

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

CABINET – TUESDAY, 24 SEPTEMBER 2019

Title of report	TO GRANT A LONG TERM LEASE FOR A COUNCIL ASSET (SWANNINGTON DEPOT) TO HOSPICE HOPE
Key Decision	a) Financial Yes b) Community Yes
Contacts	<p>Councillor Andrew Woodman 07932 758555 andrew.woodman@nwleicestershire.gov.uk</p> <p>Strategic Director of Place 01530 454555 james.arnold@nwleicestershire.gov.uk</p> <p>Head of Community Services 01530 454832 paul.sanders@nwleicestershire.gov.uk</p>
Purpose of report	To seek approval to grant a long term lease for land at Swannington to Hospice Hope to facilitate the construction of a new building to house the charity's community services and activities.
Reason for decision	The granting of a lease will facilitate the construction of the new facility by Bloor Homes to an agreed specification which will be subject to a planning application by Bloor Homes.
Council priorities	Our communities are safe, healthy and connected
Implications: Financial/Staff Health and Safety	<p>Bloor Homes will meet the full cost of the design development and construction of the new community facility and submit the planning application. Hospice Hope will cover all running costs of the asset once handed over. The council will need to make provision for the relocation of the bin storage facility which will cost in the region of £65k and will be funded from unallocated reserves.</p> <p>Part of Bloor Homes project management protocols for the construction</p>

Risk Management	Risk register in place by Bloor Homes for construction under a contract with the Hospice Hope. Should the charity become unsustainable in future and is wound up the lease would fall away and the asset would revert to the council to secure another related community service tenant. Other charities may see this asset transfer as some sort of precedent.
Equalities Impact Screening	This new community facility will deliver vital end of life care services to some of our most vulnerable residents in the district.
Human Rights	None discernible
Transformational Government	The asset, once constructed, as well as the land on which it resides will remain in the freehold ownership of the council
Comments of Head of Paid Service	Report is satisfactory
Comments of Section 151 Officer	Report is satisfactory
Comments of Deputy Monitoring Officer	Report is satisfactory
Consultees	Local ward member and Worthington and Swannington Parish Councils
Background papers	None
Recommendations	<p>THAT CABINET APPROVES:</p> <ol style="list-style-type: none"> 1. THE TRANSFER OF THE LAND UNDER A LONG TERM 150 YEAR LEASE TO HOSPICE HOPE (THE EXTENT OF WHICH IS SHOWN EDGED WITH A THICK RED LINE ON ANNEX A AND SUBSTANTIALLY ON THE TERMS WITHIN ANNEX B) SUBJECT TO SECURING PLANNING CONSENT. 2. DELEGATION OF AUTHORITY TO A STRATEGIC DIRECTOR TO NEGOTIATE AND ENTER INTO THE LEASE ON SUBSTANTIALLY THE SAME TERMS AS SET OUT IN ANNEX B. 3. APPROVES A COMMITMENT TO FUND THE PROJECT TO EXTEND THE LINDEN WAY RECYCLING CENTRE TO THE VALUE OF £65K FROM UNALLOCATED RESERVES

1.0 BACKGROUND

1.1 Hospice Hope, a registered charity currently delivers specialist care services from Hope House, Lower Brand, Griffydam LE67 8HE for people with life limiting conditions. Hospice Hope was formed following the closure of the Sue Ryder Hospice at Staunton Harold in 2002, which provided palliative care to adults living in North West Leicestershire. The charity also runs three support cafes on designated days in Ashby, Whitwick, Ibstock and Castle Donington. (Annex C sets out the charity's vision)

1.2 The charity provides support through:

- Having a straight forward referral policy for Hope House, Griffydam, which offers day care on Mondays and Thursdays for people with the life limiting condition, thus allowing carers to take a well-earned break. People stay for the duration of the day, rather than attending on a drop-in basis, and do not stay overnight.
- Offering warm, homely environments, far removed from the hustle and bustle of hospitals
- A dedicated team of at least 56 active and experienced volunteers, who are there to listen and support, not judge
- Offering relaxing complementary therapies and activities
- Having an 'open door' policy at four weekly drop-in Support Cafés in North West Leicestershire.

