

Broadlands Pre-School Centre

Registered Charity No 1055656

Rental discounts to third sector, voluntary and community groups

Business and Community Plan

Submission to Cheltenham Borough Council

Dated

28 January 2015

Submission Guidelines

Any decision made by Cheltenham Borough Council to lease its property at less than 'best consideration' will be based on an objective assessment of the benefits your service provides to the community of Cheltenham at large.

We will use the information you provide in this document to calculate the percentage rental discount your organisation is entitled to upon the renewal of your lease agreement with Cheltenham Borough Council.

Rental discounts will be based upon the degree to which your activities are open to the community at large (i.e. is a paying membership required?) and to the extent your activities further the aims of the Council's community plan.

Cheltenham Borough Council's Corporate Strategy 2010-2015 identifies 3 key community objectives, which are as follows:

- Enhancing and protecting our environment
- Strengthening our economy; and
- Strengthening our communities

These are supported by an additional 'cross-cutting' objective of

- Enhancing the provision of arts and culture

Rental discounts will be determined by the degree to which you are able to demonstrate how your organisation **significantly contributes** towards supporting these objectives in your Business and Community Plan.

The Cabinet reserves the right to award an additional discount in exceptional cases, where the organisation concerned has demonstrated, by clearly evidenced business plans, that they are providing a comprehensive community benefit which is not satisfactorily reflected through the application of the rental discount criteria specified within this document.

Organisations will have the power to sub-let only with the agreement of the Council which will not be unreasonably withheld so long as the income is used to further the aims and activities of the organisation.

Alongside the Corporate Strategy is Cheltenham's Sustainable Community Strategy 2008-2011. This Strategy identifies nine priorities for Cheltenham:

- Promoting Community Safety
- Promoting Sustainable Living
- Promoting a strong and sustainable economy
- Building healthy communities and supporting housing choice
- Investing in environmental quality
- Investing in travel and transport

- Investing in arts and culture
- A focus on children and young people

Nearly all of these priorities 'fit' in some way to the 4 objectives in the Council's Corporate Strategy. The focus on children and young people is however more cross-cutting. In view of this, and in recognition of the fact that the Community Strategy has demonstrated a clear need to focus on children and young people, this will be set as an additional priority, with a particular focus on the 5 Every Child Matters outcomes being met.

The Every Child Matters outcomes are as follows:

- Be healthy
- Stay safe
- Enjoy & Achieve
- Making a positive contribution
- Achieving economic well-being

Calculating the Rent Subsidies

Where you are able to demonstrate clearly and to the satisfaction of Cheltenham Borough Council's Assessment Panel that you are making a **significant contribution** to one or more of the objectives identified within the Corporate Strategy and/or to one or more of the Every Child Matters outcomes for children and young people, you will be entitled to a 20% discount on the rental costs for significantly contributing to each objective/priority.

This discount will be staggered incrementally, as follows:

One objective	– 20% discount
Two objectives	– 40% discount
Three objectives	– 60% discount
Four or more objectives	– 80% discount

As agreed by the Cabinet in July 2010, a further 20% discount is available to all charities renting Council property.

As a general rule, when leases are due to be renewed and at the Cabinet's discretion, buildings that are operating primarily as social or sports clubs with a **paying membership** should only be given the standard 20% discount against the full market rent.

In addition, in order for the rental discounts to be agreed Cheltenham Borough Council will need to be satisfied that your activities are sustainable. It will therefore be important for you to provide a summary within your Business and Community Plan demonstrating your current and likely future business position, and to supplement this with a Financial Statement for the last financial year along with a projected Financial Statement for the following financial year.

Please complete the following Sections below to support your application for a rental discount

1. Enhancing and Protecting our Environment. *How, if at all, does your organisation significantly contribute towards meeting this objective? Your activities may include investing in environmental quality, investing in travel and transport, and/or promoting sustainable living*

- Broadlands has invested in training to become accredited to offer Forest School sessions. Forest School is a process that offers all learners regular opportunities to achieve and develop confidence and self-esteem through hands-on learning experiences in a woodland or natural environment with trees
- The children make use of Burrows Field to explore nature, such as collecting conkers in Autumn and flying homemade kites
- Part of the annual curriculum covers recycling and other environmental issues
- The children regularly visit Primrose Vale to see the produce at this local farm
- The outdoor space is filled with natural resources, including a vegetable garden
- On being awarded the Bristol Standard for May 2013-2014, the validation panel noted, *"It is clearly evident that your children benefit from having plenty of opportunities to use their imagination and be creative using open-ended natural resources in the outdoor area."* The Bristol Standard is a well-respected early years quality improvement programme, which we have been involved with for three years.
- By providing a local community based Pre-School, parents can walk from home and avoid driving to provision further away

