

<b>Report title</b>	Community Asset Transfer – Low Hill Youth Resource Centre	
<b>Decision designation</b>	AMBER	
<b>Cabinet member with lead responsibility</b>	Councillor Jacqueline Sweetman City Assets and Housing	
<b>Key decision</b>	No	
<b>In forward plan</b>	Yes	
<b>Wards affected</b>	Bushbury South and Low Hill	
<b>Accountable Director</b>	Mark Taylor, Deputy Chief Executive	
<b>Originating service</b>	Assets	
<b>Accountable employee</b>	Luke Dove Tel Email	Strategic Asset Manager, Assets 01902 557121 Luke.Dove@wolverhampton.gov.uk
<b>Report to be/has been considered by</b>	City Assets Leadership Team 13 January 2021	

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**Recommendations for decision:**

The Cabinet (Resources) Panel is recommended to:

1. Approve the Community Asset Transfer of Low Hill Youth Resource Centre, Fifth Avenue, WV10 9TB to Bushbury Hill Estate Management Board for a term of 35 years subject to terms.
2. Delegate authority to the Cabinet Member for Resources in consultation with the Deputy Chief Executive to approve the terms of the Community Asset Transfer and lease.

## **1.0 Purpose**

- 1.1 To propose that Low Hill Youth Resource Centre be leased to Bushbury Hill Estate Management Board (BHEMB) on a 35-year lease on the basis of a Community Asset Transfer (CAT).

## **2.0 Background**

- 2.1 In November 2020 Cabinet agreed the revised Community Asset Transfer Strategy in relation to all property transactions between the Council and Voluntary and Community Organisations (VCOs).
- 2.2 The CAT Strategy aims to achieve a fair and transparent process for asset transfer between the City of Wolverhampton Council and local community groups. The Strategy assists communities to measure their state of preparedness in taking on greater management responsibility of assets. This Strategy reflects recent experience with the Voluntary Sector to make it more responsive to the needs of the Sector and also risk manage the Landlord position of the Council should a Charity have difficulties in sourcing grant funding during the early stages of its development.
- 2.3 Community Asset Transfers are essentially the transfer of public land to a community organisation (such as a Development Trust, a Community Interest Company or a social enterprise) for less than market value – to achieve a local social, economic or environmental benefit.
- 2.4 Low Hill Youth Resource Centre is a single-storey, detached property located on Fifth Avenue, Low Hill having previously been used as a community training centre.
- 2.5 The asset is being managed currently as a void property.
- 2.6 Following the asset being vacated by the former tenant, it was re-advertised accepting expressions of interest for a CAT. Three applications were received and following evaluation of the same it was approved to progress BHEMB to the next stage for submission of a full business case.

## **3.0 Bushbury Hill Estate Management Board**

- 3.1 BHEMB are a not for profit tenant led and managed organisation. They encourage participation and value their tenant's opinions and ideas. They provide services reflective of the needs and priorities within the local community and strive for excellence. They are committed to continuous improvement and work in partnership to adapt to the ever-changing environment whilst working to their core values as detailed below.
  - Respect – We respect each other and our tenants. We celebrate diversity of our community and will serve all residents in both a respectful, fair and equitable manner.
  - Team Work – Together (Board, staff, members, residents and partners) can achieve more.

- Tenant Focused – Run by tenants for tenants. To provide services reflective of our residents needs and priorities. To value our residents' opinions and to encourage involvement and participation.
- Excellence – Tenants striving for excellence. To provide the best possible service to our residents.
- Commitment – We are committed to providing an excellent service to our tenants and committed to a continuous improvement approach.

- 3.2 Bushbury Hill Estate Management Board (BHEMB) was established by local people to improve the quality of life for the residents of Bushbury Hill, Wolverhampton. The composition of the board is 100% tenants from the local area. The aim of the organisation is to put local people at the heart of the decision-making process to ensure that resources are directed towards the greatest needs within the community. They aim to deliver high quality customer service and provide high standard homes for their tenants.
- 3.3 BHEMB also aim to support additional needs outside of housing that will enhance quality of life for local people including supporting partner organisations in the delivery of community based projects that address poverty, education, into work support, loneliness, isolation and both physical and mental health from the very young to very old.
- 3.4 In addition to their tenant management role, BHEMB also provide extensive support and investment to the development of local community initiatives. They support a large network of volunteers across not only the WV10 area from both their own and other voluntary and community organisations, but across neighbouring communities in Heath Town and Park Village.
- 3.5 The goal for BHEMB is to provide a place where grassroots groups and organisations can evolve out of community needs and are led by local people serving those on their own doorsteps. They aim to provide the space and support to local people to develop activities that will complement statutory services, and meet the specific needs and gaps present in service provision at a local level as outlined in their organisational vision detailed below.
- BHEMB is committed to delivering high quality, customer focused services to all their tenants and to keep their homes maintained to a high standard.
  - Ensure they provide effective, inclusive and accessible forms of communication, consultation routes and involvement opportunities for all their residents.
  - Working in partnership to improve their area and environment.
  - To eliminate social and financial exclusion and sure equality of opportunity and access to services for everyone.
  - To have robust governance procedures and to work transparently.
  - To deliver long term investment in the homes they manage through the Better Homes Partnership.

