

23 March 2015

Agenda Item: 4

REPORT OF SERVICE DIRECTOR TRANSPORT, PROPERTY & ENVIRONMENT

LICENCE OF MIDDLE STREET, BEESTON

Purpose of the Report

1. To seek approval for a Service Level Agreement (SLA) and Licence for occupation to be signed between Nottinghamshire County Council and the Beeston Community Resource Charitable Incorporated Organisation (BCR CIO). The SLA describes the purpose for which BCR CIO will be entitled to use Middle Street Resource Centre between 1 April 2015 and 31 March 2016. The SLA is attached as **Appendix B**, and the terms of the Licence attached as **Appendix A**.
2. To note that, if the licence is successful, that a further report will be presented to Committee seeking approval to issue a longer lease.

Information and Advice

3. The site on Middle Street in Beeston was purchased by the County Council in 1970 from Beeston & Stapleford Urban District Council for the purpose of building and operating a 'Psychiatric Day Centre'. Construction of the new building was completed in 1972 and a day centre with a mental health focus has operated on the site since that time.
4. The day centre was refurbished in early 2013 including providing office space in part of the building.
5. The day service for people with mental illness integrated into the former Barncroft Centre (Sunnyside Road, Chilwell) to form the Broxtowe Day Service in 2013. After refurbishment of the Middle Street building, it was used as a base both for day service activities and for the operation of Mental Health Co-production.
6. From March 2014, the day service ceased to operate from the Middle Street base as it became more efficient to concentrate staffing and activities at the main day service site in Chilwell. Mental Health Co-production continued to operate from the Middle Street base and a variety of new community initiatives have been encouraged to flourish in the sections of the building that were no longer being used by the day service.
7. As part of the day service savings programme agreed by Full Council in February 2014, it was agreed that the day service will release the Middle Street building-

related budgets as a recurrent saving, since the service had no further use for the building.

8. The office accommodation within Middle Street is still required and will be used by the Broxtowe and Hucknall Community Mental Health Team, which is relocating some of the staff from the NHS property in Beeston known as the Hope Centre.
9. The Committee is no doubt aware that under the 'Redefining Your Council' the County Council is committed to protecting front-line services and improving the lives of local people. To achieve this objective the County Council will, inter-alia, collaborate and partner with charitable trusts and voluntary organisations to provide care and support to those who need it.
10. Beeston Community Resource (BCR), which is in the process of becoming a Charitable Incorporated Organisation (CIO) have asked for the opportunity to occupy the non-office accommodation and to make the Centre available for use by the existing mental health service users. They propose to maintain the existing activities of music, gardening, crafts and educational courses together with a widening range of support services and to make the centre available and used by the local community. No other groups have been approached to be given this opportunity as the BCR are acknowledged as representing the existing users of this facility.
11. BCR CIO's vision for Middle Street is that it will welcome and support anyone in the local communities who is suffering from mental illness or distress, is experiencing social exclusion for any reason or requires assistance in developing the capacity and skills to overcome social disadvantage. BCR CIO intends to make Middle Street available to serve a wide range of community activities and interests. This will not only maximise its usefulness for the local community in general, but will also provide additional opportunities for activities across a wide spectrum of participants, encouraging social interaction and helping to dispel the stigma which often attaches to disability and social isolation.
12. The basis for this licence is to provide for one year of occupation by the Beeston Community Resource free of any charges. This will give the group time to manage the income from their part of the centre to prove that it would in future years be viable for them to contribute to the running costs. During this year, BCR CIO is expected to:
 - generate sufficient new income to show that BCR CIO will be able to cover the on-going costs of their proportion (66.7%) of the building in future, by hiring out rooms to external organisations and submitting successful funding bids for grants
 - meet the outcomes specified in the SLA
 - adhere to the terms and conditions detailed in the Licence.
13. The vision of BCR CIO as set out above support the County Council's new approach to delivering services to local people through innovative service models and is therefore considered complimentary to its functions.

