

## **Council – 10 July 2017**

### **Broadway North Petition**

#### **1. Summary**

- 1.1 This report is in response to a petition opposing the closure of Broadway North.
- 1.2 The petition was submitted to Council on 10 April 2017 by Councillor Sohal. The petition contains a total 1,568 signatures and is worded as follows:

*“We the undersigned as patients and residents in Paddock Ward and surrounding areas call on NHS England and Walsall Council to scrap plans for a Health Centre on the site of the former Jabez Cliff Factory, Lower Forster Street, Walsall. It is inaccessible via public transport, the traffic volumes and the one way system, being right on the ring road junction and next to a school will make accessing via car impossible. The site is situated a long way from the communities the Limes and Sycamore House Surgeries serve.*

*We call on NHS England and Walsall Council to work with the GP practices, local residents and community groups to deliver a Health and Community Facility at the Broadway North Centre, Broadway North, Walsall. A site that is in the heart of our community has excellent transport links and parking.”*

- 1.3 The Council's petition scheme provides that:

If a petition contains at least 1,500 signatures it will be debated at a meeting of the Council. This means that the issues raised in the petition will be discussed at a meeting to which all Councillors can attend and speak. The Council will endeavour to consider the petition at its next meeting although on some occasions this may not be possible and consideration will then take place at the following meeting. The petition organiser will be given 5 minutes to present the petition at this meeting.

They may decide to take the action that the petition requests; not to take the action requested for reasons put forward in the debate, or to ask for further information. Where the issue is one where the Cabinet are required to make the final decision the Council will decide to make recommendations to the Cabinet. The petition organiser will receive written confirmation of this decision and this will be published on our website.

#### **2. Recommendations**

- 2.1 That the concerns of the petitioners are noted.
- 2.2 That the Council notes the concerns expressed by the petitioners regarding NHS processes, and, notwithstanding that they are out-with the Council's remit, will ensure that they are communicated to the relevant external bodies, principally the GP practices concerned, Walsall CCG & NHS England.
- 2.3 The Council is supportive of the new GP health facility at the Jabez Cliff site. This is described as a “flagship” facility for Walsall and will ensure that a modern and

purpose built centre will offer extended services and hours to the local community.

### **3. Background Information**

- 3.1 There are four issues to be addressed in respect of this petition concerning Broadway North: the cessation of the delivery of services at this site in respect of mental health support; the relocation of the community association; the disposal of the building; and the securing of a new and purpose built health centre for the local community, bringing together four currently separate GP practices.
- 3.2 The building is located on Broadway North close to its junction with The Crescent, as shown edged in black on plan reference EPMS3549 (**Appendix 1**). The ground floor is currently occupied by Adult Social Care staff, Dudley and Walsall Mental Health NHS Trust (NHS Trust) and Park Hall Community Association (CA). The first floor of the building is currently vacant.

#### The Services

- 3.3 The property is currently used by Adult Social Care, in conjunction with the Dudley and Walsall Mental Health Trust to deliver day services for adults experiencing mental health problems. In February, the Council agreed to transition these services to an end and this is currently in train, with staff being placed at risk. Service users who wish to continue to access activities will be offered a period of transition into other community based facilities.
- 3.4 The services currently delivered from the building by Adult Social Care and the NHS Trust include:
- Mental Health Recovery College
  - Mental Health PT Hub
  - Mental Health Employment Services
  - Mental Health BBO
- 3.5 Following the budget consultation elements of the services at Broadway North will cease. The Recovery College will close in line with Savings Proposal 77, with officers giving a group of regular users some support to set up their own association in another location. Other services based there such as the recovery site for community alarms has now been relocated.

#### The Community Association

- 3.6 The community association will be required to find alternative premises to operate from, and the Council has offered to try to help the CA to find that alternative site; although any costs associated with the acquisition and use of such a site would be for the community association to bear.
- 3.7 The CA took up occupation within Broadway North in 2012 at nil cost under licence, following the requirement for them to leave Park Hall Primary School. The licence was granted for an initial 6 months to allow both sides to trial the new arrangement and to seek to conclude terms for a longer agreement. However, although terms have been proposed, to date no such agreement has been reached and occupation continues to be on the basis of the original licence.

