member for Commercial
- Cabinet Member for Environment, Infrastructure and Climate Change
- Cabinet Member for Education (and SEND)

Chairman

The Sub-Committee will be chaired by the Leader of the Council or, in his/her absence, the Deputy Leader of the Council.

Quorum

The Quorum for the Sub-Committee shall be two members, one of which must be either the Leader or Deputy Leader.

In circumstances where both the Leader and Deputy Leader are unable to participate in discussions on an item (eg. due to the need to declare an interest), that item will be referred to Cabinet for determination.

The meeting will be adjourned if, having been quorate at the start, the Leader or Deputy Leader leave the meeting causing it to no longer be quorate and a reconvened meeting will be arranged or the remaining business will be carried over to the next scheduled meeting.

Any business which cannot wait until the reconvened or next meeting will be forwarded to cabinet for consideration if a meeting of the cabinet is scheduled prior to the reconvened or next scheduled Sub-Committee meeting.

Voting

Decisions will be made by majority vote. Where the votes cast are equal the chairman shall have a second or, casting vote.

Sub-Committee Decisions

The Sub-Committee may consider items referred to it from other levels in the decision making structure appended to these Terms of Reference and may also refer to full Cabinet any issue within the Sub-Committees remit, on which it requires a wider view.

The Proper Officer shall decide whether a matter should be submitted to the Sub-Committee.

Any reports on which a member of the Sub-Committee has a conflict of interest shall be referred to full Cabinet for consideration.

Decisions made by the Sub-Committee shall relate to the responsibilities of the Executive only and are subject to the County Council's Budget and Policy Framework Rules, Call-in provisions, Access to Information Rules and Financial Regulations.

All decisions shall be taken on the basis of detailed written reports from the Cabinet Members and Lead Officers for Property Matters (either Strategic or Economic) , such reports shall include relevant advice from other County Council Officers including, where appropriate, the Head of Scrutiny.

All decisions of the Sub-Committee shall be formally recorded and submitted to the next meeting of the Cabinet for information.

County Farms Tenancies Panel

The County Farms Tenancies Panel shall act as an advisory body for decisions made by, or on behalf of the Panel, on the allocation of County Farm Tenancies.

[Review of Terms of Reference and Schedule of Decision Making Levels](#)

The Sub-Committee shall review the contents of this Terms of Reference and Schedule of Decision Making Levels on a 2 yearly basis.

Any significant changes proposed will be referred to the Audit and Standards Committee and Full Council for consideration

Any minor or consequential amendments to keep the Terms of Reference and Schedule of Decision Making Levels up to date with legislative requirements and/or to keep them in line with Council's decisions shall be authorised by the Deputy Chief Executive and Director for Corporate Services.

UPDATED – AUGUST 2020

UPDATED JULY 2023

Appendix 1

SCHEDULE OF DECISION MAKING LEVELS FOR PROPERTY MATTERS (December 2017)

Commented [YM(1): Amend to updated version date?]

TRANSACTION	CABINET	PROPERTY SUB CTTEE	OFFICERS Director of <u>for</u> Corporate Services (see note 1 below)
Acquisitions - all interests (with exception to Leases and acquisition by private treaty following compulsory purchase)	All acquisitions at market value of £2m or above. Final Terms and any variation in Terms for ALL transactions to be approved by relevant Portfolio Holder	All acquisitions at market value of between £200,000 and <u>below</u> £2m Final Terms and any variation in Terms for ALL transactions to be approved by relevant Portfolio Holder	All acquisitions at market value <u>below of up to</u> £200,000, and all Terms for those transactions
Disposals 1 Freehold – at best consideration	All disposals for best consideration at a market value of £2m or above. Final Terms and any variation in Terms for ALL transactions to be approved by relevant Portfolio Holder	All disposals for best consideration, at a market value between £200,000 and below £2m Final Terms and any variation in Terms for ALL transactions to be approved by relevant Portfolio Holder	All disposals for best consideration, at a market value of below £200,000, and all Terms for those transactions

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TRANSACTION	CABINET	PROPERTY SUB CTTEE	OFFICERS Director of for Corporate Services (see note 1 below)
<p>2 Freehold – at undervalue</p>	<p>Any disposal of a freehold at an undervalue, where the undervalue value is £2M or more</p> <p>NB: For an undervalue of £2m or more (and/or including where the social economic environmental well-being criteria is not satisfied for an undervalue below £2m) approval by the Secretary of State is required under Section 123 of the Local Government Act 1972 and General Disposal Consent 2003</p> <p>Final Terms and any variation in Terms for ALL transactions to be approved by relevant Portfolio Holder</p>	<p>Any disposal of a freehold at an undervalue, where the undervalue value is less than £2m or less</p> <p>NB: In accordance with the General Disposal Consent 2003, the consent of the Secretary of State is not required under s123 of the Local Government Act 1972 for an undervalue of less than £2m if the disposal helps to secure the promotion or improvement of the economic, social or environmental well-being of the area. NB: For an undervalue of £2m or more and/or where the social economic environmental well being criteria is not satisfied approval by the Secretary of State is required under Section 123 of the Local Government Act 1972 and General Disposal Consent 2003</p>	<p>-</p>
<p>3 Leasehold at best consideration (Granting or</p>	<p>All leasehold disposals for best consideration at a total rent over the term or a premium plus the total rent of -£2m or above.</p>	<p>Final Terms and any variation in Terms for ALL transactions to be approved by relevant Portfolio Holder</p>	

