

## Report to Cabinet

**21 June 2023**

<b>Subject:</b>	Asset transfer of Hurst Road Community Centre, Oldbury
<b>Cabinet Member:</b>	Cabinet Member for Housing and Built Environment Councillor Rollins
<b>Director:</b>	Director of Housing Gillian Douglas
<b>Key Decision:</b>	Yes
<b>Contact Officer:</b>	Nick Garratt Grants Officer – Grants Officer (Housing) <a href="mailto:nick_garratt@sandwell.gov.uk">nick_garratt@sandwell.gov.uk</a>  Stefan Hemmings Strategic Lead – Assets and Land (Commercial) <a href="mailto:stefan_hemmings@sandwell.gov.uk">stefan_hemmings@sandwell.gov.uk</a>

### 1 Recommendations

- 1.1 That approval be given to authorise the Director of Housing to undertake the asset transfer of Hurst Road Community Centre, Oldbury, B67 6ND to Sandwell Asian Family Service (SAFS) based on a full repairing lease for 99 years with a rental of £1 per annum for a multi-purpose community facility and office space.
- 1.2 That, in relation to 1.1, approval be given to authorise the Director Law and Governance and Monitoring Officer to enter into or execute under seal if necessary, a formal lease for Hurst Road Community Centre.

### 2 Reasons for Recommendations



- 2.1 Since June 2022, the Housing Directorate has been actively exploring long-term options to secure the future of three of its community centres.
- 2.2 As part of this process Asset Transfer of sites has been considered as an option that has the potential to deliver both stability and future investment in facilities. Since the Local Authorities current Asset Transfer Policy has been in place (2011) a successful asset transfer of Brasshouse Community Centre has already taken place and two further asset transfers were agreed by Cabinet in 2022/23.
- 2.3 Following an extensive consultation and negotiation period with local voluntary organisations and all relevant stakeholders the Authority has identified Sandwell Asian Family Services (SAFS) as a preferred partner for Hurst Road Community Centre.
- 2.4 Sandwell Asian Family Services (SAFS) is a well-established anchor organisation with a presence in Sandwell since 1989. They are locally-led and deeply rooted in the community. They have strong partnerships with the council and with other voluntary and community groups and take a community development approach to all aspects of their work (responding to service users views, enabling people to do more for themselves). They have already demonstrated their ability to attract capital funding and manage complex multipurpose buildings through their current base at Windmill Community Centre (Smethwick).

The asset transfer would enable SAFS to expand current provision and create new services in an area of Sandwell where currently there is little community infrastructure.

- 2.5 In 2016, SAFS leased the Windmill Community Centre which is now home to a range of services alongside numerous community groups. The centre is accessible to all with a disability and is a safe place for children, young people and adults to meet their friends and take part in activities such as arts and crafts sessions, sports activities and courses.
- 2.6 SAFS receive the following grants from the council:

£3,099 Holiday Activity Fund – 2023.  
£10,000 Better Care Fund – 2023

These grants are unrelated to the management of Windmill Community Centre or the proposed move to Hurst Road. SAFS will use the rent



saving to deliver services at Hurst Road and will also continue to seek external grants to improve the facilities and develop new initiatives to meet local need and diversify their income.

- 2.7 The Council's Asset Management Strategy sets the strategic framework within which the property asset portfolio will be managed. It is intended to guide future decisions concerning the acquisition, use and disposal of property assets. It is intended to respond to the corporate planning process, providing property solutions that support each of the Council's service areas in the delivery of their service plans.
- 2.8 The proposed asset transfer accords with the principles set out in the strategy where Strategic Assets & Land will proactively lead discussions with community groups about the possibility of undertaking Community Asset Transfers. Transfers will be undertaken in accordance with the Council's policy on Community Asset Transfers. They will only happen if officers are satisfied that a clear sustainable plan is in place to maintain the asset and that further calls on the Council for support are unlikely.
- 2.9 The application has been considered by the council's Investing in the Voluntary and Community Sector Strategic Group. The group considered a detailed report about SAFS and agreed to support SAFS's application for asset transfer of the premises.

