



Cabinet

Tuesday, 10 March 2020

Lutterell Hall

Report of the Executive Manager – Transformation

Cabinet Portfolio Holder for Business and Transformation, Councillor Andy Edyvean

1. Purpose of report

- 1.1. The Council owns Lutterell Hall in central West Bridgford, which has been managed by the Council as a community venue for over 40 years. Usage of the hall and income has fallen between 2016/17 and 2018/2019, which combined with the decision of Nottinghamshire Police to market the adjacent Police station for sale led the Council to consider future options for the site.
- 1.2. On 11 June 2019, Cabinet resolved to invite expressions of interest from third parties at the same time that Nottinghamshire Police marketed the adjacent plot and receive a full report appraising the expressions of interest, alongside options to retain Lutterell Hall for community use.
- 1.3. This report details the outcome of the public consultation, expressions of interest for alternative management and marketing the site for potential sale. Cabinet is requested to decide whether to retain ownership of Lutterell Hall and lease the Hall to a community organisation to manage.

2. Recommendation

It is RECOMMENDED that Cabinet:

- a) Approves, subject to agreement of detailed lease terms and due diligence, entering into a lease agreement with a community organisation to manage Lutterell Hall with either:
 - a. one of the shortlisted community groups who submitted an Expression of Interest, or
 - b. a combination of the three via an appropriate management company,
- b) Delegates authority to the Chief Executive (in consultation with the Portfolio Holder for Business and Transformation) to determine the most suitable community organisation or combination and negotiate and complete the terms of the lease, including wider community use that will continue to be provided.

3. Reasons for Recommendation

- 3.1. The recommendation supports the retention of the Hall by the Council as a community facility.
- 3.2. Following an extensive process of information gathering and consultation, Council officers carried out an assessment of the expressions of interest received and appraised the options for future ownership and management, details of which are in section 5 of this report and appendices 2 and 3. It was concluded that retaining ownership and entering into a lease agreement with a community organisation would best achieve the Council's objectives of providing accessible, well used, financially sustainable community facilities for local residents. The review highlighted that the different community groups each have their own strengths, and as such leasing Lutterell Hall to an organisation consisting of a consortium of community groups may be the most appropriate solution for the community.

4. Supporting Information

- 4.1. The Council has three main options for future ownership and management of Lutterell Hall which are listed below:

Option 1: Council retain ownership and management

Option 2: Lease to a community organisation to manage

Option 3: Sell for commercial redevelopment (with the building retained)

During the review period a submission was received from a local architects practice putting forward a conceptual proposal for the Council to develop the building to accommodate an arthouse cinema. This has been considered within option 1.

Consultation

Regular users

- 4.2. To capture the views of those who have regular block bookings in Lutterell Hall, meetings were offered to all fifteen block booking customers. This work commenced on 12 June and concluded on 17 September 2019. Face to face meetings were held with ten hirers, three hirers provided comments over the telephone and two hirers declined to meet. Of the fifteen regular hirers, eleven stated that they wished to stay at Lutterell Hall, all were familiar with the other Council operated community venues but felt that none of them met their needs due to location (requirement for central West Bridgford was a key factor), size and/or lack of availability on their preferred day and time.
- 4.3. A series of meetings were held with the management team of St Giles Pre-school as the most frequent user group. The Pre-school hire the hall every weekday morning during term-time, offering a flexible service as an alternative to a private nursery. They reported being full, with 22 places per session and

40 children on the roll. St Giles clearly stated their position that no other venue meets their needs within the local area and if Lutterell Hall was no longer available they would cease to operate.

- 4.4. At the request of St Giles Pre-school, an additional meeting was held with the Nottinghamshire County Council Early Years Service regarding the impact that a venue closure (and therefore the closure of the Pre-school) could have. There are no other Pre-schools in the area. Due to there being limited detail about the vacancies for places available in the Trent Bridge Ward, it is difficult to understand fully the impact of closure on families in the area and whether these could be accommodated elsewhere, within the Ward or outside.

Public survey

- 4.5. In order to gauge the views of local residents (users and non-users), the Council's consultation team developed a short survey which was validated by The Campaign Company (a national consultation organisation). The Survey opened on 11 October 2019 and was available online, electronically, and in printed format from Rushcliffe Arena, the Rushcliffe Community Contact Centre, and from Lutterell Hall. The survey closed on 30 November 2019 and in total 689 responses were received. The responses were filtered to remove those with postcodes not falling within the West Bridgford Special Expense area. This left 579 valid responses. Appendix 1 contains further details of the methodology and findings. In summary, this consultation demonstrated a substantial level of public concern about the future of the Hall. The majority of respondents wished for the Council to keep the Hall or at least to transfer it to a third party intent on keeping the Hall in community use (78% of all respondents). Only 3% of respondents supported the sale of the Hall, whilst 64% stated that they would be willing pay more as part of the West Bridgford Special Expense to see the Council keep the Hall.

