

TITLE OF REPORT: Grant of a Lease – 107/109 Coatsworth Road, Bensham

REPORT OF: Mike Barker, Strategic Director Corporate Services and Governance

Purpose of the Report

1. To seek approval to the grant of a lease in relation to 107/109 Coatsworth Road, Bensham.

Background

2. At its meeting on 12 July 2016, Cabinet was advised that following the Avenues Project management committee's initial interest in seeking a Community Asset Transfer of the property, it had reluctantly made the decision to use alternative accommodation. Consequently, it was agreed to declare 107/109 Coatsworth Road surplus to Council requirements. (Min No. C52)
3. Since the property was declared surplus there has been continued interest in using the accommodation for community activities, however the organisations that originally approached the Council were not considered to provide a sufficiently sustainable community offer. Therefore, terms have been agreed with 19 Plus Community Interest Company (CIC), which has a proven track record of community engagement and delivery.
4. 19 Plus CIC want to ensure that the primary use of the property remains focussed on their core business of providing education, training and activities for people with learning disabilities, whilst encouraging community activity.

Proposal

5. It is proposed that a 35 year lease be granted to 19 Plus CIC, subject to a rent of £5,250 per annum and 3 yearly rent reviews to reflect the intended use pursuant to the Council's Community Asset Transfer policy.

Recommendations

6. Cabinet is asked to authorise the Strategic Director, Corporate Services and Governance to proceed with a 35 year lease to 19 Plus CIC, subject to the rental terms above, pursuant to the Council's Community Asset transfer policy.

For the following reason:-

To manage resources and rationalise the Council's assets in line with the Corporate Asset Strategy and Management Plan.

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Policy Context

1. The proposed grant of a lease supports the overall vision for Gateshead as set out in Vision 2030 and the Council Plan. In particular, creating capacity for volunteering and community cohesion
2. The proposed lease will also accord with the provisions of the update of the Corporate Asset Strategy and Management Plan 2015 – 2020. In particular, the rationalisation of the estate through the disposal of an uneconomic asset

Background

3. At its meeting on 12th July 2016 Cabinet was advised that the Avenues Project management committee initially proposed to submit an expression of interest and develop a business plan seeking a Community Asset Transfer of the property. However, this did not prove practicable and the committee reluctantly made the decision to use alternative accommodation.
4. Consequently, Cabinet declared 107/109 Coatsworth Road surplus to the Council's requirements (Minute No.C52).
5. Since the property was declared surplus, officers have had discussions with a number of community organisations wanting to use the building including, 22 Sheds suggesting that the property be used temporarily as part of its community engagement programme in the area and the Woodbine Terrace and Place Residents Association (WTPRA) wanting to test the level of demand for some community activities.
6. As neither of these options provide the Council with a sustainable community offer, the property was also shown to 19 Plus Community Interest Company (CIC), which provides education, training and activities to advance independent living, and employment of people with learning disabilities and has a proven track record of community engagement and delivery
7. 19 Plus CIC were granted a lease of Springwell Community Centre in April 2016, and the level of community activity taking place within that building has now increased significantly leading to the organisation having to move to alternative Council owned accommodation to deliver their education and training programmes for people with learning disabilities.
8. The organisation is keen to ensure that the primary use of the 107/109 Coatsworth Road remains focussed on their core business of providing education, training and activities for people with learning disabilities, whilst encouraging community activity. Discussions are therefore taking place with 22 Sheds and WTPRA with a view to the ground floor accommodation primarily being used for community activities and the first floor accommodation being used for 19 Plus's core business.
9. The benefit of delivering community activities from the property has been taken into account when assessing the level of rent that should be payable using the scoring matrix in the Community Asset Transfer policy.

Consultation

10. In preparing this report consultations have taken place with the Leader, Deputy Leader and Ward Councillors for Lobley Hill and Bensham who have raised no objections to the proposal.

Alternative Options

11. The option of disposing of the property on the open market has been discounted as a suitable sustainable community use has been identified.

Implications of Recommended Option

12. Resources:

- a) **Financial Implications** - The Strategic Director, Corporate Resources confirms that the grant of a lease is expected to generate revenue savings and produce an income for the Council.
- b) **Human Resources Implications** - There are no implications arising from this recommendation.
- c) **Property Implications** - The grant of a lease will generate an income and secure the future use of the property for community activities.

13. **Risk Management Implication** – The grant of a lease of this property will minimise the risk of vandalism to a vulnerable property.

14. **Equality and Diversity** - There are no implications arising from this recommendation.

15. **Crime and Disorder Implications** - The future disposal of this property will remove opportunities for crime and disorder, especially vandalism and theft.

16. **Health Implications** - There are no implications arising from this recommendation.

17. **Sustainability Implications** - There are no implications arising from this recommendation.

18. **Human Rights Implications** - There are no implications arising from this recommendation.

19. **Area and Ward Implications** – Lobley Hill and Bensham in the Central area

20. **Background Information** - Minute No. C52