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TRANSACTION	CABINET	PROPERTY SUB CTTEE	OFFICERS Director of for Corporate Services (see note 1 below)
<p>surrendering (including farm business tenancies)</p> <hr/> <p>4 Leasehold at undervalue</p>	<p>Final Terms and any variation in Terms, <i>including Right of Renewal</i>, for all transactions to be approved by the relevant Portfolio Holder</p> <hr/> <p>Any disposal of a leasehold interest in land for a term of 7 years or more where the undervalue value is £2M or more.</p> <p>NB: For an undervalue of £2m or more and/or(including where the <u>social economic environmental well-being criteria is not satisfied -for an undervalue below £2m</u>) approval by the Secretary of State is required under Section 123 of the Local Government Act 1972 and General Disposal Consent 2003.</p> <p><u>A short tenancy (granted for seven years or less, or the assignment of a</u></p>	<p>All leasehold disposals for best consideration at a total rent over the term or a premium plus the total rent of between £200,000 and below £2m</p> <p>Final Terms and any variation in Terms, <i>including Right of Renewal</i>, for all transactions to be approved by the relevant Portfolio Holder</p> <hr/> <p>Any disposal of a leasehold interest in land for a term of 7 years or more where the undervalue value is <u>less than</u> £2m or less</p> <p>NB: <u>In accordance with the General Disposal Consent 2003, the consent of</u></p>	<p>All leasehold disposals for best consideration at a total rent over the term or a premium plus the total rent of below £200,000, and all Terms for those transactions, including <i>Right of Renewal</i></p> <hr/> <p style="text-align: center;">=</p>

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TRANSACTION	CABINET	PROPERTY SUB CTTEE	OFFICERS Director of for Corporate Services
	<p><u>term which has not more than seven years to run) is exempt from s123 requirements.</u></p> <p><u>However, disposals by way of a short tenancy (which is granted for seven years or less, or the assignment of a term, which has not more than seven years to run) do not need SOS's consent.</u></p> <p>Final Terms and any variation in Terms, including Right of Renewal, for all transactions to be approved by the relevant Portfolio Holder</p> <p>Any disposal of a leasehold interest in land for a term of 7 years or more where the undervalue value is £2M or more.</p> <p>NB: For an undervalue of £2m or more approval by the Secretary of State is required under Section 123 of the Local Government Act 1972 and General Disposal Consent</p>	<p><u>the Secretary of State is not required under s123 of the Local Government Act 1972 for an undervalue of less than £2m if the disposal helps to secure the promotion or improvement of the economic, social or environmental well-being of the area.</u></p> <p><u>A short tenancy (granted for seven years or less, or the assignment of a term which has not more than seven years to run) is exempt from s123 requirements.</u></p> <p>NB: For an undervalue of £2m or more and/or where the social economic environmental well-being criteria is not satisfied approval by the Secretary of State is required under Section 123 of the Local Government Act 1972 and General Disposal Consent 2003.</p> <p>However, disposals by way of a short tenancy (which is granted for seven years or less, or the assignment of a term, which has not more than seven years to run) do not need SOS's consent.</p>	<p>(see note 1 below)</p>

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TRANSACTION	CABINET	PROPERTY SUB CTTEE	OFFICERS Director of for Corporate Services (see note 1 below)
	<p>2003. However, disposals by way of a short tenancy (which is granted for seven years or less, or the assignment of a term, which has not more than seven years to run) do not need consent.</p> <p>Final Terms and any variation in Terms, including Right of Renewal, for all transactions to be approved by the relevant Portfolio Holder</p>	<p>Final Terms and any variation in Terms, including Right of Renewal, for all transactions to be approved by the relevant Portfolio Holder</p>	
<p><u>Easements and Wayleaves (at best consideration)</u></p>	<p>Any Easement or Wayleave where the total premium, consideration and/or rent over the term is £2m or more</p>	<p>Any Easement or Wayleave where the total premium, consideration and/or rent over the term is between £200,000 and below £2m</p>	<p>Any Easement or Wayleave where the total premium, consideration and/or rent over the term is below £200,000</p>
<p><u>Easements at Undervalue</u></p>	<p><u>Any Easement where the undervalue value is £2M or more.</u></p>	<p><u>Any Easement where the undervalue value is less than £2m</u></p>	<p>=</p>

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TRANSACTION	CABINET	PROPERTY SUB CTTEE	OFFICERS Director of for Corporate Services (see note 1 below)
	<p><u><i>NB: For an undervalue of £2m or more (including where the social economic environmental well-being criteria is not satisfied for an undervalue below £2m) approval by the Secretary of State is required under Section 123 of the Local Government Act 1972 and General Disposal Consent 2003.</i></u></p> <p><u>Final Terms and any variation in Terms for all transactions to be approved by the relevant Portfolio Holder</u></p>	<p><u><i>NB: In accordance with the General Disposal Consent 2003, the consent of the Secretary of State is not required under s123 of the Local Government Act 1972 for an undervalue of less than £2m if the disposal helps to secure the promotion or improvement of the economic, social or environmental well-being of the area.</i></u></p> <p><u>Final Terms and any variation in Terms for ALL transactions to be approved by relevant Portfolio Holder</u></p>	
Charges – to be granted to SCC over land disposed of with payments by instalments	Where land is disposed of with payment of a consideration in instalments in the future with a <i>total</i> value of £2m or more	Where land is disposed of with payment of the consideration in instalments in the future with a <i>total</i> value of below £2m	-
Acquisition of Leases (where SCC is the Tenant) - Taking or surrendering	Any lease where the total rent over the term or a premium plus the total rent is £2m or more	Any lease where the total rent over the term or a premium plus the total rent is between £200,000 and below £2m	Any lease entered into where the total rent over the term or a premium plus the total rent is below £200,000
Licences (and tenancies at will) – Taking or granting	Any licence where the total licence fee over the licence period is £2m or more	Any licence where the total licence fee over the licence period is between £200,000 and below £2m	Any licence where the total licence fee over the

