

Leicester
City Council

**WARDS AFFECTED
BRAUNSTONE PARK & ROWLEY FIELDS**

CABINET

5 SEPTEMBER 2006

BRAUNSTONE HALL

Report of the Corporate Director of Resources

1. Purpose of Report

- 1.1 To seek approval from Cabinet to not agree an extension of the agreement for lease to Braunstone Community Association (BCA), and to market Braunstone Hall for disposal by way of a long lease.

2. Summary

- 2.1 The Council acquired Braunstone Hall in 1997 at Unitary Status. It is a Grade 2 listed building in very poor condition. The council did not have a use for it at that time and in 1998 declared it surplus to requirements, and prepared to market the property for disposal.
- 2.2 BCA saw potential for the property to support its aspirations for improving community facilities, and after extensive negotiations in 2002 the council offered an agreement for lease in order to help.
- 2.3 Since then the council has supported the BCA in its efforts to find a sustainable long-term future for the Hall. BCA have tried to find a sustainable solution and the council have kept open the opportunity for them. The BCA are still trying but time has come to recognise that despite their best efforts, it is not going to work. Continuing to seek a solution involving the BCA is not equitable to the BCA, the community of Braunstone, or the wider tax-paying population of Leicester.
- 2.4 We therefore seek authority to market the building for disposal to find a sustainable solution for the benefit of the whole of Leicester and in doing so identify a scheme of improvements to address the deteriorating condition of this Grade 2 listed building.

- 2.5 Keeping the property available for the BCA means ever increasing costs, as the condition of the building continues to deteriorate. Last year emergency maintenance alone cost £55,000. The council has a duty of care for heritage assets as the owner of this listed building. The continuing deterioration in condition requires the council to take proactive action to resolve this problem and remove the potential risk of the property being added to the Buildings at Risk Register by English Heritage.
- 2.6 The council aims to support the BCA and the wider Braunstone community. The Corporate Director of Regeneration & Culture is taking a separate report about the future of the Heritage Lottery Fund bid for the Park, and a future report about the support for the BCA.

3. Recommendations

- 3.1 Cabinet is recommended to:
- 3.2 Authorise the Corporate Director of Resources to not agree an extension of the agreement for lease of the Hall to Braunstone Community Association, and to subsequently market Braunstone Hall for disposal by way of a long lease on terms to be determined in consultation with the Cabinet Lead member for Resources and Corporate Issues.

4. Financial and legal Implications

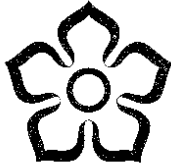
- 4.1 The financial and legal implications contain exempt information as defined in Part 1 of Schedule 12A of the Local Government Act 1972 and therefore, are included in the supplementary report on the 'B' Agenda.

5. Officer to contact:

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DECISION STATUS

Key Decision	No
Reason	N/A
Appeared in Forward Plan	N/A
Executive or Council Decision	Executive (Cabinet)



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SUPPORTING INFORMATION

1. Background

- 1.1 Braunstone Hall was transferred to the City Council from the County Council at Unitary Status in 1997. It is a 3-storey Georgian house, formerly occupied as a school, and listed Grade 2. The main house is supported by the former 2-storey kitchen annex, both of which are derelict. There is extensive dry rot and 3 types of bat inhabit the buildings, which must be protected during construction works. Adjacent to the house is the stable block with walled garden, both of which have been restored. The block is occupied by Regeneration and Culture (Parks team) and an external education related project.
- 1.2 In 1998 the council declared Braunstone Hall surplus to its' requirements and prepared to market the property for disposal. The Braunstone Community Association (BCA) requested that the property be transferred to them so that it could be used for community and other purposes and restored. After extensive negotiations, the council agreed in 2002 with BCA to enter into an agreement for a 125-year lease, the granting of the actual lease being subject to a number of conditions, in particular that BCA would provide a sustainable long-term future for the Hall with an element of community use.
- 1.3 The council (Regeneration & Culture department) have concurrently been negotiating with the Heritage Lottery Fund (HLF) for a bid to support the restoration of Braunstone Park. The HLF made it a precondition for a successful bid that there was an anchor tenant in place for the Hall by September this year.
- 1.4 English Heritage, when looking at previous schemes, allowed minor alteration but no significant new build or demolition. Therefore, there are no options proposing a demolition or the addition of new buildings. As stated above, the building is listed and derelict. The council has a duty of care as the owner of a listed building to maintain it appropriately in order to conserve the heritage

