

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 Head of Members' 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 Head of Members' Services has confirmed the decision has not been called in.

1. Description of decision

- To approve the grant of a 30 year lease of the Knotting and Souldrop Village Hall to the Knotting and Souldrop Village Hall Committee at a rent of £1 (if demanded) at nil premium;
- To approve the inclusion of a requirement for the property to be used for the benefit of the community and for the lease to be terminated should the Committee cease to use it for this purpose;
- To authorise the Head of Property Services to make minor variations to the Heads of Terms, if required as part of the transfer negotiations, following liaison with the Finance & Asset Management Portfolio Holder and Ward Councillor.

2. Date of decision

28 April 2015

3. Reasons for decision

The recommendations will ensure that the village hall will continue to be used and enhanced for the benefit of the community

4. Alternatives considered and rejected

- Transfer the asset to Knotting and Souldrop Village Hall Committee on the terms outlined in this report – this option will ensure that the hall continues to be available for the benefit of the local community;
- Take a surrender of the current lease and sell the asset – this would result in the loss of a valuable community facility within the village.
- Do nothing – The existing lease would need to be renewed, which means that the Parish Council would still have to pay. The lease granted would not give sufficient security to support applications for grant funding.

5. How decision is to be funded

Not applicable

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

Signed *Dave Hodgson* Date *28/4/2015* Name of Decision Taker *MAYOR DAVE HODGSON*

This is a public document. A copy of it must be given to the Head of Members' Services as soon as it is completed.

Date decision published: *29th April 2015*

Date decision can be implemented if not called in: *11th May 2015*

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

Bedford Borough Council – Report to the Mayor

April 2015

Report by the Head of Property Services

SUBJECT: TRANSFER OF KNOTTING AND SOULDROP VILLAGE HALL TO KNOTTING AND SOULDROP VILLAGE HALL MANAGEMENT COMMITTEE

1. Executive Summary

This report recommends the transfer of Knotting and Souldrop Village Hall to the Knotting and Souldrop Village Hall Management Committee at nominal Value under the Transfer of Community Assets Policy. The report outlines the proposal submitted by the Committee, which is a registered charity and the justification for disposing of the land under the Policy at below market value.

2. Recommendations

- (a) To approve the grant of a 30 year lease of the Knotting and Souldrop Village Hall to the Knotting and Souldrop Village Hall Committee at a rent of £1 (if demanded) at nil premium;**
- (b) To approve the inclusion of a requirement for the property to be used for the benefit of the community and for the lease to be terminated should the Committee cease to use it for this purpose;**
- (c) To authorise the Head of Property Services to make minor variations to the Heads of Terms, if required as part of the transfer negotiations, in liaison with the Finance & Asset Management Portfolio Holder and Ward Councillor.**

3. Reason for Recommendations

The recommendations will ensure that the village hall will continue to be used and enhanced for the benefit of the community.

4. Key Implications

4.1 Legal Issues

Section 123 of the Local Government Act 1972 gives powers to Local Authorities to dispose of land in any manner (freehold or leasehold) save that they are required to obtain best consideration reasonably obtainable unless the Secretary of State consents to the disposal. However, The Local Government Act 1972 General Disposal Consent (England) 2003 gives consent for local authorities to dispose of land for less than the best consideration that can reasonably be obtained if the disposal is in pursuance of their well-being powers and 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. The estimated Market Value of a 30 year lease of Knotting and Souldrop Village Hall is £3,750 and, therefore, Secretary of State consent is not required.

In the event that the Village Hall Committee fails to observe and perform the terms and obligations set out in the agreed leases, legal advice from relevant officers will be required detailing remedies available to the Council together with any legal action thereafter (e.g. forfeiting the lease and recovering possession of the property).

4.2 Policy Issues

The Executive, at its meeting on 19 January 2011 (Minutes 78 and 79), established a Community Asset Transfer Policy as the basis for considering requests for transfer for the transfer of community based assets to relevant community based organisations. Minor amendments to the Policy were subsequently approved by the Mayor on 28 February 2011 (Executive Decision No. 1000).

Paragraph 5(g) of the Policy states that “in exceptional circumstances, the transfer of an interest in an asset for a small financial considerations could be considered where an objective assessment of the services to be provided shows the community benefit to be of greater value than the capital or rental value. In practice, this will exclude assets which have a high market value for alternative uses”.

