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|  Brent | <p style="text-align: center;">Cabinet 21 September 2015</p> <p style="text-align: center;">Report from the Chief Operating Officer & the Strategic Director of Regeneration and Growth</p> |
| For Action | Wards affected All |
| <p>Welsh Harp Environmental Educational Centre - proposed Community Asset Transfer, outcome of marketing & recommendation to proceed with preferred bidders and grant a new lease and associated licence</p> | |

*Appendix 3 is not for publication.

1.0 SUMMARY

- 1.1 This report sets out proposals for the future of the Welsh Harp Environmental Educational Centre (WHEEC) following the budget report to Cabinet in December 2014 and proposals to withdraw funding from the Centre.
- 1.2 The WHEEC has been identified as potentially suitable for Community Asset Transfer (CAT) in accordance with the provisions agreed as part of the new Strategic Property Plan 2015-19 as agreed by Cabinet in June 2015. This would provide an opportunity to secure continuity of an existing valuable service from the Centre in one form or another as the service is popular with Brent schools.
- 1.3 This report seeks approval to proceed with the proposed CAT comprising the leasehold disposal of the WHEEC, detailing the outcome of marketing and makes a recommendation to grant a lease to a preferred or a reserved bidder.

2.0 RECOMMENDATIONS

- 2.1 That Members approve the proposed Community Asset Transfer of the Welsh Harp Environmental Education Centre.

- 2.2 That Members delegate authority to the Operational Director Property and Projects to finalise and agree the terms of a leasehold and associated licence disposal to the preferred applicant, Thames 21 in consultation with the Chief Operating Officer, the Strategic Director of Children and Young People and the Chief Finance Officer.
- 2.3 The Cabinet endorses efforts to try to get the two bidders to work together to deliver an improved service at the Welsh Harp Environmental Education Centre.

3.0 DETAIL

- 3.1 The 15 December 2014 Cabinet report by the Chief Finance Officer in respect of Brent's budget proposed the withdrawal of funding from the WHEEC, delivering savings of £27,000 over 2 years and ceasing the provision of education for school children at the centre. Following consultation, the 23 February 2015 Cabinet report identified that there was one opponent to the proposed closure. The 18th March 2015, Welsh Harp Joint Consultative Committee noted the closure of Welsh Harp Environmental Education Centre to be from April 2015. Subsequently the closure was delayed until July 2015.
- 3.2 On 1 June 2015 the Cabinet agreed the new Strategic Property Plan 2015-19, including proposals in respect of a new Community Asset Transfer process. Subsequently in July 2015 a detailed CAT policy, procedure and guidance was published. The WHEEC is considered a suitable asset for CAT as it could potentially enable the asset to be used on an ongoing basis as a valuable educational resource for schools in Brent. The WHEEC has therefore been marketed as a CAT opportunity, and in many ways can be seen as providing a test case for the application of CAT moving forwards.
- 3.3 The WHEEC comprises of two classrooms within a demountable unit, a toilet and shower block, parking and an adventure playground all of which are located within the Welsh Harp Metropolitan Open Space. There is also an office facility within the adjacent Planet House that is leased to Energy Solutions. The proposed lease area comprises 0.17 hectares with a D1 use class as an outdoor education centre.
- 3.4 The WHEEC licence area comprises of 4.89 hectares of outside teaching space that includes two woodland walks and habitats, a rivers study area, and a picnic area/play area. The location is also used for teaching orienteering skills. The WHEEC is approached by a private road leading from Birchen Grove and is within walking distance of the Welsh Harp Reservoir with its sailing facilities.

Marketing

- 3.5 In June 2015 the WHEEC was marketed with the particulars indicating that the subject property could form part of a CAT. Potential applicants were guided to the 1st June 2015 Cabinet paper which approved the high level CAT process. The proposed lease terms offered were:

1. The Council will consider granting a lease for up to 7 years.

2. The lease will be on a full repairing and insuring term with the Council insuring the WHEEC and the tenant reimbursing the Council.
3. The lease will be contracted out of the Landlord and Tenant Act 1954 and the ingoing tenant will have no right to renew the lease.
4. A rent review will be subject to a Consumer Price Index (CPI) increase on the 5th anniversary of the lease term.
5. A tenant's break clause will be operable with 10 months notice on the 1st September to terminate the lease on the following 1st July during the course of the lease period.
6. The prospective tenant will be required to maintain the centre in good order.
7. The ingoing tenant may not sub-let the centre.
8. The lease will be entered into on the Council's standard terms.
9. The lease will contain such other terms as the Borough solicitor considers appropriate.
10. The area to be licenced will be ancillary to the lease and will be available for a period of up-to 7 years.

