

Property Sub-Committee – 6th October 2021

Recommendations by Cllr Mark Deaville - Cabinet Member for Commercial Matters

Site Burntwood Youth Centre and Community Office Cherry Close Burntwood WS7 4RJ
Location/Electoral Division: Burntwood South ED – Cllr Mike Wilcox
Proposed Transaction: Renewal of lease

Recommendations

The Council renews the lease to Liberty Jamboree on similar terms to the existing lease. Any and all actions required to implement this decision be delegated to the Assistant Director for Commercial and Assets.

Decision Level/Authority/Officer Delegation Scheme number

Property Sub committee

Details

1.Current Use and Lessee etc: let to Liberty Jamboree for use as a centre Young People & Adults with Special Educational Needs, Disabilities &/or Mental Ill Health at a peppercorn rent until 31 st March 2022
2.Proposed Use: as a Centre for Young People & Adults with Special Educational Needs, Disabilities &/or Mental Ill Health
3.Proposed tenant etc: Liberty Jamboree
4.Estimated Value/Cost/Rental Income: Nil
5.Proposed transaction sale price/outline terms One year lease from March 2022 with a break option from December 2022, peppercorn rent.
6.Implications of transaction for County Council (Risks)
(a) Strategic: To include contribution transaction makes to outcomes listed in the Strategic Plan * Supporting ongoing community use
(b) Financial: The occupier will cover ongoing running costs. Whilst the tenant will have repairing responsibilities it should be acknowledged that given the age and

condition of the building that it is not expected that the tenant will be expected to undertake any significant maintenance.

(c) Operational:

None, as existing.

(d) Legal:

None

7. Background Information:

Site history/details of negotiations etc

The premises were occupied by Support Staffordshire until April 2021, who served a break notice to terminate. The matter was brought to committee in March 2021 and an assignment to Liberty Jamboree compiled in order for them to remain in occupation until 31st March 2022.

There is a scheme being formulated to redevelop the site, it is expected that this will not be sufficiently advanced by next April to require vacant possession of the site. The proposal is therefore to allow Liberty to continue to occupy on similar terms until 31st March 2023 subject to a break clause operative at 31st December 2022 on 3 months' prior notice.

The existing lease is excluded from the protection of the Landlord & Tenant Act and the replacement agreement will similarly be excluded. It is expected that the proposals for the site will be ready to proceed by Spring 2023. The current arrangement is that the tenant pays a peppercorn rent but is responsible for the upkeep of the building and if this were to become vacant there could be the usual costs in dealing with issues in a vacant property.

It is proposed to redevelop part of the site for the purpose of a Health Centre to improve local services.

(a) **Consultations carried out/required:** Cllr Wilcox has been consulted

(b) **Alternative options for site:** The proposals to develop the site will enable the people of the local area to have improved Health services. The lease in the interim period would reduce costs associated with a vacant building for SCC whilst enabling the occupants (Liberty Jamboree) additional time to seek alternative accommodation and continue their work with Young People & Adults with Special Educational Needs, Disabilities &/or Mental Ill Health.



(c) **Reasons for recommended option:** to allow the current occupants additional time to seek alternative accommodation for delivery of their services to Young People & Adults with Special Educational Needs, Disabilities &/or Mental Ill Health. To reduce the costs of an empty building in the interim for SCC.

(d) **Rationale for acceptance of lower offer (where applicable)** n/a

(e) **Relevance of Section 123 of the Local Government Act 1972/General Disposal consent Order 2003**

Whilst the lease is undervalued, it is not a disposal in terms of the act.

(f) **Resource/VFM Analysis**

<p>There are no significant resource implications for the council, SCC will meet our own internal legal costs.</p>
<ul style="list-style-type: none"> • 8.Community Impact (e.g., reference to particular communities or service users affected by the proposal) To enable residents of Staffordshire to be healthier happier, more independent and more supported in their community.
<p>9.Comment by Local Member To be reported to committee</p>
<p>10. Comments by SLT Members None</p>
<p>11. Proposal supported by the Assistant Director for Commercial and Assets</p> <p>Signed </p> <p>Date 24/9/21</p>
<p>12. Valuer/Officer advising on this transaction P Townley</p> <p>Signed </p> <p>Date 6th September 2021</p>

<p>Background Documents:</p> <p>Please list here any previous reports to Members relevant to this transaction/site:</p>
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*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.