

Decision Pathway



PURPOSE: Key decision

MEETING: Cabinet

DATE: 25 February 2021

TITLE	Lawrence Weston Community Hub		
Ward(s)	Avonmouth and Lawrence Weston		
Author: Paul Owens/Jay Ridsdale	Job title: Property Development Manager/Senior Project Manager		
Cabinet lead: Cllr Cheney	Executive Director lead: Stephen Peacock		
Proposal origin: <i>BCC Staff</i>			
Decision maker: Cabinet Member Decision forum: <i>Cabinet</i>			
Purpose of Report: <ol style="list-style-type: none">1. To seek approval to grant a new 35 year lease of Council owned land at Broadlands in Lawrence Weston to Ambition Lawrence Weston to develop a new community hub on the site. The new lease would be granted at undervalue with no capital receipt or rental income due to the Council.2. To provide a grant up to £1m from the Council's Capital Programme Strategic CIL allocation, together with an allocation of £150k from the Port Communities Resilience Fund, as a contribution towards the development costs of the new community hub.			
Evidence Base: <p>The Lawrence Weston Community Hub Project (Hub) is being driven by Ambition Laurence Weston (ALW) who have been seeking to have a community hub built in Lawrence Weston for over 8 years. The proposed Hub will be on Council owned land forming part of the former City of Bristol College site off Broadlands Drive, which is identified in the local plan for community use to replace the previous community provision provided by the demolished College buildings.</p> <p>The Hub will be developed by ALW on land leased to them by the Council and will provide the community with a multipurpose space including spaces where classes and events can be held. ALW will enter into a linked service agreement to ensure agreed social outcomes.</p> <p>The high-level objectives of the Hub project are:</p> <ul style="list-style-type: none">• To have a community facility in Lawrence Weston this is well accessed and supported by the community and is financially viable and sustainable.• The vision is to have a Hub which provides activities and support, which empower people to make changes in their lives to improve their health and wellbeing. The aim is that it will reduce poverty and isolation, improve health (including mental health) and increase skills, confidence and employment levels.• To create a space for community involvement and volunteering and thus help create a sustainable well balanced community.			

Original proposals for the Hub were developed by ALW, and the Council took over the delivery of the project as part of the Central Government funded One Public Estate (OPE) initiative. Full planning permission was granted for a multi-agency facility in 2017 including the Hub, a doctor's surgery, pharmacy and space for Bristol City Council. However, the project did not proceed following the withdrawal of the NHS selected provider; and removal of proposals for an additional floor of Council Office Space due to this provision not being affordable within the identified project budget.

ALW has since taken the lead on the project to focus on the delivery of a standalone Hub by the community group themselves with development funding being sought from the Council, the National Lottery and other partners.

As a result of the original partners' withdrawal from the project along with the recent consequences coming from the Covid 19 Pandemic, ALW have altered the original design to better meet its needs including changes that ensure the building is as "Covid safe" as possible. These changes have been supported and directed by the local community, as was the original design.

The Hub project was originally developed as part of wider proposals for releasing adjoining surplus plots of land for development, including a new Lidl Supermarket; and housing, which is being developed by Persimmon Homes, securing £2.47m of receipts from these disposals by 2020/21.

The development costs for the Hub project have been estimated by ALW at circa £1.6m assuming VAT is reclaimable. These costs are based on outline designs. The project would be funded in the following way:

- Bristol City Council Strategic CIL contribution £1M
- National Lottery Funding £0.45M (secured)
- Port Communities Resilience Fund £0.15M (to support local economic development as approved by Cabinet in August 2017)

This approval will only grant a facility of up to £1.15M. The details of the grant drawdown will be agreed following due diligence on the final build costs and programme.

ALW currently occupy and provide a community facility from Council owned premises at the Lawrence Weston Youth Club, Long Cross, Lawrence Weston. Vacant possession of the Youth Club premises would be handed back to the Council on completion of the new Hub. The Youth Club is held from the Council by ALW under a 5 year lease from January 2021 at a peppercorn rent, subject to a break clause so that the lease can be ended when the new Hub premises are ready for occupation.