3.6 Interested parties were asked to use the CAT property application form to submit their offer, the template form comprises the following questions/ tests:

1. The eligibility test aims to ensure that the applicant is a qualifying organisation which is defined in the CAT policy as a third sector organisation (a TSO).
2. The organisation tests looks to ensure that the organisations we contract with are of sufficient capacity to take on the building and deliver the proposed service.
3. Draft lease heads of terms set out contracting conditions.
4. A service offer template asks applicants to detail their proposals in the form of a business plan including cash-flow forecasts. The service offer will form part of the lease and will be subject to an annual self assessment by the tenant. The self assessment will be submitted to the Council to review and feedback on.
5. A social value test is a more detailed version of the borough plan test. This aims to ensure alignment with Brent's vision and objectives. In the case of the WHEEC Centre, guidance on the social value test was not made available so instead the borough plan test was included in the CAT property application form.
6. An equality analysis that asks applicants to consider the equality impact of their proposal.

Outcome of marketing

3.7 The outcome of the marketing campaign on 7th July 2015 was that two CAT applications were received.

3.8 Application 1. The Carey's Foundation, guaranteed by the Carey's Group, is an established construction and resources recovery company with a long established connection with Brent. The Foundation was founded in 2010 and is a registered charity that supports a wide range of projects including community driven initiatives. Carey's assistance has in the past extended to WHEEC

where they have supported operations and are familiar with the service. The Carey's proposal is to continue with existing services and add to these in the medium to long term.

- 3.9 Application 2. Thames 21 is a registered charity limited by guarantee, formally constituted in 2004. They are Trustee led and in receipt of financial support over 20 years from a range of public and private sector bodies. Thames 21 has an established education team with a number of environmental programmes involving young people and schools. Their environmental partnerships have included Brent together with initiatives across many parts of London. Thames 21 wants to continue the existing service, looking to enhance the delivery of existing programmes at the WHEEC with schools and with minority populations.
- 3.10 Both applications on paper were fairly similar and as such they were invited to present their proposals on 29 July 2015 to a cross department officer panel.

Application evaluation

- 3.11 In accordance with Brent's CAT policy the applications were evaluated and the outcome is detailed in appendix 2. Appendix 3 details the commercial offer along with an officer valuation that has been checked and signed off by an internal Member of the Royal Institute of Chartered Surveyors (MRICS) that is qualified to approve the valuations.

Recommendation

- 3.12 Based on the evaluation, the recommendation is to proceed with the Thames 21 application. Thames 21 is an experienced environmental education organisation with a strong track record of delivering effective, community volunteering, engagement and educational events and activities to local communities promoting environmental awareness. The charity delivers practical and engaging environmental activities that teach young people about the need to care for their natural environment. As well as the educational work, Thames 21 looks to connect local people and communities with their local environment enabling a stronger sense of community ownership. With an existing environmental education programme in place, in addition to an established centre at the WHEEC, Thames 21 will transform the way environmental education activities are already currently being delivered and will make a positive difference.
- 3.13 The Carey's foundation bid also has strong merits. The Carey's Foundation plan is to invigorate and enhance the current educational and environmental offer of the WHEEC, to enthuse the children and build stronger school / community relationships. If the Thames 21 proposal falls through for any reason, officers would propose that the Carey's application be reconsidered by the Cabinet.
- 3.14 Following interview, both organisations have been contacted and informed of the recommendations in this Cabinet report, with the suggestion that both organisations should consider working together to provide an enhanced

service. Thames 21 has confirmed they are very interested in this partnership approach.

Risks

3.15 It is noteworthy that there are risks associated with the Thames 21 application. Most prominent is the lack of a full business plan., The submitted application noted the following risks:

1. The current income is not sufficient to support the expenditure or running the service.
2. The risk of the education centre shutting down reduces demand next year.
3. That Thames 21 is unsuccessful with various funding applications to develop the centre to its full potential.
4. The cost of upgrading the infrastructure of the centre is significantly higher then envisaged.
5. The running costs of the centre are significantly higher then envisaged.