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TRANSACTION	CABINET	PROPERTY SUB CTTEE	OFFICERS Director of-for Corporate Services (see note 1 below)
			licence period is below £200,000.
Appropriations of Land	All Appropriations as authorised under section 122 of the Local Government Act 1972 (or any subsequent re-enactment thereof) including land for planning purposes as defined in section 246(i) of the Town and Country Planning Act 1990 (or any subsequent re-enactment thereof)	=	=
Other Transactions (e.g. Overage and Clawback)	Any disposal of land by Staffordshire County Council which contains overage or clawback should be reported to Property Sub-Committee but escalated to Cabinet if required.		
Notices to Terminate a Lease) To be covered by general delegations to Director of-for Corporate Services (Head of Property) and		
Rent Review	Director of-for Economy Infrastructure and Skills))		
Authorised Guarantee Agreements (where SCC is the tenant)	Any departure from the policy of SCC of not entering into Authorised Guarantee Agreements in the capacity of Tenant – to be reported to Property Sub-Committee for initial consideration.		
Dilapidations- Settling of claims where SCC has been the tenant	Any claim totalling £2m or above	Any claim totalling between £200,000 and below £2m	Any claim totalling below £200,000
Acquisition of land by private treaty in	Acquisitions made in furtherance of a compulsory purchase order to be delegated to the relevant Director in accordance with the original cabinet authority for the compulsory purchase order		

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TRANSACTION	CABINET	PROPERTY SUB CTTEE	OFFICERS Director of for Corporate Services (see note 1 below)
connection with a Compulsory Purchase Order			
Development Agreements	-	All [but escalated to Cabinet if required]	-
Joint Use Agreements	Covered in main Scheme of Delegation to SLT members		
Removal of Restrictive Covenants	Any removal where the payment is £2m or more	Any removal where the total payment is between £200,000 and below £2m	Any removal where the total payment is below £200,000
Exclusivity/Lock out Agreements	-	All [but escalated to Cabinet if required]	-
Memorandum of Understanding	Covered in main Scheme of Delegation to SLT members		
Pre-emptions and Options	Where the total value of the property is £2m or above	Where the total value of the property is between £200,000 and below £2m	Where the total value of the property is below £200,000

Notes

1 Officers are reminded that before exercising any of the delegated powers below consideration should be given to whether there are any wider issues which should be taken into account which make it more appropriate for the decision to be made at member level.

To assist the following criteria is provided as a guide (although not exhaustive):

Officer Decision	Uncontroversial
	Covered by the sub scheme of delegation
	In accordance with agreed policy and budget provision

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	Related to current/existing service provision
Member Level Decision	Controversial
	Direct impact on 'Customers'
	Politically Sensitive
	Not covered by policy or budget provision
	Related to new service provision/innovation

2. All decisions can be referred to a higher tier in the decision-making structure

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Property Sub-Committee – 5 July 2023

**Recommendations by Cllr Mark Deaville - Cabinet Member for
Commercial Matters**

Item Title

Proposed Lease of Five Spires Academy, Lichfield

Electoral Division

Lichfield City South

Local Member Interest

Colin Greatorex

Recommendations

The grant of a 125 year Academy Lease of the Five Spires Academy, Lichfield to the Reach2 Academy Trust.

Transaction Summary

1. Current Arrangements

The property, shown edged in red on the enclosed plan, is owned by Staffordshire County Council and is used by the Reach2 Academy Trust.

2. Proposals

The Five Spires Academy opened in 2015 but at that time the Reach2 Academy Trust were not in a position to complete the Academy Lease. The Academy Lease is to now be granted to the Reach2 Academy Trust to regularise the position.

The Lease will be granted at a peppercorn rent and are therefore not for value. It is a standard form Academy Lease for 125 years from the 1st September 2015 in accordance with the requirements of the Department of Education.

There is no statutory obligation to enter into the Lease but it is the Department of Education's expectation that a Lease will be granted to allow the Reach2 Academy Trust to continue to run from the property.

The consent of the Secretary of State has to be obtained before any Lease is completed.

3. Undervalue Transaction

The lease transaction is not for value but it is an expectation of the Secretary of State for the standard Academy Lease to be granted.

Supporting Details

4. Background Information

As stated above, it is a requirement/expectation of the Secretary of State that Staffordshire County Council grant the Lease to the Reach2 Academy Trust in the standard form. The consent of the Secretary of State is required prior to completion of any Lease.

5. Alternative Options

None.

6. Implications of transaction for County Council (Risks)

(a) Strategic: To include contribution transaction makes to outcomes listed in the Strategic Plan *

None

(b) Financial: **Capital costs/income** **Revenue costs/income** **Change in Property running costs**

The property will be the responsibility of the Reach2 Academy Trust who will be responsible for maintenance of the property during the term of the Lease.