4.3 Resource Implications

The village hall is currently held on a lease by Knotting and Souldrop Parish Council, which expired on 28 September 2012. The lease is protected by the Landlord and Tenant Act 1954 and, therefore, the Parish Council has been holding over the same terms since expiry. The current rent is £225 per annum and, if the lease was to be renewed, the new rent would be assessed with reference to the Retail Price Index, which gives a figure of £275 per annum based on the increase in the RPI between September 2012 and January 2015. Loss of the rental income is not considered significant. The estimated Market Value of a 30 year lease of

this asset is £3,750 and forgoing this receipt will not impact on the capital receipt forecast assumptions within the Capital Programme as disposal of this asset is not included within current disposals programme.

The Village Hall Committee has submitted its bid because it wishes to undertake maintenance and improvement work and security of tenure is required to support grant applications. In its business case, the Committee has indicated that the estimated cost of the proposed works is £20,000: £10,000 has been raised through local fund raising, which will be used as match funding for grant applications. Hall hire and Village Hall Committee fund raising currently cover the running costs of the hall and this is expected to continue.

The transfer of the asset will not adversely impact on the time spent by Council staff in managing this asset. Each party will meet its own legal cost and the Council's Legal services will act for the Council in drawing up the documentation and seeing the grant of the lease through to completion.

4.4 Risk Implications

The Transfer of Community Assets Policy seeks to protect the Council from the risks associated with the transfer of assets and includes measures to ensure a proper legal framework for an agreed transfer and to mitigate future losses that may arise (e.g. covenants to protect the Council from future uplift in the value of assets). The Village Hall Committee has identified risks in its proposals and outlined how it will manage and mitigate these risks. The works proposed by the Committee will be authorised by formal licence and monitored by the Council to ensure that they are completed to the required standard.

4.5 Environmental Implications

There are no environmental implications directly arising from the proposals outlined in this report.

4.6 Equalities Analysis

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. Relevance test for equality has been completed. The equality test determined that the activity has no relevance to Bedford Borough Council's statutory equality duty to eliminate unlawful discrimination, advance equality of opportunity and foster good relations. An equality analysis is, therefore, not required.

5. Details

Background

- 5.1 The village hall is located in High Street Souldrop, as indicated on the plan attached at **Appendix A**. The property was built in the early 1900s to accommodate the village school. The adjoining school house is in private ownership. The hall is held on a lease by Knotting and Souldrop Parish Council, which expired on 29 September 2012 at a rent of £225 per annum. Renewal of the lease has not been progressed because the Village Hall Committee had expressed an interest in transfer of the asset.
- 5.2 The hall is run by a management committee, which has kept it in good decorative order. It is used for a range of community activities and there are few other facilities in the village.
- 5.3 Following the Transfer of Community Assets Policy, officers evaluating the bid concluded that the asset could be transferred and the Property Services, Estates Team, have assessed the value of the asset to be transferred to be in the region of £3,750. It was concluded that the value of the community benefit of the transfer is of greater value than capital value of the 30 year lease requested by the Parish Council

The Proposal

- 5.4 On the basis of the business case submitted by the Village Hall Committee, the proposal is to grant the Committee a 30 year lease at a peppercorn rent with no premium.
- 5.5 The grant of the lease will enable to the Management Committee to seek funding to carry out the following:
- Refurbishment of the toilet provision to include disabled facilities
 - Improve access to the hall with consideration to those with disabilities
 - Enhance the kitchen facilities, and
 - Replace the heating system.
- 5.6 The business case prepared on behalf of the Parish Council by the Village Hall Management Committee is attached at **Appendix B**. In summary, the bid proposes the following:
- **Overall objective:** To provide security of tenure to enable the committee to alter and upgrade the village hall in order to keep it maintained and available for future community use;

- **Benefits:** The Parish Council lists benefits under the following Council's priorities;
 - Providing a healthy future
 - Protecting and preserving the local environment, and
 - Serving residents effectively
- **Governance arrangements:** The Management Committee will continue to run the hall on behalf of the Parish Council;
- **Evidence of need:** The bid gives a list of current activities, which meet local needs;
- **Risks and barriers:** The main risk is not being able to obtain grants and, if applications are successful, further local fundraising will be undertaken. Not undertaking the improvements will affect the committee's ability to increase the activities for the community and generate income;
- **Impact of an unsuccessful bid:** Not having the security of a 30 year lease will impact on the ability to fund raise for the improvements and will increase the risk of the property being sold by the Borough Council (although there are no current plans for this to happen);
- **Resource plan:** The Committee covers the cost of running the hall through lettings and fund raising. The cost of the works will be met from local fund raising and grants.

