

CABINET MEETING: 19 MAY 2016

**LLANOVER HALL – EXPRESSIONS OF INTEREST TO SUB
LEASE**

**REPORT OF DIRECTOR COMMUNITIES, HOUSING AND
CUSTOMER SERVICES**

AGENDA ITEM: 8

**PORTFOLIO: SKILLS, SAFETY, ENGAGEMENT & DEMOCRACY
(COUNCILLOR DAN DE'ATH)**

Reason for this Report

1. To allow the advertising for expressions of interest in the leasing of Llanover Hall under a partnership arrangement with the Council.

Background

2. Llanover Hall, based in the Canton area of the city, has a 40 year long history and tradition of offering a place for all to benefit from the process of creative achievement with the ethos of 'Arts for All'.
3. It is a community arts centre, including a 100 seat theatre, exhibition/café area, Ceramics Studio, Wet Arts Room, Photography Darkroom and a Computer Studio. Provision includes after school and Saturday morning children's classes in crafts, drama and pottery as well as a broad range of classes for adults.
4. Participation in creative activity is known to increase the wellbeing of individuals and of the wider community and supports local and Wales wide aspirations to increase mental and physical health and wellbeing.
5. Cardiff Council currently holds a lease for the building dated 21 July 1938 for a period of 999 years which commenced on 1 December 1937. This lease contains a restrictive covenant preventing the use of the premises or any part of the premises to be used as a shop/warehouse/other place for carrying on trades/tavern or alehouse etc. without a written licence first having been obtained from the lessor.
6. The restriction prevents any dealing (including any disposal, grant of any lease or licence or any other occupation or sharing of possession) of the property without the prior written consent of the Arts Council of Wales.

Issues

7. The courses delivered at Llanover Hall form part of the Learning for Life Adult Community Learning programme which is recreation based and ineligible for Welsh Government Adult Community Learning grant funding. The programme includes courses relating to arts, crafts and pottery. Learners have to pay for these courses in order to sustain this cost neutral programme.
8. A property condition report is attached at Appendix 1, the surveys provide an initial high level overview with an overall cost for required improvements.
9. It is recognised that the building is underutilised and to attract more learners/visitors to Llanover Hall and increase income generating capacity the building will require investment to better utilise the space and for additional services to be provided from the building.

Partner Sublease - Expressions of Interest

10. To ensure the long term sustainability of Llanover Hall as a community arts venue it is proposed the council seek a partner to sublease the building.
11. The council would welcome all organisations to express an interest, with preference given to a sustainable option that will:
 - To maximise the utilisation of Llanover Hall
 - Complement and maintain the current Adult Community Learning programme
 - Mitigates council property management liabilities in regards to running cost and maintenance backlog.

Local Member consultation

12. Local Ward Member consultation has taken place and Members are content to support this approach.

Reason for Recommendations

13. To ensure the long term sustainability of Llanover Hall as a community arts venue through a partnership.

Financial Implications

14. The report recommends the Council seek expressions of interest from interested parties for sublease of the building. The annual running cost of this building in 2014/15 was £46,000. Whilst it is anticipated that savings against these costs will arise from a partnership, this will be dependent on the detailed arrangements underpinning such an agreement.

15. Before any such agreements on transfer it is recommended that Arts Council of Wales is consulted. The terms and conditions of the sublease need to ensure the property is maintained in good condition with restrictions on unapproved alternative use will need to be monitored, and should the terms and conditions of any transfer not be adhered to the property should be returned to the council. Any return of property could have capital and revenue implications for the council.
16. Whilst the Property condition report highlights a backlog of maintenance of £274,000 it is unclear until expressions of interest are received how this and any refurbishment works could be funded.
17. It is important to set out clear criteria to define the Council's requirements and assess responses to expressions of interest and proposed business cases through a clear and transparent process.

Legal Implications (including Equality Impact Assessment where appropriate)

18. The Council is required to obtain best consideration from its property disposals pursuant to section 123 of the Local Government Act 1972. However pursuant to the General Disposal Consent (Wales) 2003 it can dispose at an undervalue of up to £2m if it is satisfied that the disposal is in the interests of the economic social or environmental well being of the whole or part of its area and in accordance with its community plan.