### 3 How does this deliver objectives of the Corporate Plan?

	<p>The Best Start in Life for Children and Young People</p> <p>SAFS provide a range of support for children and young people: Services and activities for young people including lifestyle sessions and a variety of community-based activity</p>
	<p>People Live Well and Age Well</p> <p>Much of SAFS core services cater for vulnerable people. This will continue to be the core of the service offer at Hurst Road.</p>



	<p><b>Strong Resilient Communities</b></p> <p>SAFS will create a safe space at Hurst Road Community Centre, giving all residents a place where they can access activities, will be supported and not judged. They will work with local Police to develop initiatives to educate and prevent crime and anti-social behaviour.</p>
	<p><b>Quality Homes and Thriving Neighbourhoods</b></p> <p>In this part of Oldbury there is currently very little local voluntary sector infrastructure. SAFS will help create a real sense of 'local community' in the area. Using Hurst Road Community Centre as a hub of community action and community life and developing a number of smaller grassroots groups</p>

## 4 Context and Key Issues

### 4.1 Background:

The council currently manage 22 community centres in partnership with a range of community organisations. As part of a review of neighbourhood services three centres were identified as community buildings which could benefit from new management arrangements. The opportunity for asset transfer was advertised on the understanding that there would be no council funding available to run the centre. In the case of Hurst Road Community Centre, three expressions of interest were received and SAFS were assessed as the applicant that best met the criteria. SAFS was subsequently invited to submit a business case.

### 4.2 SAFS has a track record of responding to residents needs with innovative solutions.

Examples include:

- Providing care in Sandwell and surrounding areas for 34 years supporting adults and children with disabilities from a wide range of ethnic minority backgrounds. Providing a wide range of care such as PA support, domiciliary Care, holiday and weekend clubs and support in the community.



- Maintaining a good rating from CQC for the care and services they provide to over 50 families in Sandwell.
- Registering with Ofsted they will be working with children under the age of 8 years.
- Working towards the Well Being Charter Mark and promote the Windmill Community Centre as a Safe Space.
- Supporting Tenants at Windmill Centre such as Windmill Boxing Club, St Michaels Nursery and SAPA, and are continuing to provide facilities for additional user groups.
- Creating a sensory garden used by their Service Users and visitors to the Windmill Community Centre. A Gardening Club is held weekly and is free for anyone to attend. The vegetables and herbs grown are used in the kitchen skills sessions for SAFS Service Users.
- Running holiday clubs along with supporting other local child care providers and sports groups to develop holiday activities.
- Working alongside the local Public Health team to raise awareness on various issues such as promoting the Covid vaccine, hosting Covid-19 vaccination pop up clinics and Health Eating initiatives.



#### **4.1 Refurbishment work Required:**

The Council commissioned Baily Garner to carry out a comprehensive Conditions Survey. The survey was tasked with identifying major areas of repair and any pressing defects needing urgent action. The building was found to be in sound condition, but fixtures and fittings would require upgrading. Based on a thirty-year plan it was considered that the glazing system would require upgrading along with the heating to the building. In addition, a cost assessment of £245,000 was identified for potential works.

#### **4.2 SAFS future plans for the building:**

SAFS plan to continue to run Hurst Road Community Centre as a community facility, supporting the current groups and attracting new community groups and provide new and/or extending services to the Centre. They will increase footfall and usage by residents and SAFS current families and Windmill user groups.

They will improve accessibility for people with disabilities, accessing community venues and main stream venues for disabled children, young people and adults is a constant barrier and a block and it affects the individual's emotional health and mental health and their overall wellness/wellbeing, where there is also a physical barrier.

Will continue to run clubs / sessions for adults and children with disabilities, enabling current activities at the Windmill Centre to expand to a second venue.

Upgrade interior space including areas highlighted by SMBC's Conditions Report 2022.

To develop an outdoor space on the site, including community garden and play facilities, with potential for some additional of road parking space.



Using networks, social media and community engagement will encourage residents/young people/families to be part of the centres development by providing activities, community fun days, MP surgeries, pop up vaccination clinics; training opportunities and will signpost where necessary to ensure all residents local to the Centre have access to the best support and services available.

Will work with stakeholders across the council to develop doorstep services for individuals and families who may be difficult to reach and seen as vulnerable and need additional support.

To support wellbeing within the local community by providing an accessible and safe space/place. Promote intergenerational relationships/working to create a learning and support environment.

## 5 Risk Management

- 5.1 The Council recognises that with any asset transfer there is an element of risk both to the Local Authority and the voluntary sector organisation taking on the asset. As such the council has followed a stringent selection and assessment process. This will be supplemented by a regular monitoring agreement that will ensure that all objectives are still being met.
- 5.2 Initial selection of the organisation was based on agreed criteria that included governance arrangements, organisations previous track record and viability of future plans. This process was supported by Sandwell's CVO.
- 5.3 Following initial selection a further assessment of SAFS proposed business case has been undertaken, this includes assessing the organisations current financial position their ability to attract resources and the potential social value to the local community. In addition, SAFS business plan is also approved by the Investing in the Voluntary Sector Group which incorporates officers from across council.