5.7 The lease of the hall will contain covenants that require the Management Committee to:

- Use the hall for the benefit of the local community;
- Put and maintain both the hall and surrounding land in good and tenantable repair; and
- Report the agreed Key Performance indicators to the Council every 2 years.

In the event that the Committee is found to be in breach of any of the covenants within the lease, the Council will be entitled to terminate the agreement.

Options

5.8 Options considered are as follows:

- 5.8.1 Transfer the asset to Knotting and Souldrop Village Hall Committee on the terms outlined in this report – this option will ensure that the hall continues to be available for the benefit of the local community;
- 5.8.2 Take a surrender of the current lease and sell the asset – this would result in the loss of a valuable community facility within the village.

5.8.3 Do nothing – The existing lease would need to be renewed, which means that the Parish Council would still have to pay. The lease granted would not give sufficient security to support applications for grant funding.

6. **Summary of Consultations and Outcome**

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

Finance Portfolio Holder
Management Group
Relevant Officers
Knotting and Souldrop Parish Council and Knotting and Souldrop Village Hall Management Committee

No adverse comments have been received.

7. **Ward Councillor Views**

The Ward Councillor has confirm his support for the proposal and is of the view that the 30 years lease should enable the Village Hall Committee to make applications for grants to make the improvements referred to.

Report Contact Officer: *Adrian Piper, Head of Property Services, email: Adrian.piper@bedford.gov.uk*

Margaret Birtles, Estates Manager, email: Margaret.birtles@bedford.gov.uk

File Reference: *L.2(j)*

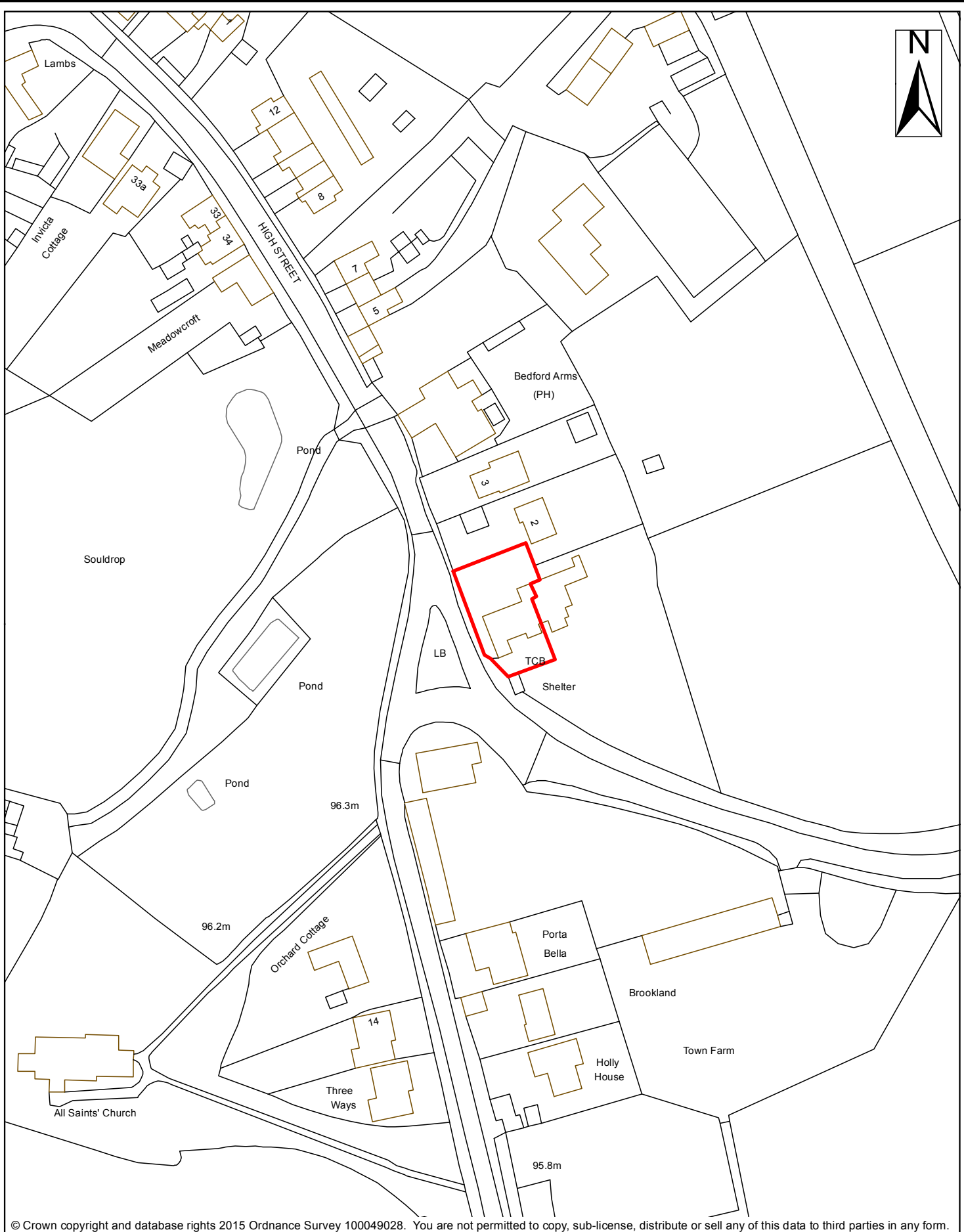
Previous Relevant Minutes: *Minutes 78 and 79: Executive – 19 January 2011*

