

30 June 2015

Policy, Finance and Resources Committee

Hutton Community Centre

Report of: *Adrian J Tidbury Estates and Valuation Surveyor*

Wards Affected: *Hutton North*

This report is: *Public*

1. Executive Summary

- 1.1 The decision of the 18th February 2015 Asset and Enterprise Committee was to grant delegated authority in the following terms:-

That delegated authority be granted to the Strategic Asset Manager after consultation with the Chair of Asset and Enterprise Committee to negotiate and enter into a lease of the Hutton Community Centre to Essex Boys and Girls Club.

- 1.2 Negotiations subsequently failed to result in the grant of a lease and so the matter is being brought back to Members.

2. Recommendation(s)

- 2.1 That an external valuation of the property known as Hutton Community Centre be carried out to determine the current open market rental that could be expected.**
- 2.2 That the process for seeking bids for a lease of Hutton Community Centre be carried out in accordance with the process set out in this report**
- 2.3 That those bids received be considered by a future meeting of the Policy, Finance and Resources Committee**

3. Introduction and Background

- 3.1 Members will be aware that the decision for the provision of a lease for the Hutton Community Centre ('the Centre') to an independent organisation was taken by the 5th June 2013 Community Service Committee. It was agreed that the Council would underpin the funding of the Centre for the first year, in order to give the community a chance to establish the Centre and generate an income. Different community groups, nearby primary school, residents' association, volunteers and churches have all been working together to make the Centre viable.
- 3.2 The decision of the Asset and Enterprise Committee held on 18th November 2014 resolved to actively publicise the availability of the property to lease to community groups, to test the response received and to then report back to the Committee with the proposals received to determine the best proposal for the Council.
- 3.3 The 18th February 2015 Asset and Enterprise Committee resolved that delegated authority be granted to the Strategic Asset Manager after consultation with the Chair of Asset and Enterprise Committee to negotiate and enter into a lease of the Hutton Community Centre to Essex Boys and Girls Club
- 3.4 Discussions have taken place with the Essex Boys and Girls Club regarding the provision of the new lease however, Heads of Terms have not reached agreement and it is not considered that proposals are in the Council's interest.

4. Issue, Options and Analysis of Options

- 4.1 As it has not been possible to reach an agreement with the Essex Boys and Girls Club, Members are asked to approve re-advertising the availability of a lease for the Centre with bids to be considered at a future meeting of the Finance, Policy and Resources Committee.
- 4.2 The bidding process which is not a tender process would be carried out on the following Heads of terms basis to demonstrate strong links to the local Hutton community:

Term -	up to a 7 year lease
Rent reviews -	yearly
Repairs and maintenance -	Full repairing lease
Permitted use -	Community centre
Utilities -	Tenant responsibility
Assignment -	No re assignment

- 4.3 On Members' agreement, notices seeking new bids for the Centre would be placed in the local press, displayed at the Centre and also directly mailed to known existing users of the Centre.
- 4.4 Evaluation of the bids would be on the basis of the best rental return to the Council with the term requested, balanced with evidence that the bid is from a constituted group representing interests from across the community and which the Council feels is sufficiently robust to provide a secure future for the Centre. Strong links with the local community and a clear plan for engagement with local residents, businesses, charities, volunteer organisations and local establishments such as churches and schools must be evidenced
- 4.5 Members will be aware that the 27th March Asset and Enterprise Committee agreed new policies under the report, 'Asset Acquisition, General Disposal and Disposals at less than Best Value' and that any new lease granted would need to follow policy.

5. Consultation

- 5.1 No formal consultation has been undertaken regarding the proposed refurbishment

6. References to Corporate Plan

- 6.1 Value for Money: policies that invest in key services to create opportunity for all, provide better value for Brentwood's taxpayers and enhance the Borough's infrastructure whilst modernising and transforming Brentwood Borough Council. We will re-prioritise and focus our resources and be innovative in our approach.
- 6.2 Our Borough: Policies which promote our environment, support sustainable growth, and safeguard our high quality environment including heritage and countryside. We will provide responsive, accessible and forward thinking services for vulnerable residents, supporting people back into work and providing good quality housing making Brentwood our residents' Borough of Choice.

7. Implications

Financial Implications

Name & Title: Christopher Leslie, Finance Director

Tel & Email 01277 312542 / christopher.leslie@brentwood.gov.uk

- 7.1 That the cost of obtaining an external valuation of the property will be met from existing budgets established for this type of activity

Legal Implications

Name & Title: Christopher Potter, Monitoring Officer and Head of Support Services

Tel & Email 01277 312860 / christopher.potter@brentwood .gov.uk

7.2 The Committee is seeking expressions of interest within the terms laid down in this report and is not bound to accept any such expression of interest. At a subsequent meeting of this Committee, Members will consider the options and the legal implications of those options will be set out.

8. Background Papers (include their location and identify whether any are exempt or protected by copyright)

8.1 Min 557 Asset & Enterprise Committee 27th March 2015

9. Appendices to this report

None.

Report Author Contact Details:

Name: Adrian J Tidbury

Telephone: 01277 312678

E-mail: adrian.tidbury@brentwood.gov.uk