## 4.0 Proposed Development

- 4.1 The Low Hill Youth Resource Centre falls within the Bushbury South and Low Hill ward of Wolverhampton which has a resident population of 16,297, the biggest ward by population in the City and the second most deprived. The aim of BHEMB is to build on the first-hand experience that local people have of the multi-complex issues facing members of the community, whilst also developing a self-sustaining community innovation hub to be the catalyst for new and increased voluntary and community sector services within the local area.
- 4.2 The CAT will retain a much-needed community resource within the area to create a self-sustaining community hub that will provide a space to encourage community innovation alongside training, recreational, educational and vocational opportunities to the people of Bushbury Hill, Low Hill and neighbouring communities.
- 4.3 The aim of BHEMB is to transform Low Hill Youth Resource Centre into a thriving, self-sustaining community innovation hub, bringing much needed services into the area and creating opportunities for local people, raising skills, confidence and employability across the area, resulting in an overall improvement in their quality of life. This will be delivered through the following:
- Working in partnership with members of the WV10 Consortium and members of the Wolverhampton Learning Platform to deliver crucial services at the heart of the local community. This will include into work support and enterprise development. They will ensure that the services compliment those already delivered at fellow community centres and hubs including Low Hill Community Hub, Big Venture Centre and Park Village Education Centre. The impact that Covid-19 is having and will have for some time on employment levels in the area, with many local people employed in the hospitality and security industries, meaning that the need for these services will vastly increase in the short term.
  - BHEMB will continue to work closely with the statutory sector and ensure that where there is a gap in provision locally, we work with partners to offer space for delivery to our tenants.
  - Create an inclusive environment that BHEMB will ensure is built into the processes, procedures, culture and environment adopted at the Centre itself. They will ensure that they do whatever is necessary to ensure all local people can gain access to this community resource and ensure everyone has the opportunity to take part in its development, delivery and ongoing sustainability.
  - They will support local people's needs led ideas and provide the space for them to develop their own community led activities. BHEMB will act as an incubation hub for community innovation and allow for ideas to be tested and developed. They will provide support through their staff, experienced volunteers and partner organisations to the new and upcoming community groups to establish and develop their service in the local area and support them to become sustainable going forward.

- Initially refurbish and equip the centre to ensure there are appropriate space and facilities available for a variety of groups, activities and services to take place. BHEMB have a budget of £20,000 allocated for this to be undertaken. In addition, these funds will also cover any necessary and ongoing costs associated to Covid-19 that may still be in place 2021 and beyond. In consideration of the same, BHEMB have built in for a delay in generating room hire from the premises.
- The board have also agreed to cover the running costs of the building for two years which will allow time for the centre to increase its usage and work with local groups and organisations to develop and deliver services. During this time new community groups/organisations will be able to use the building at no charge whilst they establish and embed their services into the local community, capacity support will then be provided by both ourselves and the wider WV10 partners to support those groups to become financially independent.
- Work with both current and new community groups who will deliver a range of services from the centre that will include services to combat loneliness and isolation including becoming the home of the already thriving Bushbury Hill Community Action Group and Bushbury Buddies service, delivering befriending services and activities for both older people and lone/vulnerable adults of all ages.

4.4 Following consideration of the business case as received from BHEMB, it provides a robust structure both operationally and financially that would ensure the property is correctly maintained in future and provides a valuable asset within the community that would bring excellent benefits to the local economy.

4.5 BHEMB will oversee the management of the property and will ensure that the building and all associated Health and Safety regulations and legal requirements are adhered to at all times.

4.6 To allow BHEMB opportunity to successfully secure grant funding and corporate sponsorship and to support delivery of their community involvement, a long lease would be required with a minimum term of 35 years at nil consideration.