Decision No. 1000: Mayor – 28 February 2011

Background Papers: *None*

Appendices: *Appendix A – Plan of Site*

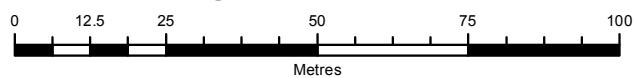
Appendix B – Business case submitted by Knotting and Souldrop Village Hall Management Committee



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Souldrop Village Hall, High Street, Souldrop

Scale 1:1,250 @ A4



Drawn By: LJW
Date: 26 February 2015

Property Services
Bedford Borough Council



Community Asset Transfer Application (Below Market Value)

[Knotting & Souldrop Village Hall, High Street, Souldrop, Beds]

1. Summary of Objectives and Key Outcomes of Proposal. *Please explain what the proposal will achieve and issues it aims to address.*

Our objective is to obtain an Asset Transfer for the term of 30 years. If we are successful in our application it will give us security and allow us to alter and upgrade the village hall and keep it maintained and available for the future use of the community.

2. Detailed Description of the Proposal and anticipated benefits. *Details should include the proposed activities, how these will benefit the community and how these benefits will be measured. To be successful, a proposal will need to demonstrate a contribution in at least 2 of the following themes:*

- a. *Providing a healthy future*
- b. *Protecting and preserving the local environment*
- c. *Brighter futures for children*
- d. *Serving residents effectively*

Our proposal is to have the asset (Village Hall) transferred to us. The security of a 30 year transfer will allow us to seek funding to carry out the following:-

- 1. Refurbish the toilet provisions to include disabled facilities
- 2. Improve access to the hall with consideration for those with disabilities
- 3. Enhance the kitchen facilities
- 4. Replace the heating with a more efficient and effective solution

Carrying out these improvements should encourage more usage of the hall by a wider community. We believe this would fit the theme of 'Providing a healthy future' because it would allow for more activities to take place and a wider variety to be considered which could keep the members of the community involved and active. More activities would also increase our income.

In line with the theme 'Serving residents effectively' our Village Hall provides a venue to meet which is very important, particularly with the ageing population in our locality who regularly attend activities such as our weekly coffee morning and art classes. Without opportunities to meet at the Village

Description of the Proposal and anticipated benefits continued

Hall and the limited transport links to elsewhere some Souldrop residents could feel isolated so keeping opportunities available locally is important.

The Village Hall is an integral part of the village, it is the old school which makes it a unique and a great focal point as part of the Souldrop heritage, therefore the theme 'Protecting and preserving the local environment' would be well fitted here as we feel it is essential it is preserved and protected as a community building in our village.