14. The total budget for building-related expenses at Middle Street was £79,000 in 2014/15. This is the sum that will need to be made available to continue to run Middle Street in 2015/16. It is proposed that this funding is transferred from the ASCH Day Service hierarchy to the Younger Adults South hierarchy for 2015/16. The management of caretaking and cleaning staff, who are NCC employees, will be retained by Corporate Facilities.
15. BCR CIO has developed a Business Case which outlines their aims and expectations in relation to funding and this is attached as **Appendix C**.
16. If BCR prove their viability an updated business case will be submitted as per the requirements of the Community Asset Transfer Policy which will identify how the organisation is able to support the Council's corporate objectives. Any lease will need to be at market rental level and it will be for BCR to outline in the business case how its activities meet corporate objectives to justify the difference in value between market rent and rent payable.
17. Regular monitoring reports against the outcomes specified in the SLA will be prepared by BCR CIO, so that progress can be tracked and support offered to BCR CIO by the Council as necessary. Monitoring will be undertaken by the ASCH & PP Department.
18. Regular discussions will be held between BCR CIO and the Council particularly concerning the operation of the building itself and compliance with the Licence, so that issues arising between BCR CIO and the Community Mental Health Team (CMHT) can be resolved as quickly as possible. These discussions will involve representatives from Corporate Property as well as the CMHT.
19. The intention of all involved parties is that the current positive relationship between BCR CIO and the Council will develop further over time; it is anticipated that the arrangements will evolve to ensure mutual benefit and satisfactory working practices are in place.
20. The licence potentially represents a transfer at less than best value, as defined by s123 Local Government Act 1972. Paragraph 20.3.6.1 of the Council's Financial Regulations provide that, where only one party is interested or is to be invited to submit a signed contract, the Service Director, Transport, Property and Environment, in consultation with the Chairman of Finance and Property Committee shall take a decision after discussing the circumstances with the Group Manager for Legal Services and the Section 151 Officer.
21. The circumstances which permit the Authority to depart from the requirement to achieve best value are contained in the General Consent Order [The Local Government Act 1972: General Disposal Consent (England 2003)]. The Order lays down no specific process, but simply requires that the following matters are considered:-
 - i. The local authority considers that the purpose for which the land is to be disposed is likely to contribute to the achievement of any one or more of the following objects in respect of the whole or any part of its area, or of all or any persons resident or present in its area;

- The promotion or improvement of economic well-being;
- The promotion or improvement of social well-being;
- The promotion or improvement of environmental well-being;

And;

- ii. The difference between the unrestricted value of the land to be disposed of and the consideration for the disposal does not exceed £2,000,000 (two million pounds).
22. This proposal satisfies Paragraph 14, economic and social well-being and is less than £2,000,000. BCR CIO's aims are consistent with Nottinghamshire County Council's Strategic Plan Priority 4 'Providing Care and Promoting Health', and with the proposed strategic priorities in the 'No Health without Mental Health, Nottinghamshire's Mental Health Framework for Action (2014 – 2017)'. The Adult Social Care Strategy also supports this development as it emphasises that "we must focus resources on support that prevents delays and reduces the need for care and support.... we will expect to share responsibility with individuals, families and communities to maintain their health and independence".

Other Options Considered

23. Other options considered include a) selling the whole site or b) using all of the building for office accommodation.

Reason/s for Recommendation/s

24. The option for BCR CIO to take over the management of the Middle Street building from April 2015 under Licence, and contribute towards their share of the building-related costs from April 2016, is the preferred option because it establishes an innovative partnership arrangement which encourages beneficial voluntary sector activity, which supports the strategic aims of the Council, and has the potential to reduce the costs to the Council over time.
25. The alternative options (see paragraph 19) have been rejected for the following reasons:
- a) this option will provide a capital receipt but all current beneficial community activity will cease and the office accommodation for the CMHT staff will need to be provided elsewhere, at a cost to the Council.
 - b) this option will still require building running costs to be met by the Council but beneficial community activity will cease. To convert the remainder of the building into office space will require considerable additional capital expenditure.