1.3 Carers are welcome at the four Support Cafes but Hope House is for the patient. This allows the carer to take a much deserved break from their caring duties, safe in the knowledge that their loved one is being well looked after. People can refer themselves to Hospice Hope or referrals can be made by health and social care professionals, a carer or family member.

1.4 There is no charge for being at Hope House; the transport, services (including complementary therapies) and home cooked lunch are free.

1.5 The owner of the current accommodation in Griffydam now wishes to return to the property and live in it, therefore the charity is looking for alternative accommodation and has approached the council to see if any assistance can be provided.

2.0 SITE OPTIONS APPRAISAL

2.1. A number of sites have been explored for a potential new home for the charity and have been dismissed for reasons of cost, location or access issues. A summary of the findings is set out as follows:

Bungalow at Stoney Lane, Coleorton	£680,000	On narrow lane so access may be an issue and insufficient space for staff; visitors and volunteers parking
Residential property and land at Nottingham Road Kegworth	POA	Too far north and plot too small - also came with Planning permission for housing

Storey Arms Pub Main Street Osgathorpe	£500,000	Sufficient parking and in village centre but upstairs space wouldn't really be used. Main constraint is that it is listed as stated by Planning Policy, a Community Asset (being the last pub in the village) so alternative premises may be needed to be found and paid for.
Hideaway Cottage Farm Town	POA	Would need substantial work. Insufficient parking and on a narrow lane so access a problem.
Residential 3 storey house on Main Street Newton Burgoland	£630,000	Too large a domestic property and space on upper floors. Also insufficient space for parking or grounds
Red House Pub High Street Coalville	£350,000	Too urban a setting as need peaceful gardens for residents. Also the cost of demolition and new build would be too expensive
House at Park Close Castle Donington	£850,000	Need to demolish house as unsuitable for hospice use and not sufficient parking spaces. Too far north
The Old Kitchen Garden 17b Langley Drive Kegworth	POA	Shared drive not good; insufficient car parking space and too far north
Land at Lower Packington Road Ashby de la Zouch - Ivanhoe Football Ground	£400,000	Checked with Planning Policy and purchaser would have to find replacement facilities as it would be a loss of community sporting facilities. Expensive with land purchase; alternative site and new building
The former Plough pub at Ravenstone	POA	Site has outline permission for housing and pub would need demolition. Agent never returned HH calls.
Land at Vicarage Lane Packington	POA	Plot too large and the land is subject to an Option Agreement in favour of Hallam Land Management
Land on Loughborough Road Peggs Green	£600,000	Land with the principle of development accepted on it as outline housing permission in 2016. Access conditions on busy A512
The former Oak Pub Talbot Lane Whitwick	£420,000	Site is seeking Housing planning permission, Main building would need demolishing, making it too expensive with build cost
Land opposite Conkers Waterside on Rawden Road Moir	POA	Site being sold by British Coal but it's a long narrow strip of 0.057 hectares and unsuitable for building a hospice on
Lauden House, Ridgeway Road Ashby de la Zouch	N/A	Former residential home on potential key residential plot - building would need demolishing and hospice built so too expensive
Large House on Burton Road Ashby de la Zouch	£600,000	Too little parking space but good grounds.

2.2. The developer Bloors Homes have made a commitment to build the new accommodation for free if a suitable site is provided. Having reviewed the portfolio of council owned assets, the site of the former depot in Swannington is deemed to be the most suitable location for a new hospice. The site is currently used to store refuse bins, and is at the junction of Church Hill and Jeffcoats Lane.

