

Cheltenham Borough Council

Cabinet - 26 July 2011

Lease of the Stanton Rooms and Church Piece Public Toilets at less than best consideration to Charlton Kings Parish Council

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| Accountable member | Cabinet Member for Built Environment Councillor John Rawson |
| Accountable officer | Head of Property and Asset Management - David Roberts |
| Accountable scrutiny committee | Environment |
| Ward(s) affected | Charlton Kings |
| Key Decision | No |
| Executive summary | <p>The Cabinet is being asked to consider leasing the Stanton Rooms and Church Piece public toilets to Charlton Kings Parish Council (CKPC). This is to allow CKPC to take over the provision of public toilet facilities and to allow them to operate the Stanton Rooms as a community facility.</p> <p>The lease is at nil consideration, and therefore could be considered to be at less than best consideration. Save for the exception set out below, under S123 of the Local Government Act of 1972, leases over 7 years must be at the best consideration reasonably obtainable and in line with Cheltenham Borough Council's constitution, all leases at less than best consideration must be agreed by Cabinet.</p> <p>General Consents issued by the Secretary of State include the Well Being Powers created under the Local Government Act 2000, which give the Council authority to dispose at less than best consideration if it leads to:</p> <ul style="list-style-type: none">○ The promotion or improvement of economic well-being○ The promotion or improvement of social well-being○ The promotion or improvement of environmental well-being <p>The Secretary of State has granted a General Consent to dispose of property (including the grant of leases for more than 7 years) at an undervalue where one or more of the above criteria is satisfied. The difference between the disposal value and the "best consideration" must be less than £2m. The disposal proposed by this report would enjoy the benefit of the General Consent</p> <p>The Council has agreed to undertake works to repair a leaking roof at the Stanton Rooms and to assist in CKPC's proposed plan to re-configure both these and the toilets to create a parish office. The proposals are currently being progressed but the estimated costs are currently not available. However the view is that the works are not complicated and they should be able to be undertaken at a reasonable cost. CKPC will subsequently seek Central funding for the works, but should there be a gap in the funding they may approach CBC for a contribution.</p> <p>CKPC have already taken on the responsibility of providing public toilet facilities and have also taken on the running of the Stanton Rooms as interim managers. They have occupation by way of two Tenancy at Wills, which will remain in place until this decision is taken.</p> |

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| Recommendations | <ol style="list-style-type: none"> 1. To let the buildings shown edged red on the attached plan to Charlton Kings Parish Council 2. To delegate authority to the Head of Property and Asset Management in consultation with the Head of Legal Services, to agree the terms of the lease, to undertake the proposed works, providing the Head of Property considers the costs to be reasonable, and subsequently conclude the letting. |
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| Financial implications | <p>The costs of repairs to the Stanton Rooms roof are yet to be determined by Cheltenham BC, these costs will be financed from the Property Repairs and Maintenance budget.</p> <p>The costs of creating a parish office are also yet to be determined and will be financed by Charlton Kings Parish Council who will seek potential external funding. If they are unsuccessful in obtaining external funding they are at liberty to approach Cheltenham BC and seek a contribution towards the cost of these works.</p> <p>Savings from the closure of Stanton Rooms could deliver £4,800 in a full financial year represented by expenditure savings of £10,400 and lost income of £5,600.</p> <p>The savings from the closure of the public toilet facility have already been taken in the 2011/12 budget process as part of the global savings on closure of public toilets generally through the Bridging the Gap process.</p> <p>Contact officer: Andrew Powers andrew.powers@cheltenham.gov.uk 01242 264121</p> |
| Legal implications | <p>The legal implications are contained in the Executive Summary above.</p> <p>A separate agreement may be required with CKPC in respect of the agreed works, to include provision for any future roof works, and the ownership of any guarantees or warranties in respect of the works generally.</p> <p>Contact officer: Rose Gemmell, rose.gemmell@tewkesbury.gov.uk, 01684 272014</p> |
| HR implications (including learning and organisational development) | None |
| Key risks | Low financial risks |

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| <p>Corporate and community plan Implications</p> | <p>Enhancing and protecting our environment</p> <ul style="list-style-type: none"> • Using our property assets effectively for the benefit of the community; <p>Strengthening our communities</p> <ul style="list-style-type: none"> • Working in consultation with the community, community groups and the voluntary sector; |
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1 Background

- 1.1 The Stanton Rooms comprise a community room and associated kitchen and toilet facilities, located within the Charlton Kings local centre. The Church Piece public toilets are attached to the Stanton Rooms.
- 1.2 The Stanton Rooms were declared surplus to CBC requirements at the end of the last financial year, and during this year ran at a loss of £4,200. An option appraisal was being undertaken to investigate the best future use of the Rooms. There was a lot of political support for the Rooms to remain in community use and CKPC were considered to be the most suitable party to take over their running.
- 1.3 In the interim period whilst the site was being appraised and reports prepared for the various Working Groups and Cabinet, CKPC actually took over the running of the Rooms so they would not be closed. This kept the facility open for the community and protected the income generated by the users, which would have been lost to other facilities, making the Rooms more difficult to reopen.
- 1.4 Whilst the process as detailed above was taking place, the Council took the decision to close a number of the public toilets in Cheltenham. The toilets in Church Piece are a well used facility which CKPC are keen not to see the facility lost. As re-provision could not be found elsewhere in the local area negotiations with CKPC have been held in respect of the principle of them taking over responsibility for provision of public toilet facilities.
- 1.5 An agreement was reached between CBC and CKPC in respect of the buildings being leased to CKPC for nil consideration. CKPC will operate the Stanton Rooms as a community facility and have committed to keep a public toilet facility available.
- 1.6 CBC will undertake the previously agreed roof works to the Stanton Rooms and assist CKPC's proposed plan to undertake works to re-configure and extend the Rooms and toilets to create a Parish office
- 1.7 The lease of the Stanton rooms and toilets will be for nil consideration. CKPC can charge for the use of the rooms and could if they wish erect advertising and charge for the use of the toilets. Therefore the lease could be considered to be at less than best consideration and must be agreed by Cabinet in-line with the Councils constitution and under S123 of the Local Government Act 1972.

2. Property Lease Information

- 2.1 CKPC have already taken on the responsibility for provision of the toilets and acting as interim managers of the Stanton Rooms. They currently have occupation by way of two Tenancy at Wills, which will remain in place until this decision is taken.
- 2.2 The lease is proposed to be for 99 years, at nil consideration.
- 2.3 CKPC will take on full responsibility for the buildings, and commit to providing a public toilet

facility. CBC are to undertake works to repair the roof of the Stanton rooms.

- 2.4 There will be a user clause to only allow the use of the buildings as public toilets, community rooms, and as a Parish office.
- 2.5 The Lease will not allow assignment or sub-letting, so CKPC cannot sell on their interest.
- 2.6 There will be an agreement that when the project to provide an extension/Parish office has been designed and the costs known, together with CKPC having explored funding opportunities, CKPC can approach CBC to discuss any funding contributions required to the project. This will however not be entered into the lease.

3. Consultation

- 3.1 The Ward Councillors were consulted in respect of the Stanton Rooms and supported the principle of CKPC having a future involvement in the Rooms. There was consultation between Councillor John Rawson and his Cabinet colleagues due to CKPC taking on the interim managers role. There was considerable political will for the Rooms to be let to CKPC to allow their continued community use.

Councillors Roger Whyborn and John Webster have been involved in the discussions around the re-provision of public toilets and are aware of the proposed agreement with CKPC.

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| Appendices | |
| Background information | |