Other engagement

- 4.6. The decision of Cabinet in June 2019 to review Lutterell Hall and consult with residents was promoted widely by the Council and reported extensively in the local media. Correspondence with the Council and via on-line media indicated a high level of public interest in the future of the Hall. A Friends of Lutterell Hall (FoLH) group has been established. FoLH state on their website that they are "a campaign group aiming to keep Lutterell Hall in public ownership for community use". The Leader and Chief Executive of the Council met with committee members of the FoLH to understand the group's future vision for the hall. As well as keeping the Hall in public ownership, the Friends group stated that it is apolitical and would like to be involved as a partner, in the future direction of the hall. The group did not submit an expression of interest to take on the operational running of the hall and so are not considered further in this report.

Expressions of interest for third party ownership/management

- 4.7. On Friday 6 September 2019 the Council issued a press release inviting expressions of interest from groups and organisations interested in taking on the management of Lutterell Hall, with a closing date for applications of 29 November 2019. Groups who had previously raised some interest in managing the facility with the Council were sent details of the expression of interest process directly. Six responses were received; three from community groups and three from commercial organisations. All of the applications were reviewed by Council Officers who identified where further information was required. Interviews were held on 15 January 2020, following which further written details were provided by the groups. Prior to the interviews two of the commercial organisations withdrew due to issues with viability or alternative opportunities for their business elsewhere.
- 4.8. The third submission from a commercial organisation was from a local architects practice putting forward a concept that the Council could convert the building into an arthouse cinema, whilst retaining a hall space that could be used for other community activities. The proposal did not contain details of a market assessment, management model, capital costs or revenue projections. To develop the concept into a business plan, with market assessment, building costs and designs would require the Council to commission consultants at an estimated cost of £34k to £40k.
- 4.9. As stated, there were 3 submissions from community groups (2 church groups and 1 scouts group), these have been summarised in appendix 2 and potential benefits and risks have been highlighted. The common themes from all three community group submissions were:
- None of the three groups would be able to pay rent (beyond peppercorn)
 - All would expect the Council to continue to pay for the capital improvement works required to the building
 - To varying degrees, they are all reliant on volunteers
 - All intend to continue to allow community use of the Hall
- 4.10. Church Group 1 are currently based in Nottingham and want Lutterell Hall to extend their membership. Their proposal is for Lutterell Hall to be open for use by the community as well as use by them for church services and other community activities. They also want to establish a café in the hall and develop a catering offer that could improve the wedding package offer. This would generate income to support the maintenance of the hall and some of the activities. The group have no experience of managing a similar facility and would be reliant on grant funding, which is not guaranteed, to deliver group-based activities.
- 4.11. The Scout Group are currently based in Rushcliffe and want Lutterell Hall to be the base for their group as well as operating the hall for hire by other groups. They have experience of managing another facility like Lutterell Hall and have an extensive membership and volunteering base in the area. They have stated

that they would require an annual subsidy from the Council to support their management of the Hall.

- 4.12. Church Group 2 are currently based in Rushcliffe and would retain their existing base and want Lutterell Hall to extend their offer and the services they provide. Lutterell Hall would remain open to community groups for hire. The church group are experienced at managing a similar facility. The Group would appoint a dedicated caretaker and would use their existing administrative function to manage bookings and marketing. The financial projections submitted by the group include some ambitious targets for increased hire and income from weddings and officers have some concern that this appears over optimistic. The group have expressed a willingness to work with the other community groups if that is feasible.
- 4.13. The review of the expressions of interest established that there is a credible opportunity to enter into a lease agreement with a community organisation for management of Lutterell Hall. However, each community group has their own strengths and volunteer base and by working together under a new joint governance structure there may be an opportunity to increase resources, reduce risk and maximise community benefits. It is recommended that this is explored further.

Marketing for sale

- 4.14. Nottinghamshire Police marketed the West Bridgford Police Station through agents Lambert Smith Hampton between 13 December 2019 and 28 February 2020. The marketing brochure included the Lutterell Hall site (either in whole or part) for potential sale or lease, stipulating that the building must be retained. At the deadline of 28 February 2020, no offers were received to purchase or commercially lease Lutterell Hall. The lack of interest in the site is believed to have been influenced by the Asset of Community Value listing and Historic England listing which are detailed further in paragraphs 4.15 and 4.16.

Developments over the last 9 months

- 4.15. Rushcliffe Borough Council received a nomination from St Giles Pre-school on 12 June 2019 to list Lutterell Hall as an Asset of Community Value. Following a period of consultation, the nomination was assessed by Council officers and on 6 August 2019 it was decided to include Lutterell Hall in the statutory list of Assets of Community Value in Rushcliffe. This means that should the Council decide to sell the asset, if a qualifying community group wants to buy the asset, they can trigger a moratorium for six months, to give them a chance to raise the money to purchase the asset. The owner does not have to sell to a community group.
- 4.16. The Council were notified on 21 January 2020 that Lutterell Hall has been listed at Grade II by Historic England and the Secretary of State for Digital, Culture, Media and Sport under the Planning (Listed Buildings and Conservation Areas) Act 1990 as amended for its special architectural and historic value.

