BEDFORD BOROUGH COUNCIL **DECISION NO. 1326**

RECORD OF EXECUTIVE DECISION TAKEN BY AN EXECUTIVE MEMBER

This form **MUST** be used to record any decision taken by the Elected Mayor or an individual Executive Member (Portfolio Holder).

The form must be completed and passed to the Service Manager (Democratic & Member Services) no later than NOON on the second working day after the day on which the decision is taken. No action may be taken to implement the decision(s) recorded on this form until 7 days have passed and the Service Manager (Democratic & Member Services) has confirmed the decision has not been called in.

1. Description of decision

To agree to a request from Bedford Recovery Centre, (formerly BeCHaR) for the deed of covenant in respect of 12 Prebend Street to be transferred to SMART Criminal Justice Services subject to the same security, terms and conditions and to authorise the Assistant Chief Executive (Governance and Human Resources) to make the necessary arrangements to effect the transfer, Bedford Recovery Centre/SMART Criminal Justice Services being required to meet all associated disbursements.

2. Date of decision

28 February 2017

3. Reasons for decision

To facilitate the merger of the two organisations and the continued provision of homelessness services from the Prebend Street Day Centre following the merger of the current service provider Bedford Recovery Centre (formerly BeCHaR) with another charity and to maintain the Council's current security against the value of the property.

4. Alternatives considered and rejected

The alternative of rejecting the request for a transfer was considered. If the transfer of the deed of covenant from Bedford Recovery Centre (formerly BeCHaR) to SMART CJS is not approved then the proposed merger will not take place which may place the long-term future of the day centre in jeopardy. Therefore, this option was rejected.

5. How decision is to be funded

No funding is required and the Council will continue to hold the same financial security against the property at 12 Prebend Street.

6. Conflicts of interest

Name of all Executive members who were consulted AND declared a conflict of interest.	Nature of interest	Did Standards Committee give a dispensation for that conflict of interest? (If yes, give details and date of dispensation)	Did the Chief Executive give a dispensation for that conflict of interest? (If yes, give details and the date of the dispensation).

The Mayor has been consulted on this decision | N/A

Signed Dan Hodgson Date 28/2/17 Name of Decision Taker MAYOR DAVE HODGSON

This is a public document. A copy of it must be given to the Service Manager (Democratic & Member Services) as soon as it is completed.

Date decision published: 1 March 2017

Date decision can be implemented if not called in: 10 March 2017.

(Decision to be made exempt from call in.....~~YES~~ or NO.....)

For publication

Bedford Borough Council – Report to the Mayor

Date of Report: February 2017

Report by: Service Manager - Housing

Subject: TRANSFER OF THE DEED OF COVENANT FOR THE PREBEND DAY CENTRE FROM BEDFORD RECOVERY CENTRE (FORMERLY BECHAR) TO SMART CJS

1. Executive Summary

An agreement between the Bedford Recovery Centre (formerly BeCHaR) and SMART Criminal Justice Services (CJS) to merge has been reached between the organisations. This will lead to SMART CJS being the lead organisation running the day centre. There is an existing charge against the property relating to a grant from the Council made in 1992 to enable the purchase of the property at 12 Prebend Street. This charge will need to be transferred from Bedford Recovery Centre (formerly BeCHaR) to SMART CJS in order for the merger to proceed.

2. Recommendations

2.1 **The Mayor is requested *to* agree to a request from Bedford Recovery Centre, (formerly BeCHaR) for the deed of covenant in respect of 12 Prebend Street to be transferred to SMART Criminal Justice Services subject to the same security, terms and conditions and to authorise the Assistant Chief Executive (Governance and Human Resources) to make the necessary arrangements to effect the transfer, Bedford Recovery Centre/SMART Criminal Justice Services being required to meet all associated disbursements.**

3. Reasons For Recommendations

3.1 To facilitate the merger of the two organisations and the continued provision of homelessness services from the Prebend Street Day Centre following the merger of the current service provider Bedford Recovery Centre (formerly BeCHaR) with another charity and to maintain the Council's current security against the value of the property.

