

**18<sup>th</sup> November 2014**

**Asset and Enterprise 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 This report outlines the next phase of work following the re-opening of the Hutton Community Centre, with specific regard to the consideration of any future lease.

**2. Recommendation(s)**

- 2.1 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, the property and the community.**

**3. Introduction and Background**

- 3.1 Members will be aware that the Hutton Community Centre was first considered by the Asset, Infrastructure and Localism Panel on 21st November 2012 where Members considered the recent closure of the building to community use. Within that report, the Council had stated its primary objective with the property was to get the building back into full community use, noting that working with local associations and organisations would achieve this outcome.
- 3.2 A further update to Members was reported to the Community Services Committee on 5th June 2013 where the phased approach to the re-

opening of the Hutton Community Centre was approved as was the endorsement of the progress made by the Working Group.

3.3 The phased approach agreed by the Community Services Committee set out 3 phases:

- Phase 1 - Building repaired/rebuilt (if a cheaper and better option), open and being run by the Council.
- Phase 2 - Development of a community based organisation to run the centre.
- Phase 3 - lease of the centre to an independent organisation.

3.4 The report also considered the criteria for the future usage of the Centre in that its primary usage will be a balance between community and sports use. A copy of the report is attached as Appendix A.

3.5 Currently the Community Centre is managed by the Council, with Community Services providing the day to day management. A Manager is in place and the facility is used by the following groups:-

**Type of activity**

Pilates  
Pre School  
Pilates  
Religious group  
Table Tennis  
Meetings  
Karate  
Dance School  
Football(Changing  
Rooms)  
Sports Sessions  
Zumba  
Children's Activities  
Fitsteps  
Diddi Dance  
Community Safety Day  
Yoga  
Beats Surgery  
Tai Chi  
Jazzercise

3.6 The estimated annual cost of the centre is £41,165 and includes staffing and initial setup costs for the year. Income from the centre is currently

£13,247 and reflects 6 months income to date since the centre opened. In addition, interest from a local nursery and also a community cafe for a future arrangement on rooms in the property adding to the level of income currently being received.

#### **4. Issue, Options and Analysis of Options**

- 4.1 In order for the Council to ensure that best value is achieved the Council is required to seek and evaluate proposals for the site.
- 4.2 Any lease greater than 7 years will need to be on a best consideration basis to satisfy section 123 of the Local Government Regulation Act 1972 ( s123(2)) "Except with the consent of the Secretary of State, a Council shall not dispose of land under this section, otherwise than by way of a short tenancy, for a consideration less than the best that can be reasonably obtained".
- 4.3 If the Council decide to let the property on a lease less than 7 years then consideration should be given to include in the lease yearly rent reviews utilising the Retail Price Index at the time.
- 4.4 In order to provide a lease of less than best consideration the Council would need to follow the advice given in Circular 06/03 Local Government Act 1972 General Disposal Consent (England) 2003 - disposal of land for less than the best consideration that can be reasonably received. In such cases a valuation of the property by a Chartered Surveyor will need to be obtained taking into account the requirements of the RICS Appraisal and Valuation Standards (Fifth Edition). Leases in this respect would be less than 7 years duration.
- 4.5 Members will be aware that issues were raised concerning the process leading to the surrender of the property in January 2013 and in this respect, the Council have sought the advice of the Charity Commission on the way forward and await their response.

#### **5. Reasons for Recommendation**

- 5.1 In order that the Council deals with the disposal of the property in accordance with current legislation, Members are recommended to widely canvas community organisations with a view to the provision of a lease and to test the responses received and to then report back to the Committee with the proposals made and to determine the best offer for the Council, the property and the community.

## **6. Consultation**

- 6.1 Members will be aware that in the process leading up to the refurbishment of the property a working group was set up to give a 'steer' to the project and as part of this procedure two public meetings were held to advise the public on the progress being made to reopen the centre. One on 6th March 2013 and the second on 27th June 2013 to discuss future options for the property.

## **7. References to Corporate Plan**

- 7.1 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.
- 7.2 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.

## **8. Implications**

### **Financial Implications**

**Name & Title:** Jo-Anne Ireland, Acting Chief Executive

**Tel & Email** 01277 312712 / jo-anne.ireland@brentwood.gov.uk

- 8.1 The procedure to advertise and evaluate proposals for future arrangements will be contained within existing resources. Any financial implications arising from a lease will be considered at a future meeting.

### **Legal Implications**

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

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

- 8.2 The Council has approached the Charity Commission and is currently awaiting a response as to its view of the way forward.

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

## **10. Appendices to this report**

5th June 2013 Community Services Committee

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