

Transfer of Gladstone Park Community Centre

Councillor Peter Hiller, Cabinet Member for Strategic Planning and Commercial Strategy and Investment, in consultation with Councillor Irene Walsh, Cabinet Member for Communities

June 2019

Cabinet portfolio holder:	Councillor Peter Hiller, Cabinet Member for Strategic Planning and Commercial Strategy and Investment in consultation with Councillor Irene Walsh, Cabinet Member for Communities
Responsible Director:	Steve Cox - Director for Place and Economy
Is this a Key Decision?	No
Is this decision eligible for call-in?	Yes
Does this Public report have any annex that contains exempt information?	Yes, Appendix One - Financial Information and Appendix Two - Thomas Deacon Education Trust - Short business case, contain exempt information under paragraph 3 of Schedule 12 A of the Local Government Act 1972.

RECOMMENDATIONS

The Cabinet Member for Strategic Planning and Commercial Strategy and Investments, in consultation with the Cabinet Member for Communities is requested to:

1. Approve the transfer of Gladstone Park Community Centre on a long term lease and management agreement to The Thomas Deacon Education Trust.
2. Approval of grant funding of £187,000 to The Thomas Deacon Education Trust to carry out capital works required to the building.
3. Delegate to the Director of Law and Governance in consultation with the Director of Resources and the Director for Place and Economy authority to make decisions about or enter into, terminate or novate legal agreements necessary to give effect to the matters set out in this report which may include the termination or novation of licences to occupy, services agreements and a dual use agreement and entry into licences and an admission agreement.

1. SUMMARY OF MAIN ISSUES

- 1.1 The Council owns and manages a wide variety of property including land and buildings. The Council defines a 'Community Asset' as a building in the freehold ownership of the Council that has a community use and from which a community based activity or service is delivered. 'Asset Transfer' means moving the responsibility for the management and running of the asset from the Council to another organisation.
- 1.2 The Council will consider transferring assets in the following circumstances -

- They are in Council ownership.
 - They are currently being used to deliver community based activities where there is a demonstrable need for the asset and associated services to continue.
 - They are assets that the Council has identified in savings proposals, or as potentially surplus or where there is no clear rationale for the retention to continue due to the cost of maintenance, condition of the building or low levels of usage.
- 1.3 Gladstone Park Community Centre fits the criteria for an Asset Transfer as set out in the Asset Transfer Strategy (bullet pointed in this document - 1.2). The community centre is owned by Peterborough City Council, the centre delivers many valuable community services including sports and recreation, community services and health and wellbeing activities, and the centre has been identified in the Council's savings proposal.
- 1.4 In 2014, following the addition of a new school building on the site (Gladstone Primary School) and the works completed, the centre was advertised to the community as an Asset Transfer. A number of organisations submitted an expression of interest and business case. However, when assessed by the panel (comprising of Cabinet Members and Council staff) using the assessment criteria and scoring matrix, no organisation was identified as suitable to take over the management and running of the centre.
- 1.5 In order to retain the valuable community services offered from the centre and with the new dual use facilities now available (4G pitches), it was decided that Peterborough City Council would retain the management of the building under an 'interim' arrangement until a long term solution was secured. A dual use agreement operates in parallel between the Council and Thomas Deacon Education Trust (the Trust) by which relevant facilities are available for community use outside normal school hours.
- 1.6 Gladstone Primary School converted to an Academy in February 2017. There have been ongoing discussions with the Thomas Deacon Education Trust which the Primary Academy sits beneath, in relation to the Trust taking over the running and management of the centre.
- 1.7 The Trust has set out its intentions in a short business case (exempt appendix two). The Trust is excited to extend its current facilities hire portfolio to provide an integrated community solution for the families and residents within the Gladstone community, and wider Peterborough Area. The Trust has experience of running facilities hire at both Thomas Deacon Academy and Queen Katherine Academy where it provides competitively priced space and facilities to local and wider communities.
- 1.8 Having explored a community asset transfer and self-managing the building, the option to transfer the Community Centre to the Trust which is a local, well managed, financially stable charitable organisation will secure the viable future of the centre.
- 1.9 The Community Centre requires capital investment to ensure the property is fit and suitable for future use. Regardless of its future management, this investment would be required, therefore a one-off grant will be granted to the Thomas Deacon Education Trust on completion of the Lease and Community Management agreement.

2. PURPOSE OF THIS REPORT

- 2.1 The purpose of this report is to provide background information and to seek the Cabinet Member's approval in relation to the recommendations.
- 2.2 This decision is proposed in accordance with the delegations for the Cabinet Member for Strategic Planning and Commercial Strategy and Investments exercising delegated authority under paragraph 3.4.3 of Part 3 of the constitution in accordance with the terms of their portfolio at paragraph (q).
- 2.3 There are exempt appendices attached to this report that are NOT FOR PUBLICATION by reason of paragraph 3 of Schedule 12A of Part 1 of the Local Government Act 1972 because they contain financial commercially sensitive information. The public interest test has been applied to the

information contained within these exempt annexes and it is considered that the need to retain the information as exempt outweighs the public interest in disclosing it.

3. **TIMESCALE**

Is this a Major Policy Item/Statutory Plan?	NO
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4. **DETAILS OF DECISION REQUIRED**

4.1 Approval is required for Gladstone Park Community Centre to be subject to a transfer to The Thomas Deacon Education Trust on a long term lease.