value for the future. There is a risk that because of the deteriorating condition English Heritage may add the property to the Buildings at Risk Register if works are not undertaken, which the council would wish to avoid if at all possible.

- 1.5 Since 2002, BCA, aided by a number of consultancies, have explored a number of options but without success in locking in an anchor tenant. The BCA would be unable to obtain external funding for the restoration without an anchor tenant providing a sustainable future for the building. Opportunities to use the building as a School for Oral Health have been the favoured option, but have been unsuccessful in obtaining funding either through central government / NHS or private finance. This scheme can now be regarded as closed. BCA also said that the Neighbourhood Renewal Unit might consider relocating to Braunstone Hall from London. In the absence of any specific evidence of intent, this is not seen as a serious proposition. We are not aware of any other potential interest, and BCA have not offered any other possible occupiers.

2 Council occupation business case

- 2.1 The BCA then approached the council to see if the council would become the anchor tenant. Although this was never a situation envisaged in the agreement to lease, officers have examined the proposal to establish if a business case could be made. Unfortunately the council has no requirement for the property and it remains surplus to requirements.
- 2.2 A number of options for council use were considered as shown below, but all were rejected for a number of reasons, with the primary reasons shown in the table. There is also a significant risk that the BCA would not be able to attract external funding for restoration of the buildings if the council is the primary occupier.

Option	Primary reasons for rejection
Corporate Training Centre	Planning grounds - sustainable transport Uncertainty on accommodation requirements
Staff base for workers in the west of the city	No function or staff identified No budget available
Extra care / sheltered housing	Insufficient capacity - also rejected by LHA
Council sublease to another occupier	No occupier identified

- 2.3 The Supplementary Report on the B Agenda discusses the council use options in more detail, the agreement for lease to the BCA, costing and funding, current BCA proposals, the future options for the council outlined below, and the risks.

3. Future options for the council

- 3.1 The council has three options as follows: -

Option A: Continue negotiations with BCA for them to find an anchor tenant and a sustainable future

Option B: Close negotiations with BCA and attempt to find a council occupier with a proven business case

Option C: Close negotiations with BCA and market the Hall for disposal

4. Conclusion

- 4.1 Despite their best efforts, BCA have been unable to establish a successful and sustainable solution to the problem of Braunstone Hall. The council should now be proactive and market the property for disposal to resolve the problem.

FINANCIAL, LEGAL AND OTHER IMPLICATIONS

1. Financial & Legal Implications

- 1.1 Please see paragraphs 2.1 to 2.6 of the Implications section of the Supplementary report on the B Agenda.

2. Other Implications

OTHER IMPLICATIONS	YES/NO	Paragraph References Within Supporting Information
Equal Opportunities	No	
Policy	No	
Sustainable and Environmental	Yes	Throughout the report
Crime and Disorder	No	
Human Rights Act	No	
Elderly/People on Low Income	No	

3. RISK ASSESSMENT ANALYSIS

Please see paragraph 4 of the Implications section of the Supplementary report on the B Agenda.

4. Background Papers – Local Government Act 1972

Correspondence on Property Services file

5. Consultations

Regeneration & Culture department (Tot Brill, Jeff Miller, Richard Welburn, Brian Stafford, Helen Davis)

Childrens & Young Peoples' department (John Garratt)

Resources department (Nick Booth, Ian Harries, John McIvor)

6. Report Author:

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