- 4.17. A petition was received from Lesley Brown, a Trustee of the St Giles Pre-School in January 2020 (it had been live since Spring 2019). It stated: *“We, the undersigned, call on Rushcliffe Borough Council to keep Lutterell Hall as a publicly owned community facility and to not market the site for potential redevelopment, and demand that the building be included in the Council’s list of assets of community value with immediate effect”*. When assessed against the criteria laid out in the Rushcliffe Borough Council Petitions Scheme, the petition contained 1024 valid signatures (residents on the Rushcliffe Electoral Role) and 611 invalid signatories (not on the Register or no address completed). This does not reach the minimum requirements for debate at Full Council (currently set at 2,200 valid signatories) but does demonstrate significant community support.

5. Options considered

- 5.1. The options previously referenced have been assessed against a range of factors including feasibility, risk and community benefit. Appendix 2 contains an assessment of the expressions of interest, with Appendix 3 summarising the options appraisal in the form of a scored matrix. Retaining ownership to develop an arthouse cinema was the lowest scoring option. As no offers were received to purchase the hall by the deadline of 28 February 2020 this option was not scored. The remaining two options of the Council continuing to manage the hall or leasing to a community organisation scored within 2 points of each other at 37/50 and 39/50 respectively and both are credible options.
- 5.2. The main strengths of the recommended option to enter into a lease agreement with a community organisation to manage the facility are the additional community activities/usage that would be developed, the potential for community groups to secure external grant funding to enhance the programme and a sense that the community would have more involvement and control over a valued community asset.
- 5.3. It is envisaged that exploration of governance arrangements, due diligence and lease negotiations could be completed within 12 months, thereby enabling a commencement date of April 2021.

6. Risks and Uncertainties

- 6.1. There is a risk that a community organisation taking over management of Lutterell Hall may not achieve their financial projections which could result in the need for a subsidy from the Council or alternatively return of management of the facility to the Council. To partially mitigate against this, management through a consortium of community groups could be explored.
- 6.2. There is a risk that changes in the volunteer membership of the community organisations could lead to resourcing and delivery problems. However, two of the community organisations who expressed an interest in managing Lutterell Hall have a large membership base, a track record of running facilities for a number of years and underpin their proposed delivery with paid staff.

6.3. Further risks and uncertainties were assessed as part of the options appraisal which are detailed in Appendices 2 and 3.

6.4. Any lease terms need to be considered in the context of access to external funding for the community groups, balanced with the Council's risk.

7. Implications

7.1. Financial Implications

7.1.1. By transferring the running of Lutterell Hall to a community organisation there would be approximately £60k of support costs that would have to be absorbed by the Council and may necessitate a review of any areas that are impacted more by this.

7.1.2. Any subsidy required from the community organisation would be an additional pressure and charged to the Special Expense budget.

7.2. Legal Implications

The recommendations within this report would require the Council to enter into lease agreement with a community organisation which would be subject to legal advice and agreement of Heads of Terms.

7.3. Equalities Implications

An equalities impact assessment (Appendix 4) has been undertaken based on retaining the hall as a community venue which would be open to the current user groups, with the potential for additional community activities to be provided. This identified no adverse equalities impacts from the recommendations within this report.

7.4. Section 17 of the Crime and Disorder Act 1998 Implications

There are no Section 17 implications arising from this report.

8. Link to Corporate Priorities

Quality of Life	Lutterell Hall is valued by the local community as a facility which supports a wide range of groups and social activities
Efficient Services	The review of Lutterell Hall responds to the priority of providing services as cost effectively as practicable
Sustainable Growth	The location of Lutterell Hall means that it has the potential to contribute to the vitality of the central area of West Bridgford
The Environment	Capital investment into Lutterell Hall would improve the energy efficiency of the facility and reduce carbon emissions The most recent energy performance assessments were carried out on the building approx. 4 years ago. The national

average energy efficiency score for these types of buildings is a score of D.

Lutterell Hall falls below the average mainly due to the lack of fabric thermal insulation. Improving the score would be challenging due to their design/form of construction.

9. Recommendations

It is RECOMMENDED that Cabinet:

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 - a. one of the shortlisted community groups who submitted an Expression of Interest, or
 - b. a combination of the three via an appropriate management company,
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Background papers available for Inspection:	Report to Cabinet 11 June 2019 'Marketing Options: Lutterell Hall'
List of appendices:	Appendix 1 Lutterell Hall Consultation Report Appendix 2 Expressions of Interest Assessment Appendix 3 Options Appraisal Appendix 4 Equality Impact Assessment