(c) Operational:

None.

(d) Legal:

None as the whole of the property is occupied by the Reach2 Academy Trust and the Academy Lease is being granted to regularise the position.

7. Community Impact *

The Five Spires Academy will continue to operate as normal so the community will not be impacted.

8. Comment by Local Member

Local members informed of the proposed lease any specific comments will be reported to the committee.

9. Support/Approval of the Proposal

Proposal supported by approved by Assistant Director for Commercial and Assets

Signed: 

Name: Ian Turner

Date: 10.07.23

10. Officer advising on this transaction

Signed: 

Name: Stuart Lane

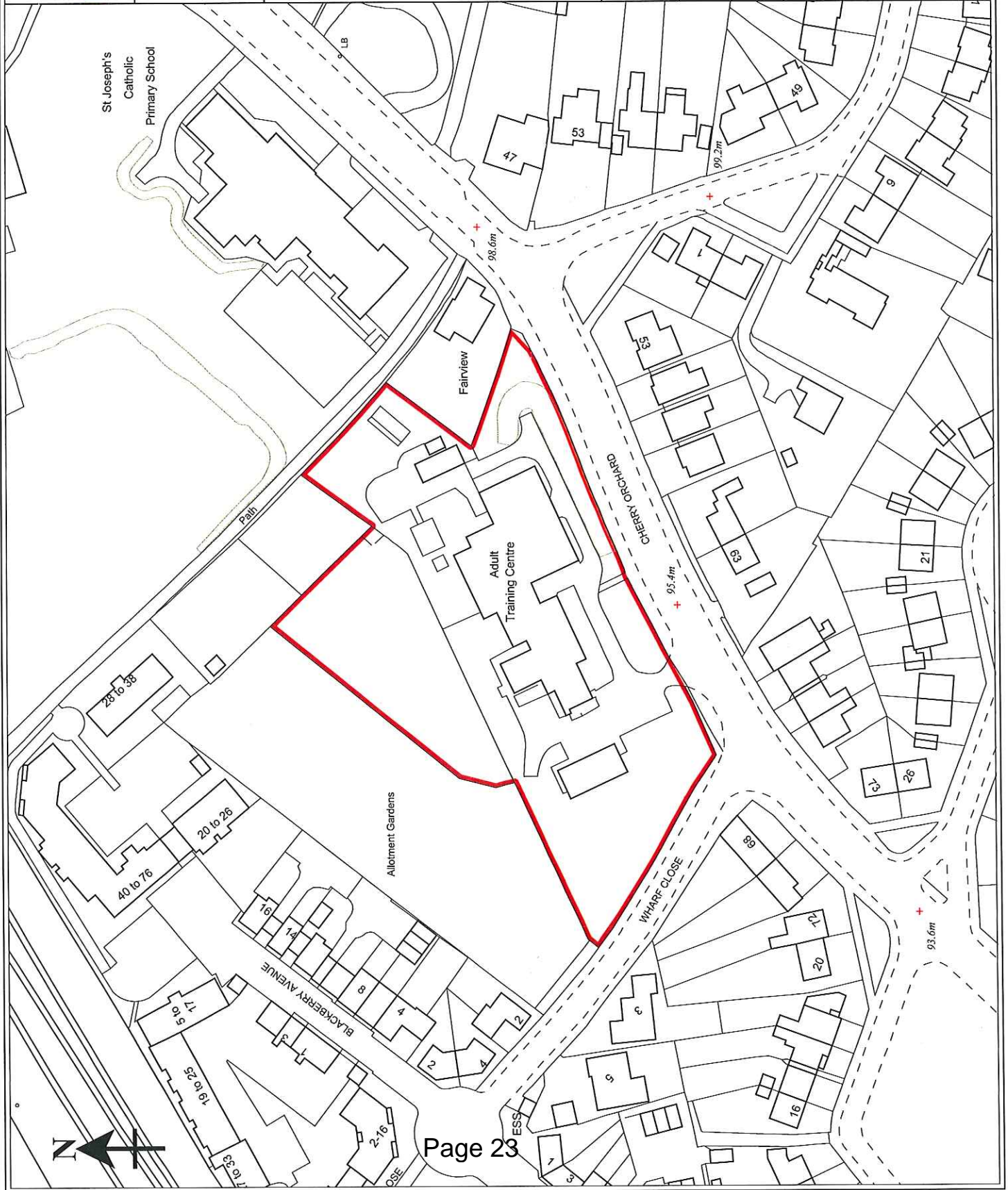
Date: 04.07.23

11. Background Documents

No previous reports are relevant to this transaction/proposal

*3 priority Outcomes for the people of Staffordshire are:

- To be able to access more good jobs and feel the benefits of economic growth
- To be healthier and more independent
- To feel safer, happier and more supported in their community.



Property Sub-Committee - Wednesday 19 July 2023

Renewal of Lease on the Landywood Voluntary Services Day Centre Premises at 154 Walsall Road, Great Wyrley, Staffordshire WS6 6NQ

Property PID 4736

Local Member:

CLlr Kath Perry – Cheslyn Hay, Essington and Great Wyrley ED

Recommendation(s) by Councillor Mark Deaville – Cabinet Member for Commercial Matters

- 1.To grant Landywood Voluntary Services Day Centre a 3 year lease renewal term on their premises at 154 Walsall Road, Great Wyrley, Staffordshire at a peppercorn rent with other terms similar to their existing lease.
- 2.Other terms of the proposed lease will be delegated to the Assistant Director for Commercial and Assets to approve.

