

Executive

15 June 2023

Report of the Director of Customer & Communities and the Corporate Director for Children & Education
Portfolio of the Executive Member for Children, Young People and Education, and the Executive Member for Housing, Planning and Safer Communities.

Westfield Centre* Partnership with University of York

Summary

1. This paper provides background and context for the development of a proposal from the University of York (UoY) called the 'Westfield Centre'* project to support education and community outcomes in the Westfield area ideally based from Sanderson Community House (SCH) in Chapelfields, York. This proposal is supported by senior officers in Children & Education Services, Communities, Housing and by the Headteachers of the local primary and secondary schools.
2. Executive Members are asked to support the development of the Westfield Centre and consider a partnership contribution from the Council (CYC) by providing an initial five-year lease to the University for Sanderson Community House, on a peppercorn rent, or consider alternative options as outlined in the report.

Recommendations

3. The Executive is asked to:
 - i. agree to support the partnership with the University of York to develop the 'Westfield Centre';
 - ii. agree the contribution of the council through the approval of Option A at paragraph 27 below thereby granting University of York a lease with a peppercorn rent, subject to public consultation with Westfield residents on the proposed lease; and

*Name subject to consultation

- iii. To delegate to the Director of Customer and Communities, in consultation with the Executive Member for Housing, Planning and Safer Communities, authority to negotiate and enter into all legal agreements necessary to implement the lease, following the outcome of the Westfield resident consultation.

Background

4. In 2019, the University of York entered into a formal partnership with 'IntoUniversity' and the University of Hull to establish a community learning centre in Marfleet, an area of Hull that faces some of the largest levels of deprivation in the country. As described in the proposals at Annex A, conversations took place in York with Education leads and local Headteachers. This proposal to establish a community learning centre in Westfield is a direct result of those conversations.
5. York is a city of contrasts. For some, a high or higher than average income, access to healthcare, and access to an outstanding education and other opportunities is the norm. However, the fact that almost all the secondary schools and primary schools in York are rated good or outstanding by Ofsted and attainment outcomes are average or above average masks the attainment gap between advantaged and less advantaged children in our city. York is one of just six local authorities in the country in which, at the end of primary school, disadvantaged pupils are over a year behind more advantaged pupils. For less advantaged children in the city, including those living in the 20% most deprived areas of York, the education system does not fully equip them to reach their potential. This has an impact on their progression to future pathways of education or employment.
6. From a public health perspective, the health of our children also varies across our city. 19.1% of children (approximately 550 children) in Westfield ward are in poverty (IMD Income Deprivation Affecting Children), one in four pregnant mothers smoke, 43% of children are living with an unhealthy weight, rates of breastfeeding are lower than the city average, whilst under 5s unplanned hospital admissions are higher than average.
7. The gap is about to get even greater. The impact of Coronavirus pandemic restrictions on the poorest families has been immense. Young people have fallen even further behind in their progress, with teachers 'estimating that the learning gap between disadvantaged pupils and their peers has increased by 46% since last year' (NFER,

2020). Families are struggling with financial hardship and employment prospects for young people and already deprived neighbourhoods could lead to a further division across our city.

8. Sanderson Community House (SCH) is a council owned community asset in the general fund that was originally designed and built-in consultation with the local community to provide community activity for local people on the Chapelfields estate. The building was constructed around 2005 with the option to convert back into three terrace houses should the centre not be viable.
9. The Council currently operate SCH and allow the Chapelfields Community Association (CCA) to deliver community activities that benefit all residents from the centre without charge.
10. The current activities operating from Sanderson Community House are:
 - CCA run a Community Hub session providing a weekly food bank and 'Pay as you feel' café supported by professional support staff including a Community Officer and Local Area Coordinator on a Thursday morning. Public health colleagues have also attended to offer health checks, covid and flu jabs.
 - Youth club provision by the local church on a Thursday afternoon.
 - Bingo sessions for the elderly ran by the CCA on a Tuesday afternoon.
 - A drop in office base for the local housing officer to be able to have local conversations with tenants as part of the Thursday Community Hub session.
 - Occupation of office space upstairs by a local charity Accessible Arts Media (AAM) pursuant to a lease which provides valuable rental income (c.£10k pa) to support the running costs for the community centre.
11. The usage levels of the centre are very low at under 5% for the public activity space. CYC recently managed to enter a licence with York Inspirational Kids to hire the activity space for an Autism Hub operating 5 days a week, however after issues with anti-social behaviour on the estate the Autism Hub was moved to a children centre on safeguarding grounds.

