

MAYORAL RECOMMENDATION

BELLE VALE, EVERTON, KIRKDALE, KNOTTY ASH &
YEW TREE WARDS
PUBLIC



NW/1

Cabinet Member: Councillor Steve Munby Cabinet Member – Neighbourhoods & Waste Services	Director: Nick Kavanagh, Director – Regeneration & Employment Services Ron Odunaiya, Director – Community Services
Date of submission: 1 st August 2014	Subject:– Asset Transfer Integrated Youth and Play Service Facilities
Report No: CS/19/14 Background papers:	Contact Officer: Cathy Griffiths Cathy.griffiths@liverpool.gov.uk Nick Flanagan Nick.flanagan@liverpool.gov.uk
Executive summary: As a contribution to the Councils requirement to save £156m over the next three years, the Integrated Youth and Play Service will be required to reduce the cost of the service by 50%. As a result of the budget reductions a refocus in service delivery has been planned and evaluated that will result in a number of assets being surplus to operational requirements. A report was presented to Cabinet on 21 st March seeking approval to seek expressions of interest and identify organisation suitable to take over Liverpool City Council Youth and Play buildings. This report now advises of the proposed disposal of the premises through medium term leases to third sector / voluntary groups. Whilst at peppercorn rents the full cost of the properties will now contribute towards the service cost reduction targets. The proposal; will also bring capital investment into the properties. Background The Integrated youth and play service currently provide a range of services including direct service provision from a number of Liverpool City Council owned buildings, these are:	

- Mab Lane Youth and Play centre , Croxdale Rd West , L14 8YA
- Knotty Ash Youth and Community Centre , 251 East Prescott Rd, L14 5NA
- Walton Adventure Playground and Centre , Walton Hall Park, Walton Hall Avenue L4 9XP
- Childwall Youth Centre , Lyndene Rd , L25 1NG
- ZAP Play Centre , 2 Barnes St , L6 5LB
- Epsom Street Play Centre , Goodwood St , L5 2QT

Service delivery is being refocused to target work with individual and groups of young people and to support ward based voluntary organisations. The above buildings have become surplus to requirements as ratified by Cabinet on 21 March 2014.

Expressions of interests were advertised to community and voluntary organisations through Liverpool Council for Voluntary Services and interested organisations were required to complete an application form detailing the proposed use of the building and the finances available to run and maintain the building.

Applicants were scored against set criteria and shortlisted applicants were invited to an interview to discuss their application in more detail.

As a result of this process the following organisations are recommended as suitable to acquire the Liverpool City Council buildings;

**Knotty Ash Youth and Community Centre –
Duke of Edinburgh Awards organisation.**

D of E intend to locate their Northern Regional office at Knotty Ash. This will be both an administrative base and an open awards centre for young people who are not able to complete the award at school or college. The centre has a music facility which was funded by UK Music , they have been consulted on the asset transfer proposal and would like to see continued use of the music facility for young people. There are approx. 3,500 young people completing Duke of Edinburgh Awards in Liverpool and 700 of these young people are specialising in music as part of their award and they will have full use of the facilities in Knotty Ash. The Duke of Edinburgh organisation has also identified capital funding which they would wish to invest in the building. They will consult with the community groups who currently use the building to accommodate their needs.

**Mab Lane Youth and Play Centre –
Merseyside Society for Deaf People**

MSDP currently run a youth club at their site in Queens Drive , this site is being redeveloped and they are looking to permanently relocate their youth

and play provision. MSDP want to develop fully inclusive youth and play sessions and have proposals in place to involve young people and the local community in the centre. They have indicated they are willing to accommodate several local community groups within the centre and will work with the groups to develop a comprehensive offer to the community and young people. MSDF have capital funding available to invest in the building.

**Childwall Youth Centre –
Childwall Valley Estate Management Board**

The board is comprised of local residents who manage the estate on behalf of Riverside Housing. They have held residents meetings to consult on the future use of the youth and community centre and intend to move some administrative base into the centre and continue to facilitate youth and community activities and programmes. Riverside are providing financial support to EMB to ensure the continuity of the centre for local residents. They have capital funding available to invest in the building.

**ZAP Play Centre –
Daisy Inclusive UK**

The aim of Daisy is to support young people and adults (both disabled and non-disabled) to participate in sports, arts , educational and community activities. They have a base in the Old Swan area and are looking to expand their provision across the city. They have experience in community development and participation and wish to develop wider community use of the centre. Daisy Inclusive are supported by the Big Lottery and will receive additional support in this location from Liverpool Mutual Homes.

**Epsom Street Play Centre –
Nugent Care**

Nugent Care intend to establish a Community Volunteer Centre to train local young people and adults to volunteer in the local community. They will develop the provision in consultation with the local community and are keen to retain play and youth provision within the centre. Nugent Care is a large well-funded organisation and they have identified capital funding which they intend to invest in the building.

Walton Hall Play Park Centre –

There has not been any interest in the Walton Hall Park Play Centre and this building will be retained until an alternative use can be identified.

Best Consideration

None of the organisations mentioned above offered a rental for the premises, although they have all agreed to take over the premises with no financial assistance from the Council regarding running costs. This will enable cost

reductions to be used against service budget options. The proposals also include a level of capital investment into the premises which promote sustainability and reduce ongoing revenue costs to the users.

All the organisations are to be offered a 10 year business lease at a peppercorn rent from a date to be agreed. The lease will contain such other terms as within the City Council's standard lease and will be non-negotiable.