Transaction Summary

It is proposed to give a new three year lease at a peppercorn rent to the Landywood Voluntary Services Day Centre to enable them to carry on providing services to the elderly and other disadvantaged residents of the local community.

1. Current Arrangements

Landywood Voluntary Services Day Centre are currently operating from the premises and have been since 1984.

2. Proposals

The proposal is to allow the Day Centre to continue in operation for a further three years by granting a new lease to them for this period.

3. Undervalue Transaction

The letting will be at a peppercorn rent and will therefore be at an undervalue.

Supporting Details

4. Background Information

- 4.1 These premises have been let to Landywood District Voluntary Help Centre by Staffordshire County Council on successive lease terms since 1984. The current lease is for a term of 5 years at a peppercorn rent from 18th October 2018 and will therefore expire on 17th October 2023. The tenant to pay the County Council's costs of maintaining and insuring the property plus the cost of any utilities they use. They are also restricted on the use of the building to that of a headquarters for the Voluntary Services Association and cannot assign or sublet the whole or any part of the building but can grant occasional sublettings to other community organisations only.
- 4.2 The tenants contacted the County Council earlier in the year to ask whether they could be given a new lease of the premises so that they would have some certainty in making their short and medium term plans. It was explained to them that the council has expectations of charitable and community groups peppercorn leases. These include the requirements for these organisations to serve as large a section of the local population as possible, and also to scrutinise the organisation's accounts and funding to ensure they are solvent enough to keep the building in good repair and have a reasonably secure financial future.
- 4.3 A copy of the tenant's latest business plan is attached at Appendix 2, and this has raised some concerns. Firstly, it seems from the business plan that the premises are only really used on a Monday evening for a bingo session, for a Thursday coffee morning and for a short time each week for the Rainbow Club supporting adults with additional needs. They have comparatively recently opened a very small charity shop in the front room of the property to try to generate funds although the room is probably too small to be able to generate the throughput needed to make money and it is not well located being some distance from other shops in the village and on a main road where parking is very difficult. According to the business plan submitted, this shop generates a sales income on average of under £50 per week. The organisation runs a minibus which it uses to ferry elderly local residents around, and which is also often used on a Tuesday to take some of the users of the Centre to a local hostelry for lunch. From our visit to the premises, and going through the business plan we feel that the

centre is not as well used as it used to be, largely as a result of the covid epidemic and the reluctance of some elderly people to attend functions where they are likely to be in fairly close proximity to others. Secondly it seems from the business plan that the organisation is generating very little income as the premises are not used that frequently, and there seem to be very few other sources of funding. The figures provided in the business plan suggest that the Centre is currently making a monthly loss of around £71, which may not sound too significant, but over time this sort of performance cannot be sustained by any charity.

- 4.4 The Trustees have said that if they were granted a new lease they have plans to improve the use of the premises and to generate more income. As a result, it is recommended they be granted a further shorter term lease of 3 years at the same peppercorn rent with the proviso that the organisation makes strenuous efforts to increase the use of the premises by local residents and to generate significant additional income to help in the upkeep and running costs of the centre.
- 4.5 Our estimate of market rent for the premises is probably in the region of £5,500 to £7,000 per annum due to the slightly awkward layout of the building and on the basis that the lease did not restrict the use to the voluntary day centre only which could bring the market rent significantly downwards. If the building were to be marketed we would estimate the property to be worth in the region of £120,000 to £140,000 if it were to be sold in its current condition on the open market with vacant possession which would allow for the cost of reinstating it to residential use – its most likely alternative potential use.

5. Alternative Options

The two alternative options for this property would be either to offer the Voluntary Services Day Centre a new lease at a more commercial rent, or to take the premises back and sell them on the open market to generate a capital receipt as in 4.5 above.

6. Implications of Transaction for County Council (Risks)

Strategic – There are no particularly strategic risks identified here.

Financial – The County Council will be foregoing either rental income or a capital receipt here if a new lease is granted.

Operational – There is virtually no operational risk to the Council in either granting or not granting a new lease to the Day Centre.

Legal – No significant legal risks identified.

7. Community Impact*

Should a new lease be granted, it will enable the centre to continue to offer services to a small section of the local population who are elderly or who have learning difficulties and it is hoped that by the end of the three year lease, the centre will be able to offer more services to a wider section of the local community.

8. Comments from Local Member

To be reported to the Committee if any are received.

9. Support/Approval of the Proposal

Proposal supported by Assistant Director for Commercial and Assets

Signed: 

Name: Ian Turner

Date: 21st June 2023

10. Author/Valuer/Officer(s) Advising on this Transaction

Report Author: Paul Causer
Job Title: Estates and Valuation Manager
E-Mail Address: paul.causer@staffordshire.gov.uk

List of Background Documents/Appendices:

Appendix 1. Site plan and photograph of premises.
Appendix 2. Business plan of Landywood Voluntary Services Day Centre

- *3 priority Outcomes for the people of Staffordshire are:
- To be able to access more good jobs and feel the benefits of economic growth
 - To be healthier and more independent
 - To feel safer, happier and more supported in their community.