Statutory and Policy Implications

26. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, the NHS Constitution (Public Health only), the public sector equality duty, safeguarding of children and vulnerable adults, service users, sustainability and the environment and ways of

working and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Financial Implications

27. The financial implications are that the current budget for building-related expenses at Middle Street needs to be retained for 2015/16 but transferred from the day service hierarchy to the Younger Adults South hierarchy for 2015/16.

Human Resources Implications

28. Monitoring work will need to be undertaken by an Officer from the ASCH & PP Department. Corporate Property and a member of the CMHT will be involved in joint meetings with BCR CIO to ensure effective operation of the Middle Street building. Current staff management of the caretaker and cleaner will continue.

Public Sector Equality Duty Implications

29. The implications of this recommendation are that activities to deliver social benefit and emotional well-being will continue to be provided and expanded at Middle Street, for people with mental illness or distress, and anyone who is experiencing social exclusion for any reason or requires assistance in developing the capacity and skills to overcome social disadvantage. There is no Equality Impact Assessment as this proposal does not produce any identified negative impacts on people with disabilities.

Implications for Service Users

30. The recommended proposal will ensure that anyone in the local community, who is suffering from mental illness or distress, is experiencing social exclusion for any reason or requires assistance in developing the capacity and skills to overcome social disadvantage will continue to be welcome at Middle Street. BCR CIO intends to make Middle Street available to serve a wide range of community activities and interests. This will not only maximise its usefulness for the local community in general, but will also provide additional opportunities for activities across a wide spectrum of participants, encouraging social interaction and helping to dispel the stigma which often attaches to disability and social isolation.

Implications for Sustainability and the Environment

31. This proposal sets in place an arrangement which aims to improve the financial sustainability of the Middle Street building from 2016, assuming that the viability of the BCR CIO business case is proven during 2015/16.

Ways of Working Implications

32. The CMHT will be able to move into the office accommodation at Middle Street, which is more appropriate than current accommodation at the Hope Centre.

RECOMMENDATION/S

It is recommended that Members: -

- 1) Approve the granting of a one year Licence and Service Level Agreement to Beeston Community Resource to occupy part of the former Middle Street Day Centre on the basis outlined in this report.
- 2) Note that if the licence is successful a report will be brought to consider the granting of a further lease and ongoing SLA.

Jas Hundal

Service Director – Transport, Property & Environment

For any enquiries about this report please contact: Gerry McKeown 0115 9773617

Constitutional Comments (SOM 23.02.2015)

33. Provided that the Group Manager for Legal and Democratic Services and the S151 Officer approve this transaction in accordance with the Council's Financial Regulations the recommendation falls within the remit of the Finance and Property Committee by virtue of its terms of reference.

Financial Comments (GB 11.03.2015)

34. The financial implications are set out in paragraph 23.

Background Papers and Published Documents

35. Report on Middle Street to Finance and Property Committee, approved 23rd March 2015

Annual Budget Report 2014/15 Appendix C, approved by Full Council on 27th February 2014

Nottinghamshire County Council's Strategic Plan, 2014 - 2018

'No Health without Mental Health – Nottinghamshire's Mental Health Framework for Action, approved by the Health and Wellbeing Board meeting held on 3 September 2014.

Adult Social Care Strategy, approved at the Full Council meeting held on 27 March 2014.

Redefining Your Council strategy - approved at the Policy Committee meeting held on 7th May 2014.

Electoral Division(s) and Member(s) Affected

36. Ward(s): Beeston South and Attenborough
Member(s): Councillor Kate Foale

File ref.: /GM/SB/06164

SP: 2804

Properties affected: 06164 - Beeston Day Services