

Report to Cllr Jeremy Hunt, Cabinet Member for Finance and Property

November 2022

Property and Assets: former Bognor Find It Out Centre – Grant of Community Asset Transfer Lease

Report by Andrew Edwards, Assistant Director of Property and Assets

Electoral division: Bognor Regis East

Summary

West Sussex County Council (WSSCC) owns the freehold estate of buildings known as the former Bognor Regis Find It Out Centre and 39 Club annexe, Glamis Street, Bognor Regis, PO21 1DB. It is proposed the County Council grants a 25-year lease to The 39 Club including the carpark and outdoor space as per the plan attached as Appendix A.

The Find it Out Centre was declared surplus to operational requirements and identified as suitable for a Community Asset Transfer. The 39 Club, supported by Sussex Clubs for Young People, was selected as the preferred lessee following a two stage Community Asset Transfer process.

Recommendations

The Cabinet Member for Finance and Property is asked to approve

- (1) That the County Council grants a lease of the former Bognor Find It Out Centre and annexe to The 39 Club, subject to agreement and final terms for 25 years at nil rent per annum; and that
- (2) Authority is delegated to the Director of Property and Assets in conjunction with the Director of Law and Assurance to negotiate, agree and conclude the terms of the lease.

Proposal

1 Background and context

- 1.1 Our Council Plan sets out the County Council's corporate priorities, including a commitment to help people and communities to fulfil their potential.

- 1.2 The former Bognor Find It Out Centre was declared surplus to the County Council's operational requirements as part of the Key Decision to review the Early Help Service taken in July 2021, ref CAB02 (21/22).
- 1.3 The centre subsequently closed in November 2021 and the Find It Out service relocated to the Arun West Family Hub in Bognor Regis.
- 1.4 The annexe at the Find It Out Centre has been leased to The 39 Club since 2015 for a term of 10 years. The lease is due to expire in 2024. The 39 Club have run a youth club in Bognor since 1958. It has been agreed with The 39 Club that they will surrender back to WSCC, the lease of the annexe simultaneously with the grant by WSCC of a new lease of the whole premises.
- 1.5 The property is located adjacent to the St Marys Roman Catholic School playing field which is held under freehold by the County Council. See **Appendix A**. The Find It Out property can only be accessed through the school car park, across a public right of way (which is maintainable highway), known as Church Path and through a second school car park area owned by the County Council. The school has use of the carparks and use of the playing field, access rights to the tenant will be granted for the purposes of this lease as per the area shaded brown of **Appendix A**.
- 1.6 Following the closure of the Find It Out Centre an option appraisal was undertaken. It was decided that due to the restricted access, history of the property and the considerable community interest registered during the Early Help Consultation process, this property was suitable as a potential Community Asset Transfer by way of a 25-year lease.
- 1.7 The County Council supports the principle of the transfer of community assets in order to empower and strengthen local communities. The Council believes that transferring appropriate public assets to communities leads to more responsive services that better meet local people's priorities.
- 1.8 Transfer of an asset can also provide the opportunity to channel more resources into a community and provide a more accessible and responsive base from which to deliver local services.
- 1.9 Constituted community groups, charitable organisations, voluntary groups and Town and Parish Councils working in partnership with local community groups were invited to apply for transfer of these properties.
- 1.10 The Council promoted that it was looking for suitable organisations that would be able to demonstrate, through a selection process, the ability to take on, manage and maintain the selected asset through a full repairing and insuring lease, with terms to be agreed with the tenant, subject to contract.
- 1.11 Three organisations bid at Stage One, the Formal Expression of Interest. This submission involved an overview of what the interested organisations were looking to utilise the building for and a demonstration that they had community support.
- 1.12 Once formal Expression of Interest submissions were considered, two prospective interested organisations were invited to submit their full business and delivery

plans with more detail; including finances, a management plan, governance details of the organisation and a range of supporting documentation demonstrating how their proposal would align with priorities within the Our Council Plan.

- 1.13 On consideration of the bids a panel of subject matter experts recommended to the Cabinet Member of Finance and Property that The 39 Club, supported by Sussex Clubs for Young People, was the preferred bidder.
- 1.14 In the submission the bidder set out that they intend to use the building as a youth and community hub, as well as a safe space for young people to seek support for their aspirations, mental health, and well-being.