Business plan



Business plan

MISSION STATEMENT

Providing Community Responsive Support Services

INDEX

1	Introduction	3
2	Organisational Structure	4
3	Customer Base	5
4	Service Provision	5
5	Business Strategy	6
6	SWOT Analysis	7
7	Budgetary Control	8
8	Conclusion	9

Appendices

LDVCH Origins

Business plan

1 Introduction

Landywood and District Voluntary Help Centre (LDVHC) was founded by Paulette and Tom Bentham in the mid 1970s and grew out of their realisation that helping their elderly neighbours was a service that could, usefully, be expanded to all local residents. Its team of unpaid volunteers has been providing community services, locally, for more than forty years.

Since 1984, thanks to Staffordshire County Council, the Centre has been based at 154 Walsall Road, Great Wyrley, WS6 6NQ. This property has been improved and extended under the stewardship of the Trustees and it remains a home for a range of services and activities and through its Rainbow Club helps those with additional challenges.

LDVHC's core values are based around, respecting client's individuality and their right to have a good quality of life. We recognise the importance, to our clients, of having a safe environment where they can share personal experiences, either openly for the benefit of other clients or in confidence, if required. LDVHC has developed its services in a manner, which has gained it a reputation for a relaxed, non-judgemental style which has been instrumental in its success. New clients and referrals (often arising as a result of word-of-mouth recommendations) speaks to the continuing need for the provision of such local services.

Like many other organisations, Covid proved a challenge and we re-opened with much trepidation. In fact, we have increased our client base and expanded the age range of our volunteer's, so much so that we have entered to world of social media with the intention of, particularly, raising the profile of our Caretakers Shop. We are also making arrangements to operate a "lite bites" service on the Tuesday mornings when we have not arranged a lunch for our clients in a local pub.

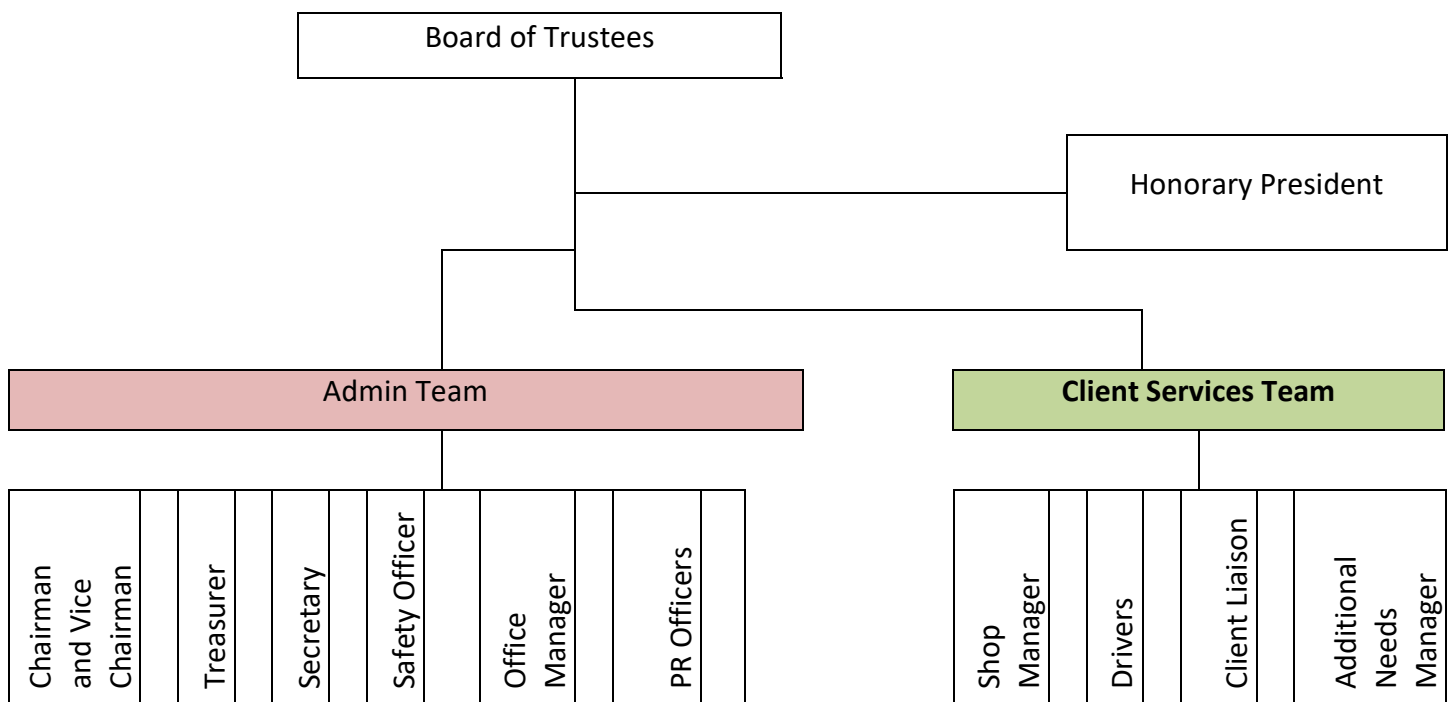
As we have our own transport, we are considering opening our leisure trips out to include clients from other local community organisations and sheltered housing providers.

Business plan

2 Organisational Structure

The Organization is headed by the Board of Trustees and voting rights are solely reserved to the Board Members.