HR Implications

19. Employees and Trade Unions have been made aware that expressions of interest are being sought. The effect on employees will be dependent on the business case which comes forward from any interested parties. Once this information is known employees and trade unions will be consulted further. The Council will require any partner to abide by any relevant employment legislation and any changes for employees will be carried out under the Council's corporately agreed processes.

Equality Implications

20. There are no equality implications to consider at this stage. A full Equality Impact Assessment will be undertaken to evaluate the potential partner arrangement.

RECOMMENDATIONS

The Cabinet is recommended to agree that;

1. Llanover Hall is advertised for expressions of interest to seek an operating partner with the Council.
2. authority for the acceptance of a preferred bid be delegated to the Director for Communities Housing and Customer Services in consultation with the Cabinet Members for Corporate Services and Performance and

Skills, Safety, Engagement & Democracy and the Director for Corporate Resources, and Property and Estates Manager to identify and conclude terms with a preferred operator for Llanover.

3. In the event that no successful partner is found a future cabinet report will be brought forward in regard to the future provision of Adult Community Learning from Llanover Hall and the future of the asset.

Sarah McGill

Director

13 May 2016

The following appendix is attached:

Appendix 1: Property Condition Report



Property Condition Report

for

LLANOVER HALL ARTS CENTRE

Cardiff County Council

Strategies Estates Division

Property Condition Report

for

LLANOVER HALL ARTS CENTRE

Introduction

This report has been produced for the Service Areas as part of a Asset Management Plan, to give them details on the condition of the property to assist in programming for recurrent repairs and maintenance. The condition survey was carried out by the Strategic Estates Division of Cardiff County Council.

Limitations

This report has been compiled exercising all reasonable skill, care and diligence. It is based on a visual inspection of the property and as such, is limited in its scope.

Condition

The survey is based on the DfEE guidance on a framework for assessing the condition of school premises for Asset Management Plans.

The buildings have been sub divided into blocks, where necessary, based on separation and age of construction and assessed on a block by block and element by element basis.

Elements and remedial works have been assessed and categorised as follows:

Condition

GOOD (Performing as intended/Operating efficiently)

SATISFACTORY (Performing as intended but exhibiting minor deterioration)

POOR (Exhibiting major defects/Not operating as intended)

BAD (Life expired/Risk of imminent failure)

Priority

1 (Within 1 Year)

2 (Within 2 Years)

3 (Within 3 - 5 Years)

The work identified in the Remedial Works has been prioritised in the year considered to be necessary by the Surveyor. However, due to limited financial budgets, some or all of the identified work may have to be postponed to later years.

Remedial Cost

The investment costs are an approximate guide and not actual costs for undertaking the remedial works. For the purposes of this exercise maintenance items below £1,000 have not been included in this report.

Property Condition Report

for

LLANOVER HALL ARTS CENTRE

Site

Survey Date: 30/08/2013

Elemental Condition

| | |
|-------------------------------------|---------------------|
| Walls / Fences / Gates | SATISFACTORY |
| Roads / Carparks | POOR |
| Paths / Playgrounds / Paved Areas | POOR |
| Soft Landscaping | SATISFACTORY |
| Drainage | SATISFACTORY |
| Ancilliary Premises / Outdoor Pools | Not Applicable |
| General Overall Condition | SATISFACTORY |

Site Remedial Works

| Element | Condition | Works | Priority | Cost |
|-----------------------------------|-----------|--|----------|---------------|
| Paths / playgrounds / paved areas | POOR | Clear vegetation from paths throughout site | 2 | £1,000 |
| Paths / playgrounds / paved areas | BAD | Provide suitable handrails to emergency exit step to rear of Block 3 | 2 | £1,000 |
| Paths / playgrounds / paved areas | POOR | Resurface tarmac' to rear of Block 3 | 2 | £4,000 |
| Total Cost: | | | | £6,000 |

Notes

Building

Survey Date 06/09/2013

Block No 1

Elemental Condition

| | | | |
|--------------------------|---------------------|---------------------------------|--------------|
| Roofs | SATISFACTORY | External Walls / Doors /Windows | SATISFACTORY |
| Internal Doors / Walls | SATISFACTORY | Floors / Stairs | SATISFACTORY |
| Ceilings | SATISFACTORY | Furniture / Fittings | SATISFACTORY |
| Sanitary Ware | SATISFACTORY | Redecoration | SATISFACTORY |
| Mechanical Services | SATISFACTORY | Electrical Services | SATISFACTORY |
| Overall Condition | SATISFACTORY | | |