4.2 To agree a grant to Thomas Deacon Education Trust which will accompany the lease. The grant will be paid to enable agreed improvements to Gladstone Park Community Centre for the benefit of the community. Specific improvements include -

- Replacement of the sports hall floor
- Upgrade to the heating system
- Improvements to the ventilation system
- Improvements to the kitchen and catering equipment
- Installation of a second exit / entrance to the car park to improve safety

The improvements to the centre have been identified through discussions with Ward Councillors, users of the centre and Gladstone Primary Academy.

4.2 The Community Centre will be subject to transfer with effect from an anticipated lease start date before December 2019. The lease will be a long term, full repairs and maintenance lease, the term of which will fall in line with the Trust's current lease in relation to the Gladstone Primary Academy site (which adjoins the Community Centre).

4.3 In addition to the lease, a management agreement and a grant agreement setting out the Trust's management obligations in relation to the Centre will be entered into with the Council. This management agreement will ensure community use continues. Further agreements in relation to HR matters may be required including an admission agreement concerning pension's arrangements.

4.4 There is currently a Dual Use Agreement in place between Peterborough City Council and The Thomas Deacon Education Trust which sets out usage and finances in relation to all dual use areas within the centre (sports hall, toilets, car park and utilities supplied to the centre). This agreement will end on completion of the lease and management agreement. All utilities and service contracts will terminate or novate to The Thomas Deacon Education Trust with a three month transfer period from the lease completion date (whereby PCC will continue to pay the current contract until TDET take over or replace the contract with a new supplier).

4.4 It is intended that the Community Centre will be occupied and managed by the Thomas Deacon Education Trust no later than December 2019.

4.5 The Thomas Deacon Education Trust will be expected, where possible, to honour any bookings made by the previous management organisation prior to transfer.

4.6 The Gladstone Park Community Centre will remain open throughout the process of transfer.

4.7 Currently the day to day management of Gladstone Park Community Centre is carried out by three full time employees who will all be subject to TUPE. Discussions and preparation have begun in relation to this through Peterborough City Council HR department and The Thomas Deacon Education Trust HR department. Once the CMDN has been agreed, the formal consultation will be launched.

- 4.8 There are two regular users of the Community Centre who have an agreed Licence to Occupy. Thomas Deacon Education Trust are aware of the occupants and are keen to meet with them to discuss future use. Meetings will be scheduled between the occupiers, the Trust and Peterborough City Council upon completion of the CMDN.

5. CONSULTATION

- 5.1 The proposal for the transfer of the asset has been discussed with all nine ward councillors who represent the three wards which comprise the CAN DO area (Central, North and Park) as the facility serves their residents. Discussions have also taken place with relevant Directors and Cabinet Members.
The six full time and casual staff employed at Gladstone park Community Centre have begun informal consultation, with a formal TUPE consultation scheduled.

6. ANTICIPATED OUTCOMES

- 6.1 Gladstone Park Community Centre will continue to be a well-used and thriving community and sports centre, available for use by all the residents of Peterborough.
- 6.2 The Council will enter into legal agreements including a lease, management agreement, grant and any other agreements necessary to give effect to these arrangements.
- 6.3 The Council will cease to have any repair or maintenance obligations for the Community Centre for the duration of the long-term lease.

7. REASONS FOR RECOMMENDATIONS & ANY RELEVANT BACKGROUND INFORMATION

- 7.1 The recommendation is necessary to secure the future of the Community Centre and effect a successful Asset Transfer.

8. ALTERNATIVE OPTIONS CONSIDERED

- 8.1 To do nothing – As Peterborough City Council corporately supports the Asset Transfer Strategy, it would not be in line with the future management of Community facilities to continue to manage the centre directly.
- 8.2 Community Asset Transfer - Gladstone Park Community Centre was advertised as a Community Asset Transfer in 2014, no organisations who applied were deemed suitable to take over its management.
- 8.3 Transfer of Asset to Vivacity management - Discussions were held with Vivacity in 2014. Vivacity required a substantial ongoing investment of capital and revenue from Peterborough City Council to deliver the model put forward.

9. IMPLICATIONS

- 9.1 Property – Gladstone Park Community Centre will be subject to a long term full repairs and maintenance lease and management agreement with The Thomas Deacon Academy Trust.
- 9.2 Finance – Agreed grant to Thomas Deacon Education Trust to carry out works required to the property.
The Council is required to limit its financial liabilities around assets.
- 9.3 Legal and Governance – The Council is able to transfer assets subject to the criteria set out above in accordance with the Council's Asset Transfer Policy which was adopted by Cabinet on 23 September 2013. The Council has the legal power to award a grant pursuant to the general power of competence contained in section 1 of the Localism Act 2011 which permits a local authority to do anything that individuals generally may do.

9.3 HR – Six individuals currently employed at Gladstone Park Community Centre will be subject to TUPE.

9.4 Equalities – There will be no negative equalities implications, an Equality Impact Assessment has been completed.

10. **DECLARATIONS / CONFLICTS OF INTEREST & DISPENSATIONS GRANTED**

None.

11. **BACKGROUND DOCUMENTS**

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985) and The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012

Community Asset Transfer Strategy 2013 - 2017

12. **APPENDICES**

Appendix 1 (Exempt) - Financial Information

Appendix 2 (Exempt) – Business Case