In granting peppercorn leases to the respective organisations it will be treated as a sale at less than best price. Under the provisions of s123 of the Local Government Act 1972 "except with the consent of the Secretary of State, a Council shall not dispose of land.... for a consideration of less than best price that can reasonably be obtained." The Local Government Act: General Consent Order 2003, however removes the requirement to seek specific consent for any disposal of land where the difference between the unrestricted value of the interest to be disposed of and the consideration accepted is £2,000,000 or less and provided that the disposal contributes to:

- the promotion or improvement of economic well-being
- the promotion or improvement of social well-being
- the promotion or improvement of environmental well-being

The capitalised market value of the lost leasehold income if the premises were used for the similar purposes over the 10 year term is in the region of £356,000. Offering peppercorn rent enables the organisations to draw in additional capital funds.

The scheme will improve or promote the environmental and social well-being objectives by securing third sector use of the building and facilities to enable continuation of provision for communities and young people

Mayoral Recommendation:

That –

- (i) Approval be granted for the City Council to grant the organisations listed below a 10 year lease at a peppercorn ground rent of the following premises otherwise on terms stipulated by the Head of Property & Asset Management Services.
- (ii) no future financial contributions be made from the City Council towards the running of the premises
 - a) **Merseyside Society for Deaf People** – Mab Lane Youth and Play centre.
 - b) **Duke of Edinburgh** – Knotty Ash Youth and Community Centre
 - c) **Childwall Valley Estate Management Board** – Childwall Youth Centre
 - d) **Daisy Inclusive UK** – ZAP Play Centre
 - e) **Nugent Care** – Epsom Street Play Centre

Mayor's Priorities

By facilitating third sector use of surplus buildings we are strengthening civic pride, community cohesion and supporting neighbourhoods.

Corporate Aim(s):

By enabling third sector use we are building strong, attractive and accessible neighbourhoods by developing a shared sense of identity and community pride.

Key Decision:

Yes.

28 Day Notice.

Yes.

Implementation effective from:

8th August 2014 onwards.

Timescale for action:

Lease negotiations with the above organisations to start immediately.

Reason(s) for Recommendation:

- To realise financial savings on buildings that are surplus to operational requirements whilst exploring options that will continue to benefit the community.
- The proposed process is robust and will ensure that any proposals from third sector organisations are robust and sustainable.

Alternative options considered:

- Direct negotiations with interested parties. This will not provide Liverpool City Council to explore alternative providers.
- Commercial disposal to maximise capital receipts. This would not necessarily result in added social well-being to the wider community.

Consultation including consultation with Ward Councillors and outcome:

The Cabinet member has been consulted and is supportive of this proposal.

Financial implications (Efficiency Savings):

Until the buildings are disposed of the City Council will still incur the costs of business rates, fixed utility costs and security charges.

Once premises are sold or leased the revenue liability for costs on the Council will be removed. A net running cost for the above costs for all five centres in 2014/15 is forecasted to be approximately £125k per annum. These costs will be saved on transfer to the new organisations

Organisations will attract capital investment into the premises to promote sustainability of use and costs going forward.

These savings will contribute towards the agreed 2014-17 budget options for the Youth and Play Service.

Legal implications:

Legal services will document the disposal of the properties.

Risk Management:

When selecting the groups to use the building the viability of the organisation and their finances was be scrutinised. The terms of the lease / licence will contain a termination clause for either party.

Equality implications/Equality Impact Assessment:

The process to select the groups will ensured maximum benefit to the community. Demonstrating commitment to equal opportunity policy and practice formed part of the evaluation of expressions of interest.

Report attached:

None.

Agenda Item – 4 (a) –
Asset Transfer - Integrated Youth & Play Services
(NW/1)

Addendum to Cabinet Report

An application has been received this week from Alt Valley Community Trust expressing interest in the asset transfer of Walton Adventure Playground and Centre.

Alt Valley Community Trust (AVCT) currently manage the Walton Park sports centre and the Integrated Youth and Play Service playground and playcentre is immediately adjacent to the sports centre building.

The Trust plan to incorporate the use of the play centre into the programme of sports and well –being provided at the sports centre and use the centre as an activity base for children and young people in the local area.

Adding the play centre into the existing AVCT facility will enable them to extend their provision and will ensure the centre is still available to be utilised by young people in the community.

The lease arrangements as specified in the main cabinet report will apply to this transfer and AVCT have the financial resources available to maintain the play centre.

Revised Recommendation

It is therefore proposed that the Cabinet Recommendation be revised and expanded to include the transfer of the Walton Adventure Playground. The text of the revised recommendation being that –

- (i) approval be granted for the City Council to grant the organisations listed below a 10 year lease at a peppercorn ground rent of the following premises otherwise on terms stipulated by the Head of Property & Asset Management Services;
- (ii) no future financial contributions be made from the City Council towards the running of the premises;
 - a) **Merseyside Society for Deaf People** – Mab Lane Youth and Play Centre;
 - b) **Duke of Edinburgh** – Knotty Ash Youth and Community Centre;
 - c) **Childwall Valley Estate Management Board** – Childwall Youth Centre;
 - d) **Daisy Inclusive UK** – ZAP Play Centre;
 - e) **Nugent Care** – Epsom Street Play Centre
 - f) **Alt Valley Community Trust** – Walton Adventure Playground; and

- (iii) the organisations identified above will be required to certify that there are no state aid implications for themselves in taking the asset on a less than best price lease agreement.