Property Condition Report

for

LLANOVER HALL ARTS CENTRE

Block Remedial Works

| Element | Condition | Works | Priority | Cost |
|-----------------------------------|------------------|--|-----------------|----------------|
| Control gear | POOR | Renew dist boards to G02 and 104 | 2 | £3,000 |
| EWWD - Doors | POOR | Replace timber double doors to G25 | 2 | £1,300 |
| EWWD - Windows | POOR | Repairs to single glazed timber windows | 3 | £2,000 |
| Gas distribution | POOR | Install emergency automatic gas shut off to Room G29 | 1 | £1,500 |
| Heating / distribution / controls | POOR | Renew heat emitters and distribution pipes adding TRVs and radiators to all unheated areas | 2 | £19,500 |
| Int WD - Doors / screens | POOR | Replace single timber doors in G09, G34, 101 | 2 | £1,300 |
| Int WD - Doors / screens | POOR | Overhaul fire doors to 201/203 & 203/204 | 1 | £1,000 |
| Lighting | POOR | Renew 60% lighting wiring and accessories | 2 | £15,000 |
| Lighting | POOR | Provide external lighting to fire escape route | 1 | £1,200 |
| Redecorations - External | POOR | Prepare and decorate previously painted surfaces | 2 | £7,000 |
| Redecorations - Internal | SATISFACTORY | Prepare and redecorate 25% of the rooms | 2 | £3,200 |
| Roofs - Coverings | POOR | Investigate with MEWP valley gutters | 2 | £1,000 |
| Sanitary - Toilets | SATISFACTORY | Refurbish toilets, G11, G12, G27 & G28 | 2 | £3,200 |
| Ventilation / air conditioning | SATISFACTORY | Upgrade and install extract fans and ventilation systems to several rooms | 3 | £21,500 |
| | | | Total: | £81,700 |

Note

Block No 2

Elemental Condition

| | | | |
|--------------------------|---------------------|---------------------------------|----------------|
| Roofs | SATISFACTORY | External Walls / Doors /Windows | SATISFACTORY |
| Internal Doors / Walls | SATISFACTORY | Floors / Stairs | SATISFACTORY |
| Ceilings | SATISFACTORY | Furniture / Fittings | Not Applicable |
| Sanitary Ware | Not Applicable | Redecoration | SATISFACTORY |
| Mechanical Services | POOR | Electrical Services | SATISFACTORY |
| Overall Condition | SATISFACTORY | | |

Block Remedial Works

Property Condition Report

for

LLANOVER HALL ARTS CENTRE

| Element | Condition | Works | Priority | Cost |
|-----------------------------------|--------------|--|---------------|----------------|
| EWWD - Doors | SATISFACTORY | Renew double entrance doors | 2 | £2,100 |
| EWWD - Doors | SATISFACTORY | Renew fire door in G22 | 2 | £1,300 |
| EWWD - Walls | SATISFACTORY | Carry out minor remedial work to cladding and step near G22 | 2 | £1,500 |
| EWWD - Windows | SATISFACTORY | Renew single glazed timber windows with uPVC | 2 | £3,700 |
| Heating / distribution / controls | POOR | Renew cast iron emitters and distribution pipework. | 2 | £5,000 |
| Hot & Cold water services | SATISFACTORY | Renew hot and cold water distribution pipework | 3 | £3,000 |
| Lighting | SATISFACTORY | Renew lighting wiring and accessories to rooms G23 & G24 | 3 | £1,000 |
| Lighting | POOR | Renew fluorescent luminaires to G22 | 2 | £4,400 |
| Lighting | POOR | Provide emergency lighting to escape routes external to building | 1 | £1,000 |
| Power | POOR | Replace switchgear to Kilns in rooms G24 & G26 | 2 | £1,500 |
| Redecorations - External | SATISFACTORY | Prepare and paint previously painted surfaces (incl access) | 2 | £5,600 |
| Ventilation / air conditioning | POOR | Replace ventilation system to Kiln rooms G24 & G26 | 2 | £1,000 |
| | | | Total: | £31,100 |

Note

Heat source/equipment are shared with Block 3. Fire alarm shared with Block 1.