4. Key Implications

Legal Issues

4.1 A grant made to BeCHaR, now Bedford Recovery Centre, in 1992 is subject to a deed of covenant between the Council and Bedford Recovery Centre (formerly BeCHaR). This deed of covenant imposes conditions upon Bedford Recovery Centre (formerly BeCHaR) in return for the grant and requires the repayment of the grant in the event Bedford Recovery Centre (formerly BeCHaR) ceases to exist or parts with possession of the property

Policy Issues

4.2 The provision of a day centre is a significant resource which will continue to assist Rough Sleepers and Homeless people in Bedford Borough as outlined in the Homelessness Strategy 2016-21. Continuation of the service will also support the Council's agreed Corporate Plan 2017-2021 goal of helping to Support People.

Resource Implications

4.3 The grant is a contingent asset to the Council under the terms of the deed of covenant and would only be repayable under certain conditions, for example, if the property ceased to be used to assist homeless persons. Bedford Recovery Centre (formerly BeCHaR)/SMART CJS have agreed to meet the cost of any disbursement relating to the transfer, therefore, there are no additional financial implications to the Council transferring the grant.

Risk Implications

4.4 If the Council does not agree to the transfer of the deed of covenant from Bedford Recovery Centre (formerly BeCHaR) to SMART CJS then the proposed merger will not take place. This will place the long term future of the day centre in jeopardy.

Environmental Implications

4.5 SMART CJS have indicated they are willing to invest significant capital into the day centre which will improve its energy efficiency.

Equalities Impact

4.6 In preparing this report, due consideration has been given to the Borough Council's statutory Equality Duty to eliminate unlawful discrimination, advance equality of opportunity and foster good relations, as set out in Section 149(1) of the Equality Act 2010.

4.7 An Equality Analysis relevance test has been undertaken and concluded that this activity has no relevance to Bedford Borough Council's duty to eliminate unlawful discrimination, harassment and victimisation; advance equality of opportunity; and foster good relations. However, should a transfer not be approved this may have implications for the future of the Day Centre and its clients and further consideration would need to be given to the potential equalities impact.

5. Details

5.1 A grant was made from the Council to Bedford Concern for the Rootless and Homeless (BeCHaR) in 1992 to enable the organisation to purchase the property at 12 Prebend Street for the sole purpose of the relief of homelessness. The grant is subject to terms and conditions regarding the use of the property which are secured by way of a deed of covenant in respect of 12 Prebend Street (which forms part of the Prebend Street Day Centre) and require the premises to be used to provide assistance to homeless persons.

5.2 In addition, under the terms of the deed of covenant, Bedford Recovery Centre (formerly BeCHaR) may not dispose of or part with possession of the property without the written consent of the Council (acting in its capacity as Trustee). In the event that Bedford Recovery Centre (formerly BeCHaR) should cease to exist the full amount of the original grant is required to be repaid.

5.3 In recent years BeCHaR, now Bedford Recovery Centre, has experienced difficulties in sourcing funding for its services and has been exploring options to make the day centre more financially sustainable. The organisation has advised that it intends to merge with SMART CJS, a registered charity and company limited by guarantee, which it considers to be the best option for the future provision of the day centre services. However, in order for the merger to progress Bedford Recovery Centre would ordinarily be required to repay the grant in accordance with the terms of the deed of covenant, unless the Council was minded to allow the transfer of the grant to SMART CJS and that organisation was agreeable to accepting the terms and conditions associated with the grant.

5.4 The Mayor is asked to consider the request and, if agreeable, to delegate authority to the Assistant Chief Executive (Governance and Human Resources) to make the necessary arrangements to effect the transfer, subject to the same terms and condition and dependent upon Bedford Recovery Centre and SMART CJS meeting the cost of any disbursements associated with the transfer.

5.5 In addition to the grant outlined in this report the Council in its capacity as the Trustee of the House of Industry Estate also made a grant to Bedford Recovery Centre (formerly BeCHaR) in 1994 to assist with the purchase of the Day Centre. That grant is subject to a similar deed of covenant and the Trustees of the House of Industry Estate Management Committee agreed at its meeting on 17 January 2017 to a transfer of the grant to SMART CJS, subject to the Council also agreeing to a similar transfer.

6. Summary Of Consultations And Outcome

6.1 The following Council units or Officers and/or other organisations have been consulted in preparing this report:

Head of Corporate Policy
Assistant Chief Finance Officer
Head of Legal
Assistant Director – Business Support and Operational Housing

6.2 No adverse comments have been received

Report Contact Officer:	*Andrew Kyle, Service Manager - Housing – 01234 276192*
File Reference:	
Previous Relevant Minutes:	*None*
Background Papers:	*None*
Appendices:	*None*