

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:	2833
Author:	Deborah Millar
Department:	Children and Families
Contact:	Aileen Wilson (Job Title: Head of Early Help Services, Email: aileen.wilson@nottinghamcity.gov.uk, Phone: 01158763888)
Subject:	Extension of funding arrangements to Base 51 until March 2018
Total Value:	Up to £360,000 (Type: Revenue)
Decision Being Taken:	To extend the current grant agreement for Base 51 for 1 year to align the arrangement with the possible lease break date.
Reasons for the Decision(s)	<p>Base 51 have a 20 year lease for the NGY building on Castlegate with opportunity to break and review at 3 year intervals. The next occasion is June 2018 and to bring the funding arrangement in line with the opportunity to review the lease an extension of the current grant arrangement is requested until March 2018 so that the grant arrangement and lease can be reviewed as a whole.</p> <p>During the next 6 months work will be undertaken to determine a process by which a long term strategy for the delivery of services can be agreed.</p> <p>Base 51 is the operational management and delivery arm of the NGY MyPlace partnership delivering universal and targeted services for young people from a dedicated youth building in the centre of Nottingham.</p>
Other Options Considered:	<p>To discontinue the funding - this would result in the loss of service to a particularly vulnerable cohort of young people and was thus rejected.</p> <p>To request an extension of the funding of 2 years - this was rejected as it would mean that the funding agreement and the opportunity to make changes to the lease would not align.</p>

Background Papers:

Published Works:

Affected Wards:

Citywide

**Colleague / Councillor
Interests:**

Consultations:

Those not consulted are not directly affected by the decision.

**Crime and Disorder
Implications:**

There would be no crime and disorder implications from this decision as it seeks to make no change to services

Equality:

EIA not required. Reasons: The decision does not proposed new or changing policies, services or functions.

Decision Type:

Portfolio Holder

Subject to Call In:

Yes

Call In Expiry date:

15/05/2017

Advice Sought:

Legal, Finance, Procurement, Property

Legal Advice:

The City Council has a grant agreement with Big Lottery Fund which requires the Castlegate site to be operated in accordance with the project for which the City Council has appointed Base 51 for 20 years. Base 51 has a lease for the same 20 year term. The grant funding expired in March 2016. The City Council cannot require another entity to provide the management of the centre and deliver the project without the agreement of Base 51. On that basis the extension of the grant funding to coincide with a lease break is supported and does not raise any significant legal issues. Advice provided by Andrew James (Team Leader Contracts and Commercial) on 22/03/2017.

Finance Advice:

The annual budget for 2017/18 is £360k based on the 2016/17 budget of 370k less agreed 17/18 Strategic Choices of £10k. This includes £50k to support any building maintenance.

Based on the above there is sufficient funding to extend the current grant agreement for Base 51 for 1 year to align the arrangement with the possible lease break date.

Christine Green
 Senior Commercial Business Partner - Children's & Education
 Tel: 01158 762387
 Christine-Louise.green@nottinghamcity.gov.uk Advice provided by Christine Green (Senior Commercial Business Partner) on 10/02/2017.

Procurement Advice:

Given the lease agreement with Base 51 there is no alternative supplier that can take over the lease agreement before April 2018. Therefore this proposal to extend the grant arrangements for a further year to bring the funding in line with the lease agreement raises no significant procurement issues.

Steve Oakley
 Head of Contracting and Procurement
 29/03/2017 Advice provided by Phil Wye (Governance Officer) on 31/03/2017.

Property Advice:

The lease to NGY (Base 51) from 22/6/2012 is currently peppercorn but subject to a rent review to market rent in June 2017 and it is thought the rent should be in the region of £85,000p.a.

Any grant funding should have regards to this additional property costs. It should be noted that if NCC require the property back for other purposes there are break clauses within the lease on the three year anniversary subject to a 9 month notice period. The next break date is June 2018 and notice is required to be served before 22/9/2017, however if funding is to be withdrawn then 6 months notice can be served at anytime by NGY. Advice provided by Peter Taylor (Senior Surveyor) on 18/01/2017.

Signatures

Alex Norris (Portfolio Holder for Adults and Health)
SIGNED and Dated: 04/05/2017
Helen Blackman (Director of Children's Social Care)
SIGNED and Dated: 03/05/2017