

MIDDLESBROUGH COUNCIL

EXECUTIVE REPORT

Community Services Review | 123 Borough Road – My Sister’s Place

Executive Member for Regeneration and Economic Development: Charles Rooney

Executive Director of Neighbourhood and Communities: Kevin Parkes

10th April 2014

PURPOSE OF THE REPORT

1. To present the business case for the Community Asset Transfer of 123 Borough Road to My Sister’s Place and seek approval for the transfer to proceed.

SUMMARY OF RECOMMENDATIONS

2. That the Executive Sub-Committee for Property approves the transfer of 123 Borough Road to My Sister’s Place on a 25 year peppercorn lease.

IF THIS IS A KEY DECISION WHICH KEY DECISION TEST APPLIES?

It is over the financial threshold (£150,000)	<input type="checkbox"/>
It has a significant impact on 2 or more wards	<input type="checkbox"/>
Non Key	<input checked="" type="checkbox"/>

DECISION IMPLEMENTATION DEADLINE

For the purposes of the scrutiny call in procedure this report is:

Non-urgent	<input checked="" type="checkbox"/>
Urgent report	<input type="checkbox"/>

BACKGROUND AND EXTERNAL CONSULTATION

Background

3. To promote community-led regeneration and to support an increasingly robust Voluntary, Community and Social Enterprise Sector (VCSE), the Council recognises the benefits of transferring surplus assets to community management.
4. To support increased community management of assets, Executive Sub-Committee for Property approved a Community Asset Transfer (CAT) policy on 3 February 2012. The standard terms of CAT are for a 25-year lease, under which the tenant is responsible for all repairs, maintenance and running costs.

Business Case for the transfer of 123 Borough Road to My Sister's Place

5. My Sister's Place is a registered charity established in 2002 under the Home Office Crime Reduction Initiative. It provides a specialist domestic violence (DV) service for women aged 16 and over. The charity is based on Borough Road, Middlesbrough and serves the wider Tees Valley area. DV is a crime that impacts upon families and whole communities with consequences for the individual victim, their wider family network and society as a whole. It can have a serious detrimental effect on the physical and emotional well being of those suffering and often requires intervention from a range of public services including police, health, housing, and safeguarding services.
6. Addressing DV is key to assisting the Council in meeting outcomes in respect of social care, homelessness and many other areas.
7. Middlesbrough is an area of severe deprivation with a density of risk factors that corresponds with high levels of DV. Cleveland Police record over 4000 DV incidents a year in Middlesbrough, a figure that equates to double the national average per head of population. My Sister's Place receives approximately 1000 referrals a year.
8. To meet the demands of the local population, the service has grown considerably over the last ten years from 3.5 staff, to 14 paid staff members, 10 volunteers, and 14 student placements from the University of Teesside.
9. The service was developed by the Middlesbrough Domestic Violence Forum (MDVF) following wide consultation with a range of partners and located in a Council property at 123, Borough Road. The project was supported by the Council in terms of a peppercorn rent arrangement in an ideal location within close proximity of all relevant services to meet the needs of clients in crisis, and to access court services. In 2002, the building (123, Borough Road) was in a poor state of repair, having been uninhabited for some years. The Charity has spent substantial funds to make the building fit for purpose, and has taken full responsibility for the internal maintenance of the building since this time. The Council remains responsible for any external building works (excluding windows and doors) and although in recent years there has been no requirement for any repairs it represents an on going liability.
10. The Charity provides a valuable service to primarily the residents of Middlesbrough however the service is available to residents from the wider Tees Valley and has active referral pathways from a wide range of services and meets the following needs:

- crisis intervention, through an accessible duty rota that provides instant access to safety and support;
- Independent Domestic Violence Advisors (IDVA's) addressing the needs of high risk victims. IDVA's support cases progressing through the criminal courts, access Civil Legal Protection Orders, support Child Protection cases and represent victims in a range of Multi-Agency Risk Management meetings;
- counselling, one to one work, women's groups, and specialist trauma therapy;
- multi-agency training, volunteers and community awareness raising; and,
- homeless prevention, through the Sanctuary Scheme, carried out on behalf of the Council with Erimus Housing. The Scheme enables victims to stay in their own homes where it is safe to do so through a combination of physical security works on the property and an agreed safety/support plan extending to 6 months.

11. The Middlesbrough DV Strategy 2011-14 commits the Domestic Violence Strategy Group to deliver key areas, these are: prevention and early intervention, support for victims and families, healthy relationship work and strengthening the criminal justice response to abuse.

12. Commissioning of DV services by the local authority has taken place through: Strategic Housing and Adult Social Care. The current local authority identified spend on DV is approximately £510,000 to deliver services via various agencies such as counselling, IDVA provision and engagement projects.

13. The voluntary sector provides an influential role in the delivery of DV services in particular through the One Stop Shop initiative at My Sister's Place. For this financial year, My Sister's Place is responsible for attracting over £340,000 in external grant funding from a variety of national funders such as: Big Lottery, Northern Rock Foundation and various Trust Funders to Middlesbrough and the Tees Valley. Without My Sister's Place the area would potentially be missing out on this and future funding putting greater pressures upon Council resources.