3.16 The following mitigation plan is proposed by Thames 21 with outcomes reviewed at the year end self assessment process as detailed in the CAT policy:

1. To inspect financial records for the centre.
2. To contact all schools who have used the centre previously to ensure they are aware that the centre will be remaining open. Use current staff knowledge and relationships to build links with schools/ users. Attend School Heads meetings within Brent and surrounding boroughs to promote the centre.
3. To use Thames 21 experience, expertise and contacts for successful funding applications.
4. To undertake inspections of the site (infrastructure) and development of a costed business plan and to develop alternative funding sources.
5. To undertake inspections of the site (running costs) and develop a costed business plan and to develop alternative funding sources.

Next steps

3.17 A proposed programme is set out below (proposed dates may be subject to change):

1. Welsh Harp was consecrated in the 1950's as the original proposal was that the site would at some stage become a graveyard. This creates complexities that will need to be resolved before the letting can take place and expert advice is being sought.
2. Heads of terms have been issued – subject to Cabinet and contract - on 21 August 2015.
3. On receipt of the signed heads of terms the draft CAT lease will be issued by 1 September 2015 – subject to Cabinet approval.
4. Cabinet consideration - 21 September 2015.
5. Thames 21 to open the WHEEC by October 2015

4. FINANCIAL IMPLICATIONS

- 4.1 The current service budget is £93k which will continue to fund any cost associated with the maintenance and upkeep of the facility until the asset is transferred to a third party.
- 4.2 Any residual budget will be withdrawn post transfer.
- 4.3 The savings target for 2015/16 and 2016/17 financial years are £13k and £14k respectively. No additional ongoing costs are expected to be met by the service once the proposed transfer is complete.
- 4.4 No rental income is expected by the service from this asset transfer and any income generated will pass to the general fund.

5. LEGAL IMPLICATIONS

- 5.1 A landlord's break clause will be inserted. This will be operable on the basis of service delivery by the tenant at the end of the second academic year with 3 months notice served on or before May 2017 to terminate the lease in July 2017 and provision for a biannual break notice thereafter. This will be added to existing heads of terms.
- 5.2 Under Section 123 of the Local Government Act 1972 the Council has a general power to dispose of properties including by way of the sale of the freehold or the grant of a lease and licence.
- 5.3 The Council must obtain the best consideration that is reasonably obtainable unless it is a lease or licence for 7 years or less.
- 5.4 Disposals on the open market, either by way of auction or by way of appointing a marketing agent, will satisfy the best consideration requirement.
- 5.5 Since the land to be leased is held as public open space the disposal of the same was advertised under Section 123 of the Local Government Act 1972 in a local newspaper for two weeks with a 21 day period for objections but none were received.
- 5.6 The form of lease to be granted will be based upon a template lease for the disposal or letting of community assets which includes provision for appending the service offer, a once a year annual review comprising the review of the service offer, details of service delivery outcomes and anticipated outcomes for the following years. The associated licence will be in template form.

6. EQUALITY AND DIVERSITY IMPLICATIONS

- 6.1 Progressing the proposed CAT will support a number of Brent's equalities objectives. The proposals provide for community engagement and involvement, safeguarding and enhancing the environmental education offer by providing opportunities for children in urban schools to receive environmental education.

- 6.2 The marketing process aimed to ensure that all eligible organisations had equality of opportunity and could put forward an application, with marketing resulting in two applications being submitted.
- 6.3 Thames 21 has an equalities policy that broadly aligns with the Council's. Thames 21 is better aligned with the WHEEC as their background is in environmental education and as an experienced provider their bid provides the opportunity to not only continue with the existing service but to enhance it and create increased opportunity for young people to receive environmental education.
- 6.4 The Carey's application looks to safeguard the existing service and develop this over time and the offer has some merits. There is real benefit in the proposed suggestion for both organisations to work as one, as it will ensure outcomes are delivered much sooner positively impacting Brent's overall equality objectives.

7. STAFFING/ACCOMMODATION IMPLICATIONS

- 7.1 There are no staffing implications that arise directly from this report. Future staffing will be an issue for the tenant. No staff at the facility is currently directly employed by the council and no TUPE considerations apply.
- 7.2 There are no accommodation implications that arise other than the fundamental property matters that are described in detail throughout this report.

8. ADDITIONAL INFORMATION

- Appendix 1. Subject site
Appendix 2. Application evaluation
Appendix 3. Commercial offer & Officers valuation. (Confidential).
Appendix 4. Equality analysis.