The Youth Club site is 0.66 acres. Once handed back to the Council this land will be available for disposal, to be promoted by Housing Delivery, and will offer the potential to deliver around 14 new homes. There is also potential to increase the area and the number of new homes being promoted by including adjacent Council owned land. With the benefit of a planning consent for residential development the Youth Club site would have a market value in the region of £350,000.

The new lease of the hub site to be granted to Ambition Lawrence Weston would be for a term of 35 years with no capital receipt or rental income due to the Council. Under the terms of the proposed lease ALW would be responsible for fully insuring and repairing the hub building. At the end of the lease term there are a number of scenarios (1) ALW could choose to hand the building back to the Council. (2) The Council could seek vacant possession under the Landlord and Tenant Act 1954 providing certain grounds are met (3) A new lease to ALW could be agreed.

Should the site be marketed exclusively for a community use for a term of 35 years it is possible that a premium in the region of £65,000 could be achieved for the land. In a different scenario, where the Council was seeking to maximise the disposal proceeds for the same lease term, a mixed-use scheme including a reduced community facility together with new housing could generate a receipt in the region of £300,000.

There is no requirement for the Council to seek consent from the Secretary of State to the grant of the lease at less

than best consideration as the amount of the undervalue is less than £2 Million and the Council considers that the land disposal will help it to secure the promotion or improvement of economic, social or environmental well-being in Lawrence Weston.

Cabinet Member / Officer Recommendations:

That Cabinet:

1. Approve expenditure of £1m Strategic CIL within the Capital Programme, and the expenditure of £150k from the Ports Communities Resilience Fund, by way of grants to Ambition Lawrence Weston towards the development of the Lawrence Weston Community Hub, conditional upon S151 officer sign-off of the due diligence of the final project business case.
2. Authorise the Executive Director of Growth & Regeneration, in conjunction with S151 officer, to negotiate terms for the award and drawdown of the proposed grants.
3. Note the proposed development will promote or improve the economic, social or environmental well-being of Lawrence Western and its community
4. Authorise the Executive Director for Growth & Regeneration (in consultation with the Cabinet Member for Finance, Governance and Performance) to agree terms for the grant of a 35 year lease to Ambition Lawrence Weston, at an undervalue.

Corporate Strategy alignment:

The Bristol City Council Business Plan 2020/21 (Fair and Inclusive 2019/20)

- Key Commitment 1: Make sure that 2,000 new homes (800 affordable) are built in Bristol each year by 2020.
- Key Commitment 4: Help develop balanced communities which are inclusive and avoid negative impacts from gentrification - point 1 states: Continue to invest in the voluntary and community sector through the Bristol Impact Fund to deliver life-improving projects to help the city's most disadvantaged people, pending Cabinet approval.

City Benefits:

1. The project is being delivered within one of the most deprived communities in the City, as part of wider regeneration proposals.
2. The Hub will provide new community facilities to better serve the existing community.
3. Relocation of ALW from the existing Lawrence Weston Youth Centre, supports the future regeneration of the Council owned site at Long Cross offering the potential for the delivery of new housing.

Consultation Details:

1. Residents – involved in the Community Plan, identifying the concept for a Hub.
2. Planning –proposals for the previous hub building as part of a multi-agency facility were submitted for planning, which included a consultation period. Planning consent was secured. A revised planning application will need to be submitted by ALW for the new scheme.
3. Officers – there is wide-ranging officer awareness and support for the proposal.
4. Local Ward Members.

Background Documents:

[Bristol Local Plan 2011](#)

Revenue Cost	£	Source of Revenue Funding	
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Capital Cost	£1.15m.	Source of Capital Funding	Bristol City Council Strategic CIL £1M National Lottery Funding £0.45M Port Communities Resilience Fund £0.15M
One off cost <input checked="" type="checkbox"/>	Ongoing cost <input type="checkbox"/>	Saving Proposal <input type="checkbox"/>	Income generation proposal <input type="checkbox"/>

Required information to be completed by Financial/Legal/ICT/ HR partners:

1. Finance Advice:

Overview

This report seeks approval for funding to be made available to ALW for the development of the Lawrence Weston Community Hub, through utilisation of £1m CIL and 150k Port Resilience Fund. As noted in the report, this funding is to contribute to the high-level costing provided by AWL, totalling £1.6m. The additional cost is to be met by lottery funding awarded directly to ALW. ALW will develop a site on BCC land, which BCC will lease to ALW over a 35 year timeframe.