2 Proposal details

- 2.1 The proposal is for WSCC to grant a 25 year lease of the Find It Out Centre including the Annexe as per the area hatched on the attached plan **Appendix A** with access rights over the area shaded brown on the same plan. The lease will be conditional upon The 39 Club simultaneously surrendering their current lease of the Annexe to WSCC.
- 2.2 There is no rental obligation in the new lease with the rent being nil per annum for the whole term. The tenant will be responsible for all repairs, maintenance, full compliance with Health and Safety matters and relevant legislation, (including asbestos monitoring, fire safety and safeguarding compliance), insurance, rates, utilities and for paying all other outgoings at the property.
- 2.3 The lease will restrict the use to community and education use and will allow for local hiring agreements with organisations providing similar services.
- 2.4 It is proposed that the Cabinet Member for Finance and Property agrees to this transaction being concluded by delegated authority to the Director Property and Assets in conjunction with the Director of Law and Assurance.

3. Other options considered (and reasons for not proposing)

- 3.1 **Do Nothing:** This option has been discounted as it would leave the property indefinitely vacant and incurring holding costs.
- 3.2 **Dispose of the Property:** This option has been discounted due to the location adjacent to a school and access issues which prevent the property being sufficiently isolated from the school demise.

4. Consultation, engagement and advice

- 4.1 The Local Member for Bognor Regis East has been consulted. The following County Council teams were included in the panel of advisors selecting the preferred bidder;- Property and Assets, Partnerships and Communities Team, Finance, and the Community Safety and Wellbeing Team,

5. Finance

5.1 The proposal does not generate a revenue income, however, there will be a reduction in running costs of approximately £8,000 per annum. This will contribute to the savings delivered from changes to asset use following the redesign of the Early Help Service in 2021/22.

5.2 Capital consequences - Due to the constraints of access and location the property is considered unsuitable for disposal. Therefore, although there is a lost opportunity for a capital receipt, this proposal does reduce maintenance and running costs as detailed above.

5.3 The effect of the proposal:

(a) **How the cost represents good value**

This opportunity presents a good opportunity for the local community to work together supporting local priorities and releases the County Council from expenditure required to run the property.

(b) **Future savings/efficiencies being delivered**

This proposal will avoid the cost of holding a vacant property and the day to day running costs of an operational asset. It will also avoid expenditure on capital investment that may be required in due course.

(c) **Human Resources, IT and Assets Impact**

HR implications – none

IT implications – none

Asset Implications – The property will no longer be part the Council's directly managed portfolio.

Net Carbon Zero target – This proposal will in effect reduce the carbon emissions the County Council is directly responsible for.

6. Risk implications and mitigations

| Risk | Mitigating Action (in place or planned) |
|------------------------------|---|
| The Tenant does not proceed. | <ul style="list-style-type: none">• Heads of Terms have been agreed and solicitors are dealing with the documentation.• If the tenant does withdraw a further option appraisal will be considered. |
| | |

7. Policy alignment and compliance

7.1 There are no direct implications arising from the proposal on climate change, crime and disorder, public health or social value.

7.2 Section 149 of the Equality Act 2010 requires that public bodies, in exercising their functions, have due regard to the need to (1) eliminate discrimination, harassment, victimisation and other unlawful conduct under

the Act, (2) advance equality of opportunity and (3) foster good relations between persons who share a protected characteristic and persons who do not share it. The opportunity has been made available to all local community groups as part of the Community Asset Transfer process.

- 7.3 The proposal supports the [Asset Management Policy and Strategy 2022/23 to 2025/26](#) which has a key objective to ensure an options appraisal of all potentially surplus assets giving due consideration to a range of options including social, community or environmental use. Further it complies with the objective that if appropriate the County Council will follow the Community Asset Transfer process, ensuring any organisation taking over an asset has the competency, capability and capacity to do so with a financed business plan and checked by the finance team if appropriate.

Andrew Edwards

Assistant Director of Property and Assets

Contact Officers:

Elaine Sanders, Head of Assets, elaine.sanders@westsussex.gov.uk

Sally Adams: Valuation & Estates Manager sally.adams@westsussex.gov.uk

Appendices

Appendices A - Lease Plan

Background Papers

None