14. The security of tenure that a 25 year lease would provide security of tenure and allow My Sister's Place to effectively plan to increase the support they provide across Middlesbrough in the future. Due to the increased requirement for DV support the current building is no longer fit for purpose, My Sister's Place have an agreement in place to acquire the property next door to 123 Borough Road and hope to merge the two buildings. The CAT transfer of the building would also allow My Sister's Place to access capital grants which would allow them to carry out further improvements to the building and possibly facilitate a further extension to meet any future increase in demand for the service.

15. The key points of the My Sister's Place business plan are as follows:

- that the Charity will continue to assume responsibility for the buildings financial management and upkeep without any tapered subsidy from the Council;
- that the delivery of accessible, effective, specialist services that are informed and evaluated by service users' experiences promoting individual freedom and quality of life will continue to be available to the local population;

- that the Charity will continue to work with the local population through education and community involvement to create a cultural shift in attitudes towards domestic abuse and better equip families to protect their members; and,
 - that the Charity will source new external sources of funding to maintain and develop services provided by My Sister's Place.
16. My Sister's Place has produced a draft Strategic Plan that identifies funding streams moving forward and also avenues in which it can provide improved services and also expand from its current service base. It also recognises and identifies potential sources of income generation from services that they currently provide.
17. My Sister's Place are aware that as part of any asset transfer of 123 Borough Road there is no obligation for the Council to continue with any revenue support which is currently received throughout the 25 year lease term. Any revenue support which My Sister's Place currently receives will be subject to review when the funding term expires.

Consultation

18. This proposal is supported by the current users of My Sister's Place and external providers such as Erimus Housing. The Domestic Violence Strategy Group also supports the asset transfer to My Sister's Place. The ward councillors have been informed throughout this process.

Next steps and timescales

19. If approved, a 25-year lease for the transfer of 123 Borough Road to My Sister's Place, in line with the terms set out in this report, would be agreed and estimated to be in place by the end of April 2013.

IMPACT ASSESSMENT

20. The Community Asset Transfer process has been subject to a Stage 1 Impact Assessment. The continued use of the facility would ensure that no negative differential impact on diverse groups and communities is anticipated from the implementation of the process.

OPTION APPRAISAL/RISK ASSESSMENT

21. The following options are available in respect of the future of the 123 Borough Road:

Option 1: Do not proceed with the asset transfer – continue with current lease arrangements

22. This option would ensure that in the short term the services provided through My Sister's Place would continue to be available to local residents. However it does not assist in My Sister's Place long term aspirations and vision as they require improvements to the current building and larger premises to increase service provision and meet local demand. The Council would continue to be responsible for a proportion of the external building maintenance requirements. Whilst at present the Council resources spent on this is negligible, it represents an ongoing liability.

Option 2: Transfer the building to My Sister's Place – recommended

23. This option represents good value for money, has local community support and will offer social and educational services to the local area. The 25 year lease will allow the Charity to continue to provide and improve the extremely valuable service to Middlesbrough and the surrounding area and will also enable them to bid for certain capital funding that is only available with such security in place that would safeguard their position.

FINANCIAL, LEGAL AND WARD IMPLICATIONS

Financial implications

24. The Business Case details how My Sister's Place is a well established charity that has operated since 2002, providing a crucial service to the local area. It demonstrates that My Sister's Place is financially secure and will continue to operate with a financial surplus over the next 4 years.

Four year financial forecast

	2014/15	2015/16	2016/17	2017/18	Total
Total income	397,904	457,332	477,271	509,516	1,842,022
Total expenditure	406,612	448,049	477,506	496,407	1,824,574
Surplus/Deficit	-8,708	9,283	-235	13,029	17,448

25. The charity has a financial reserves policy, which aims to have an amount of £153,000 in free reserves (unrestricted funds which are not designated or tied up to fixed assets). The latest accounts available submitted show the value of this reserve was £144,531. The free reserve policy is in place to allow the charity to affect a smooth exit strategy, should it be required.

26. Under the asset transfer of 123 Borough Road, the Council will not be required to provide a subsidy to assist in the running costs of the building.

27. Any CAT involves the Council passing up the opportunity to rent the building to a commercial operator, and it is important to be transparent about this. For this building, the Council has calculated a notional market rate for rent of £6,300 p.a.

28. The Council will no longer have responsibility for any of the external maintenance of the building as My Sister's Place will assume full responsibility for the building. Whilst current Council spend on this is minimal, it represents a saving based upon any future liability of the building.

29. As previously stated the work undertaken by My Sister's Place reduces the impact of DV upon Council resources, which in effect can be seen as a saving upon Council expenditure.

Legal implications

30. The Council would agree a 25-year lease with My Sister's Place for the transfer of 123 Borough Road, should the recommendation to proceed be approved.

Ward Implications

31. This building is within the Middlehaven ward. The transfer would secure a valuable service for not only this ward but the whole of the Middlesbrough area.

RECOMMENDATIONS

32. That the Executive Sub-Committee for Property approves the transfer of 123 Borough Road to My Sisters Place on a 25 year peppercorn lease.

REASONS

33. To contribute to a robust Voluntary Community and Social Enterprise sector and to ensure the continuation of a valuable service to the residents of Middlesbrough and surrounding areas.

BACKGROUND PAPERS

- Management Committee | Business Case for 123 Borough Road, My Sister's Place (confidential)

AUTHOR: Michael Canavan, Project Officer

TEL NO: 01642 729114

Address: Civic Centre, Middlesbrough, TS1 2QQ

Website: <http://www.middlesbrough.gov.uk>