Volunteers can be appointed as officers, by the Trustees, where they have a specialism useful to the Centre. These appointed officers have no voting rights but may attend meetings and participate in discussions



Business plan

3 Customer Base

Internal	External
Clients, who are largely over 75, have health or mobility issues, early stage dementia or other mental health issues, additional challenges and/or social isolation	Other community groups
	Local Authorities
	Local businesses

4 Service Provision

This Business Plan will concentrate on the following service provision:

- Providing drop in coffee mornings on Thursday
- Providing a Bingo Club on Monday evenings
- Providing lunches in a social setting on some Tuesdays with the ambition to add a lite bites service on the weeks between pub lunches
- Running Rainbow Club, which offers support to adults with additional needs
- Running local transport to allow people to access to services
- Running fortnightly local supermarket shopping trips and lunches
- Running leisure trips to eg garden centres, theatre, shopping outlets
- Being a local information hub for access to support services
- Fundraising/Preparation of funding bids
- Supporting other local community groups
- Running a shop which recycles good quality goods and offers basic commodities
- Offering advice to other groups for benefit of improved mutual service provision

Business plan

5 Business Strategy

This business plan aims to create a strategy for the medium to long term, focusing on:

- Building maintenance
- Maintaining modern, safe vehicles and increasing vehicle usage
- Operating at site capacity
- Seeking to create mutually beneficial arrangements with partner organisations
- Recruiting and training volunteers
- Understanding the impact of local changes on our services.
- Initiating volunteer succession planning to ensure continuity of service
- Seeking to expand funding sources, eg Lottery, South Staffs CVA
- Increasing shop hours and utilising best practice as operated by other local charity shops
- Utilising technology more effectively
- Increasing our solica media profile

In order to implement this strategy the immediate priorities are:

- Redesigning LDVHC publicity and stationery in preparation for a new promotional campaign
- Examining opportunities to work with public and private service partners to expand daytime opportunities

LDVHC is mindful of potential financial constraints for clients, and recognises that there is need to continually seek external funds to cover value for money services and to develop its offering to cover revenue and capital costs.

Business plan

6 SWOT Analysis

STRENGTHS	WEAKNESSES
Graphic illustration/drawing skills IT skills Report writing skills Administrative skills Responsive customer care Project management Awareness of and response to customer requirements: both social and physical to cover all client needs in calm surroundings Volunteers trained in food hygiene Networking Adaptability Social skills Vehicles (adapted for wheelchair use) Support of external agencies Donations from individuals, commercial and statutory organisations	Poor marketing
OPPORTUNITIES	THREATS
Create more effective advertising and marketing. Succession planning that builds on established service profiles Be open to new ideas. Greater partnership working. Increase use of premises by other agencies	Possible loss of building Restrictions imposed by design and size of building Lack of car parking, especially for those with mobility issues, exacerbated by redevelopment of adjacent property Resignation of volunteers

7 Budgetary Control

Financial monitoring will be undertaken internally by the Trustees, who will monitor budgets on a regular basis and the Treasurer will administer the Centre's accounts to ensure a visible audit trail.

Business plan

Current funding profile

Activity	Number of people supported per week	Number of Volunteers per week	Number of volunteer hours per week	Typical monthly outgoings	Typical monthly income
Bingo club	20-35	5-6	12	£3.00	£128
Rainbow Club	16	3	6	£8.00	£21
Voluntary bus/car scheme	20=+	10	20	£239	£44
Charity shop	15	3	12	£0	£192
Coffee shop/drop in	15-25	10	20	£55.0	£75
Fundraising	35+	5	5	£0	£74
Consumables and Mtce				£300	
Totals				£50.42	£47.92

As can be seen, the centre currently made a small loss from its services but a guaranteed renewal of the premise's lease will be key to providing the confidence to expanding the services and seeking alternative sources of income. Without securing such sustainability, longer term planning, such as the proposed increase in expanding vehicle use will have to be displaced by the search for new premises. Such a distraction will disrupt planning and may, ultimately, result in the loss of a long established and valued community service.

NB(The Centre was still affected by Covid early in the year and, in particular, Rainbow Club did not open until April because of health concerns)

Business plan

8 Conclusion

LDVHC has demonstrated more than 40 years of successful service delivery and the Trustees believe this Business Plan defines a strategy which will allow for an increased service provision thus offering opportunities for increased income generation by expanding its services, and an adoption of smarter working practices through increased use of technology.

LDVHC acknowledges that its plans are dependent on the continuing support and goodwill of Staffordshire County Council, as an extension to the lease will give funders, potential partners and volunteers' confidence that the organisation is both stable and sustainable.

Business plan

LDVCH Origins

LDVHC was founded by Paulette Bentham. She was a thoughtful, caring and community-minded mother and former teacher living in the ex-mining village of Cheslyn Hay with her husband, Tom, and their growing family.

During the mid-1970's, Paulette was helping out her elderly neighbours with their weekly shopping when it occurred to her that there could be other residents in need of assistance in some way. She got a small group of friends together and posted leaflets through doors in the Cheslyn Hay and Great Wyrley areas.

The message was 'have you go! If you have an hour to spare and visit house-bound people in our area'. Several volunteers stepped forward and our work in the local community began.