The Westfield Centre Proposal

*Name subject to consultation

12. The Westfield Centre proposal is a collaborative ambition created in partnership with York High School, Westfield Primary Community School, UoY and City of York Council.
13. The vision is to establish a community learning centre in Westfield to provide a safe space for children and young people to learn and grow and for adults to connect, access support and take part in lifelong learning or training.
14. Annex A sets out the proposal in detail written by Rebecca Clark, Head of Access and Outreach for UoY.
15. The UoY propose a £2.25m investment through philanthropic donations to be invested in the Westfield Centre to benefit the whole community, albeit with a primary focus on children and families. Commitments include:
 - Open the centre five days a week from 8.30-7pm
 - A dedicated Centre Manager and staff team working as part of the community
 - Help raise attainment, improve attendance
 - Facilitate a return to learning for adults
 - Focus on improving well-being and mental health
 - Protect existing community provision to continue (on the same terms of access and price) such as the Community Hub (3 hours), Bingo (2 hours) and Youth Club activity (2-3 hours).
 - Co-production and governance structures which includes families and carers.
16. The Westfield Centre is a natural fit with the council's communities' team to work in a strengths based way and supports communities to thrive. In addition, working closely with communities in this part of the city will bring with it opportunities to improve population health and wellbeing and tackle health inequalities, which could include:
 - better integration and reach of the core 0-19s offer (health visiting and school nursing)
 - opportunities to help support family health, eg through the HENRY approach to nutrition and healthy weight, through physical activity interventions, and through work led by the CYC

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Health Trainer service around smokefree homes and helping reduce the number of children taking up vaping

- the health benefits of engaging and empowering communities, raising educational attainment and tackling poverty and financial exclusion
17. From an education perspective this is an innovative project to improve the educational outcomes of children who are severely disadvantaged through intergenerational poverty. The Westfield Centre will provide a space where targeted academic support will be available to support children and young people to help them close the attainment gap. This will be delivered through a collaboration between the UoY, Westfield Primary and York High School. The project also aims to re-engage children and young people with education where low levels of school attendance has been a barrier to achievement. The project compliments several other local authority strategies, including Early Talk for York, aimed at closing the gap in educational achievement and related health disparities into adult life. The investment and collaboration of third-party donors brought together by the UoY raises awareness and interest for these critical issues beyond the confines of public services which is greatly welcomed. The project has the full support of senior officers within Children & Education Services.

CYC Support

18. UoY are seeking a 'partnership contribution' from CYC by the means of CYC providing Sanderson Community House to UoY on an initial five-year lease (excluded from/contracted out of the security of tenure/lease renewal rights contained in the Landlord and Tenant Act 1954), at a peppercorn rent. The location is ideal for the community need in Westfield given the level of poverty and known impacts on learning for local children and families.
19. UoY, say they need a minimum of a five year lease to provide certainty of tenure to give them confidence in delivering this complex project which will involve some initial investment into the building, recruiting staff, and establishing the right team and to start the conversation with the community to ensure over time this becomes a true community asset at the heart of its community.
20. Longer term the council wish to see the community venue back in 'community ownership' via a CAT (Community Asset Transfer) (by way of long lease, to a community group) and this project would be a natural steppingstone to achieving this. The lease will be excluded

from the Landlord and Tenant Act 1954 which would otherwise provide the UoY with rights to renew the lease beyond the 5-year term, thus affording the Council with flexibility in the future.

21. Officers have worked with the UoY to produce an agreed Heads of Terms (HOT) shown in Annex B, with the headline terms being:
- i. 5-year lease subject to option for the tenant (but not the landlord) to terminate the lease early at any time after expiry of initial 12-month period by giving not less than 3 months' written notice to the landlord (subject to the tenant handing back the premises with vacant possession);
 - ii. Peppercorn rent (Nil) but UoY will pay for all the operating costs for the building during the lease (c.£35k/pa – see financial implications), based on 'purpose of use' being for community and education;
 - iii. CYC retain structural maintenance liability (condition survey report updated by LHL in early 2023);
 - iv. Some initial remedial works by CYC to bring the property up to a standard condition (basic external decoration to windows, internal minor repairs to doors and decoration) with the full extent of which is to be agreed between the UoY and CYC;
 - v. UoY commitment to make investment into the building (full redecoration of the centre, fit new furniture including desks, IT equipment, tables and sofas, replacing floors, improving the garden space, and updating the kitchen (should sufficient partnership funding be obtained) as examples). The proposed lease will seek to refer to, and append, a list of such works and will seek to contain provisions obliging UoY to commence and complete such works to a satisfactory standard by timescales specified in the lease. It is also proposed to specify in the lease that the carrying out of such works by the tenant is a condition of the granting of the lease and to therefore contain an explicit acknowledgement from the tenant that on expiry of the lease they will not be entitled to claim compensation from CYC/the landlord for the cost/value of such works;
 - vi. UoY must maintain the existing level of community access which includes: Chapelfields Community Association operating a community hub and bingo sessions and Gateway Church who operate youth club activities.

