

**Meeting: Cabinet
Council**

**Date: 13 July 2021
15 July 2021**

Wards Affected: Preston

Report Title: Lease Arrangements for Medical Tuition Service

For implementation ASAP

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1. Purpose of Report

- 1.1 Children's Services seeks Council approval for a 25 year peppercorn lease to be granted to the Medical Tuition Services (MTS) for a lease of MyPlace, Parkfield Torbay, Colin Rd, Paignton TQ3 2NR (MyPlace)
- 1.2 MTS is commissioned by Children's Services to deliver services to some of the most vulnerable young people in the bay; in 2018 it was agreed by Council that the service would relocate to MyPlace.
- 1.3 This proposal has now been implemented with MTS established at MyPlace. It is now necessary to agree the details of the lease arrangements to safeguard the interests of the Council and the long term security of the service.
- 1.4 The proposal for consideration is a 25 year peppercorn lease agreement for MTS for MyPlace and the grounds identified in the plan attached as Appendix 1.

2. Reason for Proposal and its benefits

"We want Torbay and its residents to thrive."

"We want Torbay to be a place where we have turned the tide on poverty and tackled inequalities; where our children and older people will have high aspirations and where there are quality jobs, good pay and affordable housing for our residents."

- 2.1 The proposed lease will give the service the security to continue to deliver its services which help the Council fulfil its ambitions by ensuring that young people have the opportunity to succeed.
- 2.2 MTS works with some of the most vulnerable young people in the area providing them with the qualifications and life skills to thrive. Their work supports the Council

in fulfilling its statutory responsibilities as corporate parent and tackles the inequalities arising from deprivation and vulnerability.

- 2.3 Without a peppercorn rent more funding would need to be spent on rental costs and less on service delivery; this would negatively impact on their offer and the future aspirations held by the service and Children's Services.
 - 2.4 The lease also provides the Council with the security of a long term tenant for MyPlace.
 - 2.5 The lease with MTS will confirm the availability of the building for community use. Community use will need to respect the school day, however the Sports Hall and the Hub can be booked during school hours and outside of school hours (i.e. evenings, weekends and school holidays) all communal spaces will be available for community use depending on availability.
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3. Recommendation(s) / Proposed Decision

That Cabinet recommends to Council;

That TDA Director of Asset Management, Investment & Housing, in consultation with the Chief Executive, be authorised to:

- a) Grant a 25 year, full repairing and insuring lease to MTS at a peppercorn rent.

Appendices

Appendix 1: Lease Plans

Background Documents

- April 2018: Transformation project – Parkfield Future Options

Supporting Information

1. Introduction

- 1.1 In 2018 it was acknowledged that MTS had to relocate as its existing accommodation, at Halswell, was no longer fit for purpose and was a barrier to OFSTED registration requirements. At the same time the Council was looking for opportunities to realise the potential of MyPlace which was underutilised and had a deficit in income.
- 1.2 In April 2018 a Transformation paper for Parkfield was submitted to Full Council and it was agreed that MTS would relocate to MyPlace. This ensured the service had the accommodation it needed both now and to grow, and it ensured the sustainability of MyPlace as a youth/community provision with a long term tenant in situ overseeing the running and maintenance of the building.
- 1.3 With the remit to proceed, Children's Services invested funding to making MyPlace and surrounding grounds suitable for MTS; this was followed by the successful relocation of MTS for the start of the 2020 Academic year.
- 1.4 With MTS in situ at MyPlace steps are underway to get the service formally registered with Ofsted in line with DfE recommendations and advice.
- 1.5 However, the service is not able to register as an independent school without a suitable lease in place. It would not be acceptable to the DfE for the service to remain unregistered. The loss of the service would leave a significant gap in provision for the local area and prevent the Council from fulfilling its statutory duty to provide education for children and young people who are unable to attend a mainstream school.
- 1.6 The original Transformation paper presented to Full Council in 2018 recognised the challenges of the Parkfield site. This lease will ensure the continued use by MTS whilst also ensuring of the site by the community. It will also ensure that the requirements of the National Trust covenant are upheld.

2. Options under consideration

- 2.1 MTS has relocated and established itself at MyPlace in line with Full Council's decision in 2018, there are no alternative sites for consideration.
- 2.1 In implementing the proposal, the Council has spent £600,000 on capital works to ensure MyPlace is suitable for MTS and the delivery of its services.
- 2.2 This expenditure was allocated on the understanding that the lease would be granted and the service would remain in situ for the long term.
- 2.3 A lease at a commercial rate would be a financial burden to a service which is non-profit making and whose resources are completely focused on service delivery.