The current activities taking place in our Village Hall include:-

- Puppy Training classes (evening)
- Souldrop Weekly (coffee morning) - this includes discussions on local events giving residents the opportunity to voice their opinion and meet their friends and neighbours
- Art classes (afternoon)
- Yoga classes (evening)
- Parish Council Meetings (monthly)
- Parochial Church Council Meetings (monthly)
- Village Hall Committee Meetings (bi-monthly)
- Local Elections
- At least four social events per year (run by the Committee to fund-raise and provide opportunities for community to get together) such as Quiz nights, Race Nights, Christmas Fayre, Supper parties and Bingo nights.
- Ad-hoc hall hire for parties, weddings etc.

The hall is essential for all these events to continue and to allow the community to meet on a regular basis. Our aim is to improve and expand the variety of activities available so more local people can benefit, and once improvements have been completed, the hall should be seen as a more desirable hire venue all round. More hires will produce more hire fees to assist the Committee to continue with regular maintenance and running costs of the hall.

3. Governance Arrangements. *Please explain proposed management arrangements for the asset and legal status of the organisation to which the property will be transferred.*

The Village Hall Committee is a Registered Charity (No. 308017)

Our Key Members are:-
Chairperson - Gill Green
Secretary - Kim Kelly
Treasurer - David Briggs

With five further members of the Committee

4. Evidence of Need. *Please provide evidence of the local need for the services that will be provided from the property, this could include demographic data, evidence of demand, survey results etc.*

As shown in Section 2 the property is an integral part of the community which serves many different residents already.

In terms of numbers attending and using the facilities, the hall attracts between 8 and 15 people regularly at Souldrop Weekly (our coffee morning), 12-15 people at a weekly art class, 12 to 15 people at a weekly yoga class and a few people at the new puppy training class venture.

Annually the Committee commission at least 4 social events which are often sold out to capacity of the hall (70 people).

At Souldrop Weekly local residents and regular users of the facilities have been vociferous with their concerns of becoming isolated and lonely if the Village Hall was no longer available. Others have stated that community cohesion will be eroded if the hall is not secured.

5. Risks and Barriers. *Please outline the key risks and barriers to the success of the proposal and explain how these will be overcome.*

The main barrier would be if we were unable to obtain the grants required to carry out the improvement work. We would overcome this by working as a Committee to access other areas of funding and, if necessary, carry out more fund-raising ourselves.

If we are unable to carry out the improvements we do not feel we would be in a position to encourage more activities which would affect the possibility of increasing our income and increasing our activities to reach a wider range of the community.

6. Impact of unsuccessful bid. *Please outline the impact on the community of the bid for transfer of this asset being turned down by the Council.*

The main impact would be lack of security that the 30 year Asset Transfer would allow us. There could be a risk that the Borough Council may sell the building in the future which would impact on the whole village. Not having long term security would affect how much of the improvements we should undertake as they are all planned to last for many years ahead as sound investment of valuable Village hall funds enabling good future provisions for all residents.

7. Resource plan. *Please summarise how the running costs and any required capital investment will be funded and reasons for not offering market value for the property. A budget forecast should be provided on a separate sheet. Also please provide details of how the activities will be staffed (paid and voluntary).*

a. Financial/funding

We already have £10,000 towards the cost of improvements and would look to use this to match fund grants (that we will apply for) to cover the total costs.

As yet we do not have any official quotes for the building work but expect it to cost no more than £20,000. Plans are to be drawn up shortly which will enable us to seek quotes and begin sourcing additional funding.

Hall hire and Village Hall Committee fund-raising currently cover the running costs on an annual basis and we expect this to continue.

We always have regular bookings as previously stated and the hall is also let out for weddings, parties etc. to bring in additional funds.

Should any further unexpected maintenance or repairs work be required in the future this would be covered, as usual, by further fund-raising as has been the case for many years.

b. Staffing

The Committee is run on a voluntary basis and the members take responsibility for fund-raising and social events.

When the hall is let out a hire agreement is in place

8. Key Performance Indicators. *Please propose between 3 and 6 KPIs through which your organisation will be able to demonstrate to the Council on a bi-annual basis that the community benefit is being delivered (e.g. numbers, frequency and types of events, average or total attendance figures, total number of volunteer hours, user satisfaction data).*

Our proposal is for three KPI's which we feel fit our activities and allow for collection of evidence if required. They are as follows:

1. Improve the number of people using and benefitting from activities at the hall.
2. Improve the number and/or variety of activities and events at the hall
3. To maintain, and at least break even our annual budget