It soon became evident that with Paulette's forward thinking and the growing team of dedicated and capable people offering help, they would need premises where people could drop in and chat. After some negotiating with Cheslyn Hay Parish Council, they secured a short-term lease on a house in High Street, Cheslyn Hay. It was due for demolition but, at least, LDVHC had its first home.

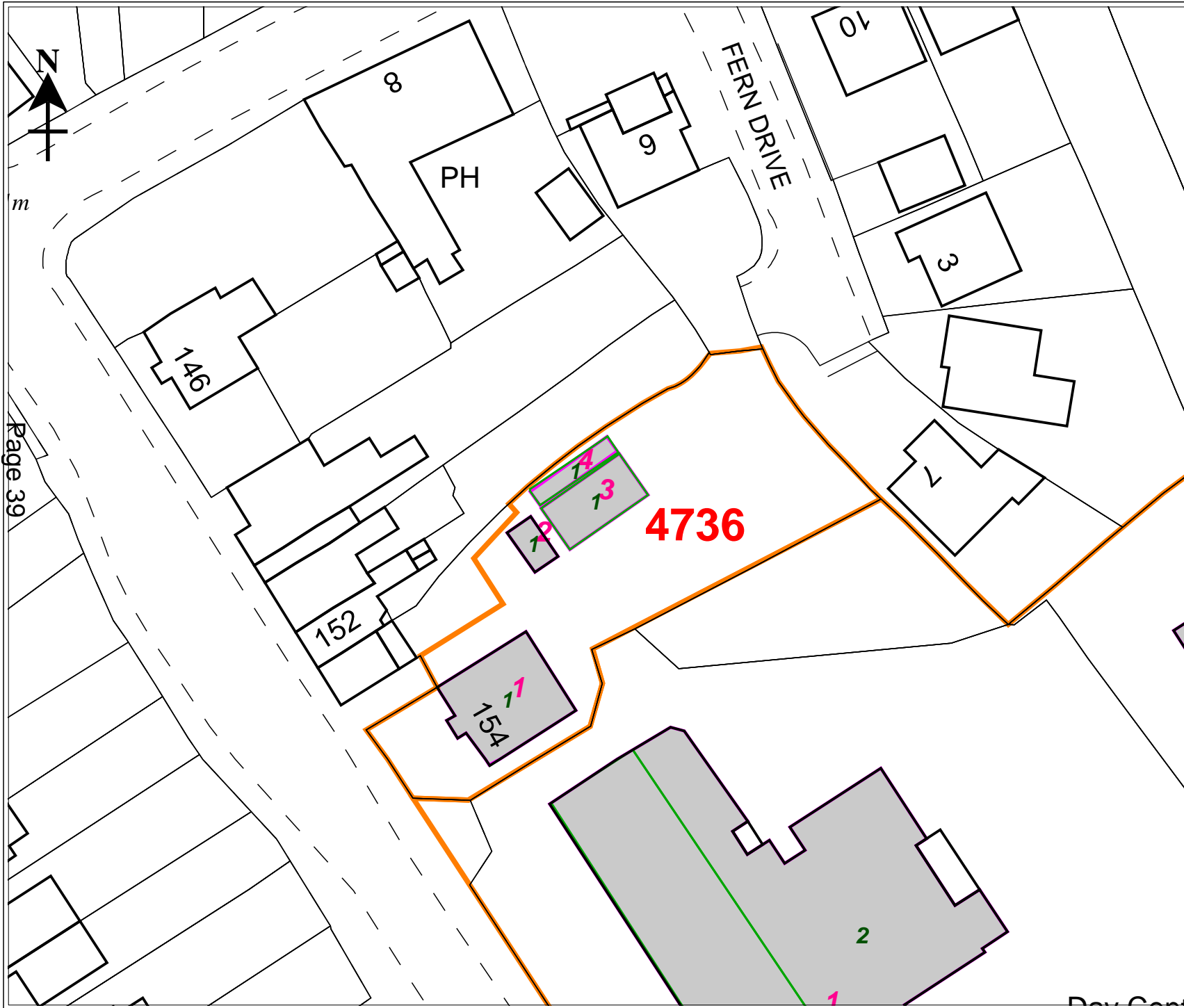
Paulette's enthusiasm spurred on both young and old to get involved, even recruiting her husband and children. Soon a transport scheme was being considered, gardening groups were being set up and jumble sales to raise funds to further the work of the Centre were held and a fund to obtain a minibus was set up.

Paulette was a very giving person and when she thought LDVHC was in good hands and could stand on its own two feet, she passed it into the care of the Centre Trustees knowing they had the Centre's best interests at heart.

Paulette moved on to help establish another caring organisation in Cheslyn Hay – but was reassured that LDVHC had grown into a well-respected community organisation.

Eventually, Staffordshire County Council agreed a lease with LDVHC - a permanent base at 154 Walsall Road Great Wyrley. Although thoroughly vandalised in the interior, the building has been lovingly restored and maintained over the intervening years.

Sadly, Paulette's untimely passing away in March 2007 meant that she did not live to see all the benefits she had helped to bring to our area and she will always be remembered with great affection by those who worked with her at the Centre.



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Plot Centre (BNG):
 Easting: 399195
 Northing: 307524

Scale 1:500

Date: 14-FEB-2011

Plan Ref: P4736

Title:
 Landywood Voluntary
 Help Centre
 154 Walsall Road
 Great Wyrley, Walsall WS6 6NQ



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of Part 1 of Schedule 12A
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