Financial benefits of proposed scheme

The current proposal will potentially contribute financially to the council if the opportunity to dispose of the current youth club site is realised, however, this is contingent on successful delivery of the project.

Risk appraisal

The final costing and delivery of the project has not been assessed, as these are yet to be finalised by ALW, therefore there is currently unquantified risk around the feasibility of the proposals. Before BCC confirming the funding to ALW, suitable due diligence by the service must be undertaken, in conjunction with finance, to assess whether:

- Project costs are reasonable given the scope of the project
- Suitable contingency and optimism bias has been incorporated
- Future revenue costs are considered, and ALW have credible plans to meet these

BCC must also ensure that the funding agreement and lease agreement protects BCC from revenue and capital cost pressures that could arise through the project build and subsequent operation of the site.

Considering the financial value of the grant proposed, and the currently unassessed risk in the final project proposals and subsequent operation, finance support the recommendation that the due diligence and grant agreement are approved by the S151 officer.

Funding

Strategic CIL is available to fund the project (£1m), in conjunction with the Port Infrastructure Fund (£0.15m).

The capital programme currently reflects a budget of £4.15m (PL34). £1.15m is funded through CIL and the Port Infrastructure Fund. The residual £3m relates to previously assumed contributions from other organisations that are no longer going to be funding the project. The capital budget will be updated to reflect the current proposed project budget.

Alternative options

Alternative options could be considered for the land that could generate a financial return, such as sale or development.

Finance Business Partner: George Palmer, Finance Business Partner, Growth and Regeneration, 22/01/21

2. Legal Advice: The Council is also under a duty by virtue of S123 of the Local Government Act 1972 to achieve best value for its assets and any disposal should be at the best price reasonably obtainable. The duty to seek best consideration is subject to certain exceptions, most notably section 3 of the Local Government Act 2000 providing the

Council with well-being powers to accept a disposal at undervalue within the £2 million threshold, where the authority considers the disposal will help it to secure the promotion or improvement of the economic, social or environmental well-being of its citizens.

It follows that if the Council considers this transaction secures the promotion or improvement of the economic, social or environmental well-being of its citizens, the transaction falls within the £2million undervalue threshold and the Council will have authority to grant the lease without the need to obtain Secretary of State consent to the transaction.

Provided the proposed funding of £1m is a genuine grant (and not a contract) it will not raise any procurement issues. Nor, given the nature and purpose of the financial support, should it raise any state aid/subsidy issues.

Legal Team Leader: Eric Andrews/Andrew Jones, Legal Services, 26/1/21

3. Implications on IT: No anticipated impact on IT Services

IT Team Leader: Simon Oliver, 13/1/2021

4. HR Advice: There are no HR implications evident.

HR Partner: Celia Williams, HR Business Partner – Growth and Regeneration, 13/1/2021

EDM Sign-off	Stephen Peacock	20/1/2020
Cabinet Member sign-off	Cllr Craig Cheney	27/1/2021
For Key Decisions - Mayor's Office sign-off	Mayor's Office	1/2/2021

Appendix A – Further essential background / detail on the proposal Plan of the proposed Hub site at Stiles Acre, Lawrence Weston	YES
Appendix B – Details of consultation carried out - internal and external	NO
Appendix C – Summary of any engagement with scrutiny	NO
Appendix D – Risk assessment	NO
Appendix E – Equalities screening / impact assessment of proposal	YES
Appendix F – Eco-impact screening/ impact assessment of proposal	YES
Appendix G – Financial Advice	NO
Appendix H – Legal Advice	NO
Appendix I – Exempt Information	NO
Appendix J – HR advice	NO
Appendix K – ICT	NO
Appendix L – Procurement	NO