- vii. UoY must allow AAM to remain in occupation/honour the sub-leasing to Accessible Arts Media for office space until they are able to be relocated to the new Clifton Explore library learning centre in Summer 2024. The rental income would come to the UoY.
22. Advice from legal and property is that permission to grant such a lease to UoY would require a full Executive decision.

Project Timeline

23. In consultation with the UoY the table below sets out the key milestones to achieve an opening after the October half term in 2023:

Date	Key Milestone
15 June 23	Executive approval sought for lease of SCH
19 – 30 June 23	Public consultation
July 23	CYC to carry out remedial works to SCH
Aug/Sept 23	UoY are granted lease and carry out any agreed works to SCH
Oct/Nov 23	Launch and open the Westfield Centre

Consultation

24. The UoY has carried out consultation as described in their proposal (Annex A) which demonstrates the collaborative ambition and intent to put children, young people and families at the heart of this project.
25. Officers have consulted with Housing Services about the proposal and they fully support the Westfield Centre and have agreed to continue to support tenants by having a presence at the Community Hub sessions twice a month. They have agreed to relocate to support this work.
26. The proposed timeline includes the opportunity to consult with residents on the proposed future use of the building which the proposed lease will facilitate. If agreed this feedback would be fully considered by lead member and the Director before final delegated approval will be given. A proposed consultation plan is contained at Annex D to this report.

Options

Executive Members have the following options to consider in addition to considering whether to consult on the use of the centre as recommended in this report:

27. **Option A** = Agree with the proposal as set out in the paper to support the partnership with the UoY to develop the 'Westfield Centre' at SCH by providing the UoY a lease (subject to Executive approval) with a peppercorn rent, which demonstrates the Council's commitment and partnership approach.
28. **Option B** = As option A, but charge the UoY a commercial rent.
29. **Option C** = Reject the UoY proposal and continue with the Council operating the building for community benefit.
30. **Option D** = Close the community centre and convert into three terrace houses.

Analysis

31. Option A would provide a significant external investment of an estimated £2.25m over 5 years into Westfield to drive educational and social outcomes that are formed from a collaborative approach with local schools and communities. This could provide a longer-term route to securing a community asset transfer to see the property back into community ownership. This option does not require any additional revenue or capital funding and passes the running costs of the building (c.£35k/pa) to the UoY, whilst the liability for structural repairs would come from within existing resources. The main risk with leasing a community asset to the UoY is the public perception, but hence the proposal is having a clear communications strategy that does not badge the building a UoY premises but gives a sense of community ownership delivering with communities, for communities.
32. Option B would be to demand the UoY pay a commercial rent for the lease, based on other like for like community buildings. Given the location however, the market demand is highly limited and thus renting it out commercially would be difficult. This is likely to bring much more of a focus on CYC supplying the building in a good quality condition, with less contribution to the building investment by the UoY as this would be spent on rent. The UoY have also indicated the funding plan does not support a commercial rent.

33. Option C would leave the status quo, with the communities team seeking to continue to increase the usage from above 5% with very limited resources and little community appetite at the moment for a community asset transfer.
34. Option D is really a fall-back position and ensuring all options have been considered, should option A and B fall through and there was no sustainable community asset need. Housing would be able to provide a high-level feasibility study of this option if required.

Council Plan

35. The Council Plan is under construction at the current time but this report seeks to meet new and emerging priorities around:
 - better working lives in York
 - improving people's wellbeing
 - family friendly place
 - support schools to support young people
 - target a reduction in health inequalities.