- 5.4 On-going monitoring of the lease is managed under the terms of an Agreed Statement which sets out criteria, including up to date accounts business plan, governance and usage details, that the management organisation must adhere to, to maintain the terms of the lease. The Agreed Statement is reviewed on an annual basis by the Council's Voluntary Sector Support Team. The Council maintains the right to terminate the lease if agreed outcomes are not met.
- 5.5 To mitigate risk to the management organisation the Local Authority will ensure a rolling tenant only break is included in the lease, this will ensure SAFS have an exit opportunity should they encounter financial difficulty in future.
- 5.5 The Local Authority views Asset Transfer as a potential tool to secure the long-term future of community-based assets. Transfer of assets is not viewed as a tool to dispose of property but a way to develop meaningful and long-term relationships with the local voluntary sector for the benefit of all residents. Following a lease agreement the local authority will continue to work in partnership with SAFS to mitigate future risks and ensure success of Hurst Road.

## 6 Alternative Options

- 6.1 To retain SMBC operational management the site requires significant investment which will potentially be a financial pressure on Asset Management. Revenue budgets would also have to be identified for SMBC to operationally manage the site

This would not signal to the wider voluntary and community sector that we value their contribution as partners and want to use asset transfer as a positive tool for enabling the development of enterprising and sustainable organisations with a long-term stake in the area.

## 7 Implications

<b>Resources:</b>	Capital investment required to site £245,000 estimated over 30 years.
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	<p>Until March 2022 the council gave a grant of £25,300 pa to a local voluntary organisation towards the running costs of the building.).</p> <p>Average annual council Property Maintenance £4,755 (last 3 years).</p> <p>Nominal annual saving from Business Rates.</p> <p>The current market rental is £5,600pa.</p> <p><b>Total estimated savings to the Local Authority (Housing and Property Maintenance - £30,055</b></p> <p>In addition to annual revenue savings SAFS will also be responsible for all property insurances – In the event of significant loss or damage the council will no longer be liable</p> <p>Any potential future investment plans or the site can now be re-directed.</p> <p>The lease does not contain any element of additional grant funding for the management organisation. No further Grant Aid payments will be made by the Local Authority to maintain or support building or operational costs.</p>
<b>Legal and Governance:</b>	<p>Section 123 of the Local Government Act 1972 permits a principal Council to dispose of land in any way it wishes, except that it shall not (without the Secretary of State's consent) dispose of land for a consideration less than the best that can reasonably be obtained.</p> <p>The Secretary of State has issued a General Disposal Consent in 2003 (Circular 06/03) which states that specific consent is not required for the disposal of any interest in land which the authority considers will help it to secure the promotion or improvement of the economic, social or environmental well-being of its area. Where applicable, authorities should also have regard to their community strategy. Any disposal must not have an undervalue of more than £2M</p> <p>Section 5 of the council's policy on Land and Premises for the Voluntary and Community Sector</p>



	(2012) sets out the council's approach will usually be through a 99-year lease at a reduced rental.
<b>Risk:</b>	SAFS have a proven track record in securing funding for capital and revenue projects. They understand the costs of running the building and its income generating potential. When they leased Windmill Community Centre in 2016 they were able to make building improvements. They will plan a phased approach to completion of the refurbishment of Hurst Road Community Centre.
<b>Equality:</b>	A focus of the work of SAFS is support for people with disabilities, and to provide an inclusive service.
<b>Health and Wellbeing:</b>	Many of the services provided by SAFS improve the health and wellbeing of vulnerable residents, from domiciliary care and therapy sessions to young people's activity and nursery provision.
<b>Social Value:</b>	As a community anchor organisation, SAFS employs many local people. They provide staff and volunteers with opportunities to develop their skills and knowledge and build their confidence. Attracting funding from external sources will help to support Sandwell's local economy.
<b>Climate Change:</b>	A recently commissioned energy report (see attached) has made several recommendations to improve the energy footprint of the site and energy performance. SAFS intend to use this information to improve the building. Improved usage and access to green space surrounding the building.
<b>Corporate Parenting</b>	Helping looked after children and care leavers to gain access and make best use of local services. Opportunity to listen to young people to give a voice to their opinions. Development of new local services that meet the needs of young people.

## 8. Appendices

None

## 9. Background Papers

None