3.0 ASSET TRANSFER IMPLICATIONS

3.1. Section 123 of the Local Government Act 1972 requires local authorities to dispose of their land at "best consideration that can reasonably be obtained" unless it has consent from the Secretary of State to sell it for less. In 2003, the Secretary of State issued a

general consent that allows local authorities to sell their land at an undervalue of up to £2m where the authority considers that the disposal will “*help it to secure the promotion or improvement of the economic, social or environmental well-being of its area*”.

3.2. An independent valuation report has valued the land at £150,000 and the benefits that a charitable hospice may bring to the area can be considered to be an improvement of social well-being. Such a disposal is therefore permissible subject to the following:

- Resolution of Title issues (this land is currently unregistered and the deeds have been lost. The legal team is in the process of applying to the land registry for registration in the Council’s name in the absence of deeds). This process is predicted to take at least six months to resolve due to capacity issues at the Land Registry.
- The council retains the freehold and grants a long term lease of the land and building
- Protection that the site will only be used for a community hospice.

3.3. Although the giving of land constitutes aid the nature of this disposal is not something for which there is a competitive market or with cross border implications. Therefore this will not constitute unlawful State Aid. In any event, the disposal (i.e. the grant of a lease for the purposes of constructing a hospice) would fall within the diminimis exemption which allows an undertaking to receive State Aid up to a value of £200,000.00 in any 3 year period.

4.0 THE PROPOSAL

4.1. This report proposes that the council retains the freehold of the land as well as the building once it has been completed by Bloor Homes and that a 150 year lease be granted to Hospice Hope (Charity Number 1169561) at a nominal rental of £1 per annum (if demanded). The tenant will be responsible for all running costs in relation to the new building and the site itself.

4.2. Bloor Homes (Gary Crisp Director) will construct the new facility to an agreed specification with Hospice Hope to a minimum gross building area of 6,000 square feet. Hospice Hope will enter into contractual arrangements directly with Bloor Homes to secure the correct outputs (specification, construction and completion).

4.3. The transfer aligns with the council’s Asset Disposals Policy(2008) specifically under section 2.3 which states that disposals don’t need to achieve best consideration if the transfer encourages a specific use or delivers on the Council Delivery Plan.

4.4. Hospice Hope have shared their current and new business plan for the proposed Swannington facility (2020 – 2024) that clearly demonstrates that the move to the new location will be sustainable in operational terms

5.0 REPROVISION OF WASTE SERVICES BIN STORAGE FACILITY TO THE REAR OF LINDEN WAY DEPOT, COALVILLE

5.1 The Swannington facility is a vital resource in use by the Waste and Recycling Service for the storage of all types of domestic and commercial waste and recycling bins and containers. This facility will need to be provided and an extension to the compound at

Linden Way has been deemed to be the most suitable location for this. The cost to create this 1750 square metre facility on council owned land (site clearance, surfacing, fencing and fees) is £65k and will be funded from unallocated reserves.

- 5.2 The key risk to this re-provision centres on being able to secure planning consent in a timely manner. An ecology survey will also need to be carried out. It should be noted that Leicestershire County Council did secure planning consent for a very similar extension which expired in August 2019. It is anticipated that the planning application for the extended compound will be considered at the same Development Control Committee as the application for the new Hospice Hope building.
- 5.3 With the bin storage facility being formed by extending the Lindon Way site compound this will lead to operational efficiencies in terms of staff time as well as related transportation costs.

6.0 PLANNING CONTEXT

- 6.1 The lease will only be granted to Hospice Hope when planning consent has been secured. Bloor Homes will submit the planning application to the council and carry out pre application discussions with planning officers to ensure appropriate design quality.

7.0 COMMUNITY ENGAGEMENT

- 7.1 The Swannington site is within the council's Valley Ward and the relevant councillor has been briefed on the proposal. The local parish councils of Swannington and Worthington have also been engaged by Hospice Hope by way of a number of afternoon teas on 2nd, 5th, 9th and 12th September 2019 held at their current Griffydam home. The key trustees leading on the project for the charity are Stewart Shepherd(Chair), Roy Stobbs and Peter Last.