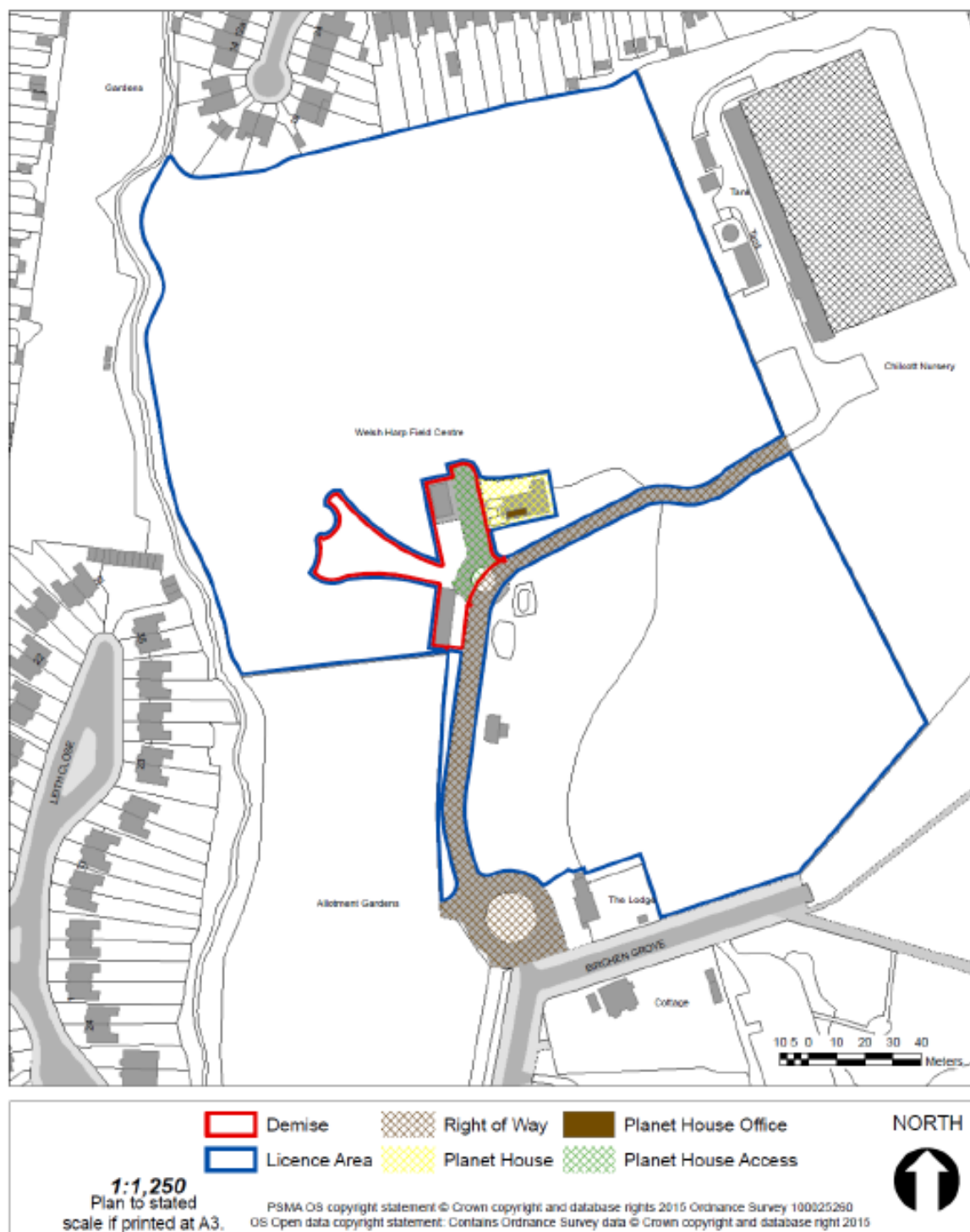
Contact Officers

Amin Soorma, Estate Surveyor, Regeneration and Growth, 020 8937 4202

Sarah Chaudhry, Head of Strategic Property, Regeneration and Growth
020 8937 1705

ANDY DONALD
Strategic Director of Regeneration and Growth

Lease and Licence Plan The Welsh Harp Environmental Education Centre, Birchen Grove, London, NW9 8RY



Appendix 2. Application evaluation.