Block No 3

Elemental Condition

| | | | |
|--------------------------|---------------------|---------------------------------|----------------|
| Roofs | SATISFACTORY | External Walls / Doors /Windows | SATISFACTORY |
| Internal Doors / Walls | SATISFACTORY | Floors / Stairs | SATISFACTORY |
| Ceilings | SATISFACTORY | Furniture / Fittings | Not Applicable |
| Sanitary Ware | Not Applicable | Redecoration | SATISFACTORY |
| Mechanical Services | POOR | Electrical Services | POOR |
| Overall Condition | SATISFACTORY | | |

Block Remedial Works

| Element | Condition | Works | Priority | Cost |
|--------------|-----------|---|----------|---------|
| Control gear | BAD | Replace main switch gear and renew distribution board in B01 | 2 | £43,500 |
| EWWD - Walls | BAD | Investigate, and repair, corrosion and concrete defects to building frame on rear elevation | 2 | £3,000 |

Property Condition Report

for

LLANOVER HALL ARTS CENTRE

| | | | | |
|-----------------------------------|--------------|---|---------------|----------|
| Floors & Stairs - Ground Floor | SATISFACTORY | Sand & seal woodblock in G18 | 2 | £5,000 |
| Floors & Stairs - Upper Floor | POOR | Repair timber boards and provide vinyl shet covering to 111 & 113 | 2 | £1,700 |
| Gas distribution | POOR | provide gas shut off valve to Boiler plant & Hall heater | 1 | £3,000 |
| Heat source / equipment | BAD | Renew boiler and controls & enhance boiler room ventilation | 2 | £16,000 |
| Heating / distribution / controls | POOR | Renew cast iron heat emitters and dist pipework | 2 | £15,000 |
| Heating / distribution / controls | POOR | Replace time switch with BMS System | 2 | £18,000 |
| Lighting | SATISFACTORY | Renew main hall, G18, lighting wiring and accessories checking loading | 2 | £17,000 |
| Lighting | POOR | Install emergency lighting to escape routes external to building | 1 | £1,200 |
| Lighting | SATISFACTORY | Replace fluorescent lighting and accessories to rooms B01, G14, 111 & 113 | 2 | £5,200 |
| Power | POOR | Rewire and provide additional socket outlets to rooms G18 & 111 | 2 | £4,500 |
| Redecorations - Internal | POOR | Prepare and redecorate approx 20% | 2 | £2,000 |
| Roofs - Rainwater goods | POOR | Replace gutters / downpipes, inc access | 2 | £2,200 |
| | | | Total: | £137,300 |

Note

Block No 4

Elemental Condition

| | | | |
|--------------------------|----------------|---------------------------------|--------------|
| Roofs | SATISFACTORY | External Walls / Doors /Windows | SATISFACTORY |
| Internal Doors / Walls | SATISFACTORY | Floors / Stairs | SATISFACTORY |
| Ceilings | SATISFACTORY | Furniture / Fittings | POOR |
| Sanitary Ware | Not Applicable | Redecoration | SATISFACTORY |
| Mechanical Services | SATISFACTORY | Electrical Services | SATISFACTORY |
| Overall Condition | SATISFACTORY | | |

Block Remedial Works

| Element | Condition | Works | Priority | Cost |
|--------------|--------------|-----------------------------|----------|--------|
| EWWD - Doors | SATISFACTORY | Renew double entrance doors | 2 | £2,200 |

Property Condition Report

for

LLANOVER HALL ARTS CENTRE

| | | | | |
|-----------------------------------|--------------|--|---------------|---------|
| Floors & Stairs - Upper Floor | POOR | Replace timber floor finish to 110 | 2 | £2,000 |
| Furn & Fit - Kitchen | POOR | Renew kitchen units in 110 | 2 | £1,500 |
| Lighting | SATISFACTORY | Renew lighting in Art Classroom, 110 | 2 | £2,700 |
| Lighting | POOR | Install emergency lighting to escape routes externally to building | 1 | £2,400 |
| Lighting | SATISFACTORY | Replace fluorescent lighting and accessories to rooms G25, G26, G33, 109 & 230 | 3 | £5,000 |
| Redecorations - Internal | SATISFACTORY | Ongoing cyclical redecoration 20% | 3 | £1,200 |
| Ventilation / air conditioning | SATISFACTORY | Install extract fans above sinks to room G33 | 3 | £1,000 |
| | | | Total: | £18,000 |

Note

Design of staircase/landing balustrade adjacent lift poor.

Report Total: £274,100