2. Strengthening our Economy. *How does your organisation strengthen our local economy?*

- We procure local goods such as drinks and snacks for the children and use local services e.g. pay a cleaning company to come in daily to keep the facilities clean
- We invite a range of local businesses to lead activities with the children e.g. the Music Man and Sporting Minis
- We currently employ 13 people from the local community
- We engage with the local community by involving local business in fundraising events. This serves to advertise local businesses to the parents and children at Broadlands
- We pay for trips to local attractions such as Cattle Country and Hop, Skip and Jump
- By providing a local community based Pre-School, parents have the flexibility to work locally whilst their children are at the setting

3. Strengthening Communities. *Your activities may support this through a variety of mechanisms, such as promoting housing choice, building healthier communities, supporting older people, etc.*

- The Pre-School premises are available for hire for children's parties and after-school clubs, such as Rainbows
- Broadlands helps local families get to know each other better. There is a strong community feel at Broadlands. It is managed by a voluntary parent committee

and supported by an enthusiastic team of parent fundraisers. There are regular social events organised by the fundraising team

- The fundraising team organise a popular Summer Fair and Christmas Fair, inviting the local community to attend. These events are well supported by local businesses that donate prizes for the raffle
- Broadlands has a good relationship with the local school and the children visit at Christmas to watch the Nativity and in the Summer before the transition to school
- Broadlands is proud of its open inclusive entrance policy and has a diverse mix of local families

4. Enhancing the provision of Arts and Culture. *How does your organisation contribute to the provision of arts and culture and to supporting local people in accessing arts and cultural activities?*

- There is a focus on arts and crafts during the sessions, with plenty of opportunity to paint, play with modelling clay, cut, stick and draw
- Sessions are often focused around cultural events, so that the children are introduced to diverse aspects of our culture, as well as learning about different people's backgrounds e.g. Diwali, Christmas, St. Andrew's Day, Remembrance Day and Chinese New Year
- Parents are invited to come in and share their talents with the children. These include giving the children a taste of foreign languages, musical instruments and cake decorating
- The children are encouraged to engage with our local culture, such as visiting the Christmas Tree Festival at Emmanuel Church, annually visiting the Hindu temple in Cheltenham and going to shows at the Everyman Theatre. In turn, local religious leaders are invited to talk to the children at Broadlands

5. A focus on improving the life chances of children and young people. *Please identify how your organisation significantly contributes to meeting the outcomes for children and young people, as identified in Every Child Matters.*

Be Healthy

- Broadlands is a clean and healthy environment. As well as adhering to a hygiene policy, Broadlands promotes healthy eating with healthy snacks and packed lunches. A nutritionist runs sessions with the children to explain the importance of a healthy diet
- Children know that they should wash their hands before snack and lunch and after going to the toilet. They are very independent in doing so
- A local doctor visits the children to teach the children the importance of looking after their health

Stay Safe

- We regularly invest in training for the team at Broadlands to ensure they are able to provide a safe and caring environment for the children. We have a detailed child safeguarding policy, which is reviewed on a regular basis, as well as other procedures to guarantee their safety e.g. regular fire drill practices and alarmed doors. These are explained in detail in our policies and procedures document which can be downloaded from our website

- The site is secure and safe during session times
- The local fire service and police service visit to explain to the children how to stay safe
- Quote from Ofsted inspection, February 2013: *“The staff provide a warm, welcoming environment where children feel safe and secure in the setting.”*

Enjoy and Achieve

- Free-flow movement into the enclosed outside garden encourages children to enjoy playtime outdoors, where they can engage in a variety of activities, whilst being active, riding scooters, climbing and exploring the world around them
- The sessions are organised to offer child-led free play and the enjoyment of the children is evident
- Each child has a key worker to monitor their progress and ensure their well-being
- Quote from Ofsted inspection, in February 2013, *“ Children are eager to learn, active, happy and comfortable in their surroundings and as a result, they are progressing well in all areas of learning and development.”*

Making a positive contribution

- Broadlands was rated ‘good’ by Ofsted when inspected in February 2013. By providing good-quality care, we are nurturing confidence and independence in the children as they progress through the pre-school. They are therefore well prepared for the next stage in their journey - the transition to school
- The staff team encourage good behaviour and the children interact well together at Broadlands
- Quote from Ofsted, February 2013: *“Children behave very well and clearly understand the rules of the setting; they make friends quickly and interact well together.”*

Achieving economic well being

- Broadlands is run as a non-profit making organisation to make the fees as affordable as possible and therefore making Broadlands as inclusive as possible to local families. By being inclusive, every child is given an equal opportunity to thrive at Broadlands. This puts them in a good position to be successful as they progress through the education system and onto the world of work.
- Our equal opportunities policy also ensures that any child can attend Broadlands, whatever their background.