## **5.0 Supporting Delivery of the Strategic Asset Plan**

5.1 Corporate Landlord have developed a Strategic Asset Plan that was completed and approved by Cabinet on 17 October 2018. This provides the structure and management of the Council's land and property portfolio over following five years, to 2023, and incorporates the Our Assets principle. The plan is structured into three parts:

- Asset Management Policy
- Asset Management Strategy
- Asset Management Action Plan

- 5.2 The Asset Management Policy establishes a clear mission with supporting principles for the management of land and buildings, ensuring it is fit for purpose and benefits the people of the City of Wolverhampton and to use land and buildings following rationalisation and disposal of land and buildings, that will enable a financial return to stimulate development and growth, support and encourage local businesses and promote joint-working.
- 5.3 The transfer of Low Hill Community Resource Centre supports the policy as outlined and in particular delivery of items A3, A5 and A9 of the Action Plan.

## **6.0 Evaluation of alternative options**

- 6.1 Should the Community Asset Transfer not be approved, BHEMB will not have a long-term solution for the development of the community hub as proposed.
- 6.2 If the asset was retained as a void property, further revenue costs would be incurred by the Council including void rates, security, insurance and statutory compliance costs. In addition, vacant buildings continue to attract negative public comments and their condition will continue to deteriorate further.
- 6.3 The asset could be retained for operational use; however, no internal operational use has been identified.
- 6.4 The asset could be declared surplus and disposed of in return for a capital receipt with an estimated value of £536,000.

## **7.0 Reasons for decision**

- 7.1 Should authority be given to transfer the asset, revenue efficiencies will be made through reduction in the annual running costs and maintenance spend. This is approximately £1,200 per annum for void management costs and £5,900 per annum for business rates.
- 7.2 The transfer of the asset provides BHEMB with the opportunity to bring the building back into beneficial use thereby improving the local community and environment meeting the needs of the same.

## **8.0 Financial implications**

- 8.1 The community asset transfer of Low Hill Youth Resource Centre transfers responsibility for maintenance costs, running costs and future investment costs, under a full repairing lease, to Bushbury Hill Estate Management Board. The lease is proposed for a 35-year lease period for nil consideration.
- 8.2 Whilst not generating an annual revenue income stream, the community asset transfer will result in a reduction to revenue expenditure, in the region of £248,000 (£7,100 per annum) in respect of repairs, maintenance, void management costs and business rates currently incurred by the Council, for the 35 year period of the lease.

8.3 Indicated by the market valuation of the site, the one-off capital receipt value forgone as a result of not declaring the asset surplus and its subsequent disposal is in the region of £536,000.

[TT/26012021/Y]

## **9.0 Legal implications**

9.1 The terms of the lease must comply with S.123 Local Government Act 1972 which states that local authorities are obliged to obtain the best consideration reasonably available unless Secretary of State consent has been given. There is a general consent that allows disposals at an undervalue provided that the undervalue is for a sum of less than £2.0 million and promotes that social, economic or environmental wellbeing of the area. Leases for a term of more than seven years are deemed to be a disposal.

9.2 This disposal will therefore need to be at an undervalue of less than £2.0 million and promote the economic, social or environmental wellbeing of the area.

[DC/03022021/I]

## **10.0 Equalities implications**

10.1 All development plans will consider and meet the needs of all people within the local community and an all-inclusive approach will be taken by Wolverhampton City Council.

## **11.0 All other implications**

11.1 The approval of a Community Asset Transfer of the asset listed in this report will prevent it falling into further disrepair and avoid anti-social behaviour.

11.2 The Community Asset Transfer will allow Corporate Landlord to prioritise and target expenditure on operational assets that require investment resulting in a reduced maintenance backlog liability for the Council and ensuring assets remain compliant with all relevant legislation.

11.3 Transfer of this property will reduce the quantity of void stock requiring management and assist with the regeneration within the Bushbury South and Low Hill ward.

11.4 The transfer of the asset will provide an inclusive and positive impact on health and wellbeing within the local community.

## **12.0 Schedule of Background Papers**

12.1 [Strategic Asset Plan 2018-2023](#) – Report to Cabinet on 17 October 2018 including:

- Asset Management Policy 2018-2023
- Asset Management Strategy 2018-2023
- Asset Management Action Plan

## **13.0 Appendices**

### 13.1 Appendix 1 – Low Hill Youth Resource Centre Location Plan