Implications

- **Financial** – The annual revenue budget for SCH is £7k per year and this would be required moving forward to support the council's landlord role and maintenance liability. Therefore, no revenue savings. However, pressure of increasing energy costs and building running costs has presented a risk of overspending the £7k budget. The current forecast running costs for SCH are estimated at £35k/pa and UoY would become liable for these under the proposed lease, as well as receiving any rental income, reducing the council's risk. A recent condition survey of the building has found that the current £7k budget will be adequate to maintain the council's maintenance liabilities for the next 5 years. The Communities Team do hold a sinking fund for such additional emergency capital lifecycle elements.
- **Human Resources** – There are no Human Resources implications of this report, the project costings and secured funding has taken into account staffing costs to run the centre.
- **Equalities** – The proposal to enter into a 5-year lease agreement is intended to support a project which will unlock support, potential and opportunity for those from the most financially disadvantaged backgrounds in an area of deep deprivation. Whilst more consultation can be done with the community regarding the decision to grant the lease – poverty affects all those with other protected

characteristics in a deeper way – those who are disabled, BAME groups, carers for example face greater complexities and so from an equalities and human rights perspective the impact of this report can only be stated to be positive. See Annex C for the full impact assessment.

- **Legal** – Depending on the value of the works that the council may require UoY/the tenant to carry out to the building pursuant to the proposed lease, this may be classed as a public works contract that might need to be the subject of a procurement exercise. It is understood that SCH is held by the council as General Fund (rather than Housing Revenue Account/HRA) property. Accordingly, the council has (pursuant to Section 123 of the Local Government Act 1972) power to:
 - (1) grant a lease for a Term of 7 years or less without the Secretary of State’s consent irrespective of the consideration/rent obtained;
 - (2) grant a lease for a Term of more than 7 years (but consent of the Secretary of State is required for any such disposal at less than best consideration/full open market value) – by a General Consent Order, consent is deemed automatically given to any disposal of General Fund property for less than best consideration/full open market value provided that:
 - (i) The difference between the consideration actually obtained and best consideration/full open market value does not exceed £2m; and
 - (ii) The council (acting reasonably) considers that the purpose of the disposal will facilitate the improvement of the economic, environmental, or social well-being of its area.
- **Crime & Disorder** – the recommendations in this report will bring the building into full use and reduce the risks of having a building standing empty. The outcomes from this project will hopefully influence lives positively impacting on crime and disorder levels. Local police and Youth Justice Services have been identified as stakeholders in this work and were consulted on the project as identified in Annex A.
- **Information Technology** - Free public access Wi-Fi will remain in place at SH.
- **Property** – SCH was built in 2005 and is a council asset in the general fund, not a housing asset. As a community asset that was

designed to be split up and turned into three terrace houses should a situation arise where community use was no longer viable, this option remains at a future point. The Heads of Terms (HOTs) at annex B are standard with a mixed maintenance liability between the landlord and tenant. In option B, given the location of SCH, the market demand is highly limited and thus renting it out commercially would be difficult with thus very limited value.

- **Other** - none

Risk Management

36. The main risk is reputational for the council in leasing an asset at a peppercorn rate to the University and potential backlash from the community who might see this as not a community venue anymore. This will be managed by issuing clear communications from the Westfield Centre regarding the community purpose of the project, the protection of the existing community groups and ongoing opportunities for community engagement and influence on the project set out in the HOT. Finally, a commitment to publicly consult with Westfield residents prior to the lease being entered into, to test residents opinion of the proposal.

Contact Details

Author: Andy Laslett Strategic Services Manager	Chief Officer Responsible for the report: Martin Kelly – Corporate Director Children and Education Pauline Stuchfield – Director of Customer and Communities			
			Date	6 June 2023
Specialist Implications Officer(s) Property – Nick Collins Finance – Patrick Looker Legal – Gerard Allen Housing – Dennis Southall Equalities - Laura Williams	Report Approved	Y		
Wards Affected: Westfield	All	<i>No</i>		

*Name subject to consultation

For further information please contact the author of the report	

Background Papers: None

Annexes

Annex A – Westfield Centre Proposal & Endorsement Statements

Annex B – Heads of Terms for the lease of Sanderson House

Annex C – Equalities Impact Assessment

Annex D – Public Consultation Plan

Abbreviations

AAM Accessible Arts Media

CAT Community Asset Transfer

CCA Chapelfields community Association

CYC City of York Council

HOT Head of Terms

SCH Sanderson Community House

UoY University of York