3 Financial Opportunities and Implications

- 3.1 Although the lease to MTS is a long term commitment it ensures the sustainability of MyPlace as a youth/community provision with a long term tenant overseeing the running and maintenance of the building. MyPlace was funded by a DfE grant which limits how the building can be used. The DfE are in support of this co-location of services appreciating the benefits and savings it can provide to both.
- 3.2 The opportunities and benefits of MTS as a tenant were fully considered by Full Council in 2018 when the relocation was agreed.
- 3.3 As tenants MTS will oversee the running and maintenance of the asset whilst ensuring it remains as a youth and community facility. This arrangement will also meet the terms and conditions of the site's restrictive covenants and deeds.
- 3.4 The lease with MTS will confirm the availability of the building for community use. Community use will need to respect the school day, however the Sports Hall and the Hub can be booked during school hours and outside of school hours (i.e. evenings, weekends and school holidays) all communal spaces will be available for community use depending on availability. The costs of hiring the facilities will be fully funded by the person booking the venue and will be at no cost to the MTS.
- 3.5 There is a quantifiable benefit to the Council with savings in running costs, repairs and security.
- 3.6 Agreeing to a peppercorn rent ensures MTS can use their limited revenue to target and invest in services to meet the needs of the vulnerable pupils attending. Limiting the rent costs reduces the pressure on the Council's resources for children with additional educational needs.

4. Legal Implications

- 4.1 In granting the lease the Council would be committed to a long term arrangement. However, it is intended that unconditional break clauses will be incorporated into the lease in favour of the Council to provide flexibility to pursue alternative uses of the site in future years.
- 4.2 The lease will include the usual terms and conditions which protect the Council as the landowner with the liability, third party insurance and security of the site resting with the lessee.
- 4.3 The asset would remain a Torbay Council asset.

5. Engagement and Consultation

- 5.1 The proposal has been raised and discussed as an agenda item at various local forums, with all other interested parties and to those directly affected by the proposal.
- 5.2 Consultees include Children Services as the commissioner, Environmental Services, Parkfield User Group, the Council's Strategic land Task Group and the staff, young people, their families and other services users of MTS and Parkfield.
- 5.3 The feedback has been overwhelmingly supportive.

6. Purchasing or Hiring of Goods and/or Services

6.1 No works or services will be purchased or hired as a direct result of this proposal.

7. Tackling Climate Change

7.1 This proposal has no differential impact on climate change.

8. Associated Risks

8.1 If a lease is not granted then there remains a risk to the service delivery of MTS and the service would not be able to register with Ofsted as required by the DfE. The Council commissions services from the MTS in order to fulfil its statutory role as corporate parent and to fulfil its duty to the most vulnerable young people in Torbay whose needs cannot be met by mainstream education. If the Council is not able to commission these services then it will be in breach of its statutory duty.

Equality Impacts

9.	Identify the potential positive and negative impacts on specific groups		
	Positive Impact	Negative Impact & Mitigating Actions	Neutral Impact
Older or younger people	Long term commitment to a service which directly and specifically benefits young people in the area with particular needs which can't be met in mainstream education		
People with caring Responsibilities	Long term commitment to a service which directly and specifically benefits young people in the area with particular needs which can't be met in mainstream education		
People with a disability			There is no differential impact
Women or men			There is no differential impact
People who are black or from a minority ethnic background (BME) <i>(Please note Gypsies / Roma are within this community)</i>			There is no differential impact
Religion or belief (including lack of belief)			There is no differential impact
People who are lesbian, gay or bisexual			There is no differential impact
People who are transgendered			There is no differential impact
People who are in a marriage or civil partnership			There is no differential impact
Women who are pregnant / on maternity leave			There is no differential impact
Socio-economic impacts (Including impact on child	Long term commitment to ensure young people from deprived		

	poverty issues and deprivation)	backgrounds are given the support they need & the opportunities to thrive Opportunity to break cycles of poverty & neglect		
	Public Health impacts (How will your proposal impact on the general health of the population of Torbay)	Long term commitment to ensure vulnerable groups of young people are given the support they need & the opportunities to thrive Both services equip vulnerable young people with the qualifications & life skills for the future; creating a healthy and prosperous community in the bay		
10..	Cumulative Council Impact (proposed changes elsewhere which might worsen the impacts identified above)	<p>MTS caters for young people with very specific needs which cannot always be met in mainstream education.</p> <p>By supporting these services the Council is fulfilling its statutory role as corporate parent and its commitment to helping and supporting the most vulnerable.</p>		
11.	Cumulative Community Impacts (proposed changes within the wider community (inc the public sector) which might worsen the impacts identified above)	<p>Without the delivery of the services commissioned from this service, the Council would be failing in part of its responsibilities to young people in the area.</p>		