| Criteria | Carey's Foundation | Thames 21 |
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| 1. Qualifying organisation | Yes, registered in the last 12 months as a charity. | Yes, registered charity formally constituted in 2004. |
| 2a. Properly constituted and governed. | Yes, registered charity, four trustees on the board, one managerial role to oversee the trust. The WHEEC will be run by a qualified teacher experienced in environmental education. | Yes, registered charity, 12 Trustees, WHEEC project to be managed by the senior management team comprising the chief executive, 2 no senior programmes manager, administration and personnel manager and a development manager. |
| 2b. Skill and Capacity to manage asset and provide service | Yes on application, although through interview lack of educational experience became clear – No. | Yes – experienced charity, delivering young people's education, background in funding raising, communities, environment and biodiversity, a directly aligned and strong track record. |
| 2c. Accounts demonstrate ability to take on asset and deliver service | No accounts available for the Carey's Foundation as they have recently 2015 become a charity. With the backing of Carey's Group as parent the accounts were acceptable – Yes. | Yes – accounts demonstrate capability to provide the proposed services and take on the property commitments. |
| 2d. Experience of delivering similar projects. | No direct delivery. Partnership at St. Mary Catholic Primary School with Sainsbury's. Creating an outdoor learning area. Chalfont St Giles, joint partnership with school to create and maintain and outdoor learning area. Support function. | Yes. Fixing broken rivers, educating 32,400 young people, educational activities for 9,778 young people and engaged 2,934 adults. Commissioned to undertake a range of curriculum linked environmental education engagements to 600 pupils, overachieving and delivering sessions to a total of 4,310 pupils in 78 schools across London. |
| 2e. Copy of equality policy | No on application, although it was confirmed at interview Carey's Group policy would apply – Yes. | Yes. |
| 2f. Consortium | No | No |
| 3. Analysis of heads of terms. | As per appendix 3 (confidential). | As per appendix 3 (confidential). |
| 4. Service Offer. | Short term – to keep the centre open. Long term – rebrand, | Short term – to maintain the current education provision and |

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| | <p>remarket, review service offer, open opportunities for training, volunteering, etc. and increase funding and grants. While looking at options to broaden service.</p> | <p>where possible to enhance through Thames 21 staff expertise and to explore funding arrangements. Long term – the site will become an environmental educational hub for north London with schools travelling across the capital to receive its excellent educational offer and will be fully accredited with Learning Outside of the Classroom (LotC). To include links with partners, providing teacher training and non-term time offers.</p> |
| <p>5. Borough plan outcomes (instead of the social value test).</p> | <ol style="list-style-type: none"> 1. Reducing deprivation through education. 2. Decreasing unemployment. 3. Reducing exclusions and opportunities for an enhanced timetable. 4. Providing access to green space and creating fitter, healthier generations to come, boosting community health. 5. Keeping vulnerable people safe. 6. Educating people about their surroundings. 7. Keeping young people engaged and out of trouble. 8. Enhances new cultures and provides new experiences. 9. Brings communities together creating resilience creating diverse workforce. 10. Creates community ownership, creating a lasting legacy and local engagement. 11. Builds a centre for people by people. 12. Better alignment with community needs, creating opportunities for enterprise, large organisations and young people. | <ol style="list-style-type: none"> 1. More children and young people in Brent receiving an enhanced educational service. 2. Training and empowering local communities to have confirmed and skills to seek new forms of employment. 3. Enhanced quality and quantity of education, development of teacher training sessions. 4. Improved mental and physical wellbeing through volunteering and more active outdoor lifestyles through connecting with green spaces. 5. Enhanced working with vulnerable people including mental and refugee. 6. Enhanced maintenance and litter clearance in local area and increased ability to lever in funding. 7. Enhanced deliver of green infrastructure and cleaner public spaces, better utilised reducing crime increasing community engagement. 8. Enhanced leisure facilities and potential development of local arts projects. 9. Development and training for the local community including community ownership. 10. Increased local volunteering forming strong communities. |

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| | | <p>11. Workload to be informed by local people.</p> <p>12. Increased opportunities for local communities and residents to get involved and deliver services.</p> |
| 6. Equalities outcomes | Carey's have said they will have a positive impact on all the 9 protected characteristics with limited comment on why. | Thames 21 say their work will have a positive and neutral impact clearly justifying the reasons in their application. At interview there was the recognition that due to the nature of environmental educational work, it tends to be less attractive as a profession to ethnically diverse communities resulting in a workforce that was predominantly white. Thames 21 said they are looking at ways in which to address this. |
| 6a. Inclusive to all | Yes. | Yes. |
| 7. Equality monitoring. | Brent standard form completed and received analysis in the equalities section. | Brent standard form completed and received analysis in the equalities section. |
| 8. Connection or interest. | None noted. | None noted. |