Financial and Business Management. *Please use this section to show how financially sustainable your current activities are, and to supplement this on a separate sheet with a Financial Statement for the last financial year along with a projected*

Financial Statement for the following financial year

Enclosed with this application form are a copy of last year's annual accounts, which have been filed at the Charities Commission and Companies House. These show a healthy balance sheet reserve and cash position.

In addition a copy of the 2014-15 budget commentary is attached. This provides an example of the financial rigour that the committee apply to running the setting along with re-assurance that Broadlands is being run in a financially sustainable manner.

It is the committee's goal to ensure the setting breaks-even each year and that excess cash is invested in the facilities. There is a major project scheduled to replace the outside play area once the new lease has been signed.

Appendix

Agreed principles

Disposals

This policy will not apply to public services which are commissioned or contracted out to third sector organisations and which have a clear monetary or commissioned value to the Council to i.e. Instances such as where a third sector group takes over the management or provision of a service on behalf of the Council should be dealt with separately. In these cases formal contracts or service level agreements would invariably be applicable.

New lettings

- The proposed disposal must fall within a general consent (as set out at Appendix B);
- There must be a 'sponsoring service' and a relevant Cabinet member in support of the disposal at less than best consideration;
- The proposal must contribute towards meeting identified priorities in the current Community Plan and/or Corporate Business Plan;
- A business plan must be submitted, clearly indicating the community benefits of the proposed operation and its financial viability over both the short and longer term;
- There must be a clear request for a discount on the basis that the funds are not available to meet the full market rent, but indicating how the proposal will be sustainable in the longer term;
- If a planning consent will be required, there must be a reasonable prospect that this can be obtained in a timely fashion, as advised by the Council's Development Control Manager;
- In the case of municipal shops, any related shopping facilities must not be adversely affected;
- The current state / condition of the premises and any proposed repairs by the in-coming tenant will be taken into account in assessing the market rent.

Existing leases

i.e. an existing third sector tenant is unable to meet the increase in rent following a rent review or lease renewal, or they have requested a 'rent holiday'.

- Up to the last three years business accounts must be submitted as evidence of a current inability to pay the full rent;
- The proposed disposal must fall within a general consent (see Appendix B);
- There must be a sponsoring service and a relevant Cabinet member in support of the disposal at less than best consideration;
- The proposal must contribute towards meeting identified priorities in the current Community Plan and/or Corporate Business Plan;
- A business plan should be submitted, clearly indicating the community benefits of the proposed operation and how it will be viable in the longer term;
- In the case of municipal shops, any related shopping facilities must not have been adversely affected by the existing tenancy.

Temporary licences

E.g. Access licences to cross Council land. These are not classed as a disposal and therefore the disposal strategy does not apply and neither does 'opportunity cost'.

- Access must be necessary to allow the organisation to function;
- The applicant must exempt from the State Aid rules as set out under Legal implications (see paragraph 1.6.2 above);

An 80% discount will be applied in the case of temporary licences, to align with the discount given to charities on business rates.

Legal documentation

- The unrestricted market value of any disposal should be noted in the legal documentation, so as not to risk undermining the value of other Council assets;
- The unrestricted market value of the disposal should be noted in the financial accounts;
- The Council should be able to request an annual progress report on the operation if it so chooses;
- If the tenant or use changes, the Council will have the option to withdraw from the agreement;
- The disposal must comply with European legislation relating to state aid.

General disposal consent

Under S123(2) of the Local Government Act 1972 the consent of the Secretary of State is required to carry out a disposal at less than best consideration.

From time to time, the Secretary of State issues so-called 'General Consents' which apply to disposals meeting specified criteria. Where a general consent has been issued, a qualifying disposal can proceed without the need for referral to the Secretary of State. The General Disposal Consent (England) 2003 applies to disposals where:

- a) The local authority considers that the purpose for which the land is to be disposed is likely to contribute to the achievement of any one or more of the following objects in respect of the whole of the whole or any part of its area, or of all or any persons resident or present in its area:
 - i) the promotion or improvement of economic well-being;
 - ii) the promotion or improvement of social well-being;
 - iii) the promotion or improvement of environmental well-being; and

- b) the difference between the unrestricted value of the land to be disposed of and the consideration for the disposal does not exceed £2,000,000 (two million pounds)