

EXECUTIVE COMMITTEE

9th July 2013

LEASE OF THE ANCHORAGE

Relevant Portfolio Holder	Councillor Mark Shurmer - Portfolio Holder for Housing
Portfolio Holder Consulted	√
Relevant Head of Service	Liz Tompkin - Head of Housing Services
Wards Affected	All Wards
Ward Councillor Consulted	The Councillors representing the Central ward have been consulted.
Key Decision	

1. SUMMARY OF PROPOSALS

- 1.1 Through the Council's Joined Up Working, the Principal of the NEW College has approached Redditch Borough Council to assist in providing a property where their apprentices skills can be tested out in real life situations, during their apprenticeship.
- 1.2 The College have also offered to provide the same level of training for our workforce. As part of the transformation work in Housing Repairs we have carried out a skills audit on all of our workforce and have been in negotiations with the union and several organisations as to how we can skill up our workforce and provide our employees with qualifications. The College will provide this training free of charge and are keen to build up an ongoing relationship with the Council in all of the service areas where training can be offered.
- 1.3 Through the Locality work in Winyates we have identified that rent arrears are generally caused by tenants in and out of work and there is a group of people who have never worked. Officers have worked with the Job Centre to try to help people get into work. The College are also keen to offer the same level of training to the community and build up the relationship in working with the Job Centre to help people into work, particularly those who have never worked.
- 1.4 The Housing Revenue Account owns a property, The Anchorage situated in West Avenue which has been empty for 10 plus years. Over the last few years the property has been broken into and the building has been stripped of all the internal fixtures and fittings.
- 1.5 The Anchorage is situated on the same site as Sandycroft/Arden House which are currently occupied by the Sandycroft Wellbeing Centre Community Interest Company.

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2. RECOMMENDATIONS

The Executive Committee is requested to RESOLVE that

- 1) “The Anchorage” property be let to the NEW College on a 5 year Full Repairing & Insuring lease which will include the NEW College returning the property in a lettable state;
- 2) a “peppercorn” rent only to be charged to the NEW College due to the benefits to the community and the in-house workforce, who will gain long term from the training the College will be able to provide in the building during the lease period; and
- 3) authority be delegated to the Head of Housing and Head of Legal Services to finalise the detailed provisions of the Lease and implement this decision.

3. KEY ISSUES

Financial Implications

- 3.1 A rental valuation of the above property has been prepared based upon the property being in a lettable condition. A rental income of £15,400 pa or £77,000 over a 5 year lease period has been assessed.
- 3.2 Estimated repair costs to put the property into a lettable condition is £35,000.
- 3.3 There are works to be undertaken prior to letting of the property. These are repairs to electrics, gas central heating and demolition of the lean-to at a cost approximately of £15,000. The NEW College have agreed to take on these works once the Council has made safe the electrics and gas to the property.
- 3.4 The College have agreed to leave the property in a refurbished condition, at the end of the leased period arrangement.

Legal Implications

- 3.5 Although the agreement has been that no rent would be charged to NEW College, a “peppercorn” rent will have to be included in the Lease. This can be a sum of “£1, if demanded” and will satisfy the legal requirement for consideration for the Lease.

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- 3.6 Where a Lease is for a term of seven or more years, the Council is required to dispose of any interest in land, including leases for the best financial value available, in order to comply with the requirements of s123 of the Local Government Act 1972.
- 3.7 Section 1 of the Localism Act 2011 provides the Council with a general power of competence, which enables a local authority to do anything that individuals generally may do and this power is appropriate to the Council in deciding to participate in the envisaged initiative with NEW College to provide training for students and Council employees with a view to improving their levels of expertise and employability.
- 3.8 Clare Flanagan, Principal Solicitor has been consulted on the legal implications.

Service/Operational Implications

- 3.9 The Anchorage House site is intended to be used as an On Site Training and Assessment (OSAT) Facility for vocational students from age 16+ studying Construction related NVQ's and other relevant qualifications including, but not limited to, plumbing, gas, carpentry and plastering. The students will primarily be enrolled at NEW College but may also come from other neighbouring colleges. The site will be fully supervised at all times by appropriately qualified Trainers and Assessors, all of whom will be Enhanced DBS checked.
- 3.10 The site will also be used to carry out on-site assessments and gain accreditation at the appropriate level for more experienced employees or Apprentices working within the local community, e.g. within Redditch Council's own R&M workforce. These people may be currently working at Level 2 and 3 within their respective disciplines, but have never been formally assessed to achieve the industry-recognised accreditation and, by doing so this will enable them to advance their careers within their chosen trade to the next level, which may include Site Supervision.
- 3.11 It will offer practical real-work life experience for students and apprentices; preparing them for life outside the traditional classroom and training room environment and will help them to understand how their particular trade fits and works alongside others within the construction industry. The aim is to develop an employment-ready, qualified individual who has experience working in a real life environment. This will enable us to provide a reference to assist them in moving into employment.

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- 3.12 The College target demographic includes students and young people aged 16+, the long-term unemployed, ex-offenders and ex-service personnel looking to re-train, NEETS (young people not in full time education or training), women, traditionally excluded and non traditional groups.
- 3.13 The College's aim is to offer work-ready, qualified trade operatives who have the skills and abilities in demand by local and national employers. The College will actively encourage local companies to view the Training Centre in action, with the aim of encouraging them to offer apprenticeships to their Learners.
- 3.14 It is envisaged that OSATs will be offered Monday to Saturday, typically between the hours of 9am to 5pm.

Customer / Equalities and Diversity Implications

- 3.15 There are benefits to the community as the property will be used to provide training to a wide demographic group, providing opportunities to improve their skills and gain qualifications and hopefully a pathway into work.

4. RISK MANAGEMENT

There is a risk of future break-ins and vandalism if the property is left unoccupied.

5. APPENDICES

None.

6. BACKGROUND PAPERS

None.

AUTHOR OF REPORT

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