- 3.8 The CA currently occupies four rooms and has joint use of all other rooms, and it delivers a range of training initiatives including arts and crafts, Information Technology and luncheon clubs. These are attended by people who do not necessarily have mental health problems.
- 3.9 In June 2015, the property was listed as an Asset of Community Value (ACV). The listing requires the Council, as landowner, to advertise a notice of intention to dispose of the property for a period of 6 weeks (the interim moratorium period).
- 3.10 If, during the initial moratorium period there are no expressions of interest from community groups, then the landowner is able to proceed with the marketing and sale of the property.
- 3.11 If, however, during the initial moratorium period an expression of interest is received from a community group, then a full moratorium period of 6 months is triggered, during which period the landowner is unable to sell the property unless to a community group (although there is no onus on the landowner to sell to a community group during this period). At the expiry of the full moratorium period, the landowner is able to proceed with an unrestricted disposal of the property.
- 3.12 The ACV listing does not require a disposal of the property to a community group but does potentially prevent the Council from progressing with a disposal for a period of up to 7½ months (i.e. the initial and full moratorium periods).

#### The Disposal

- 3.13 A review of options for the property was commenced in late 2014 following the receipt of an unsolicited expression of interest in the property from a consortium of two doctors' practices.
- 3.14 A report on the future of the site was presented to the Regeneration Scrutiny and Performance Panel on 24<sup>th</sup> November 2014 at which it was resolved to recommend to Cabinet on 17<sup>th</sup> December 2014 "that Cabinet are requested to consider all options for the site".
- 3.15 At its meeting on 17<sup>th</sup> December 2014, Cabinet approved consultation with social care users and carers on alternative provision and instructed the Executive Director for Regeneration on consultation with the Portfolio Holder to report to Cabinet on options and the outcome of consultation in March 2015.
- 3.16 Cabinet received a report on the outcome of the consultation listening exercise with staff and service users of the Recovery College at Broadway North at its meeting on 29<sup>th</sup> April 2015, Social Care and Health Scrutiny and Performance Panel considered the draft Cabinet report at its meeting on 28<sup>th</sup> April 2015 and requested Cabinet to investigate the proposal to seek to develop a modern health facility on the Broadway North Site and in doing so look to secure partnership funding from either the public or private sector and to ensure that Park Hall CA are included within the new facility to deliver the 'preventative' health agenda. It also requested that Cabinet consider other options that become available as part of a broad options appraisal.
- 3.17 During 2016, an options appraisal was undertaken by external consultants to consider the potential options available for the disposal or redevelopment of the site.

- 3.18 In order to bring the property forward for disposal, the building would need to be declared surplus to the Council's requirements. As detailed in paragraph 3.3 above, officers are working towards the relocation of the current services from the building. Once vacated by Council services, the building will become surplus as there are no other Council requirements for the future use of the building.
- 3.19 To enable a sale with vacant possession, steps would need to be taken to terminate the CA's use of the centre. As has been reported to Cabinet previously, as the CA occupies parts of the building under the terms of the original licence, the Council can determine the licence and require the CA to vacate without any legal obligation to relocate it or pay any compensation.
- 3.20 It is anticipated that the receipt generated from a disposal of the asset would exceed £500,000, and so Cabinet approval is required.
- 3.21 Under section 123 Local Government Act 1972, a Local Authority can dispose of assets in any way it chooses, as long as it is able to demonstrate that the disposal represents best consideration.

- 3.22 There are two potential disposal options available to the Council in this instance:

Sale by Informal Tender

- 3.23 A sale by Informal Tender would satisfy the Council's obligation to achieve Best Consideration by exposing the property to the open market and giving all interested parties the opportunity to bid.

Sale to a named party

- 3.24 Two categories of circumstances where a Council may feel justified in excluding the wider market by transacting with a named party:-
1. Where working with a private landowner creates a site that couldn't be developed in isolation. This approach should be caveated further by saying that simply owning adjoining land that could add value to our site is not necessarily sufficient as it would depend on whether other owners might be able to enhance our value also. If this is the case then it would be prudent to introduce a competitive approach to negotiations with the respective owners for transparency.
  2. Where the land-use that would result can only be achieved by working with a specific party at a specific location.
- 3.25 There are a very limited number of situations where a Council might be considered to have acted reasonably in excluding the market by negotiating property disposals direct with named parties and these are heavily dependent on the circumstances in each case.
- 3.26 In the event that either of the above circumstances is met to allow the Council to consider a sale to a named party, that sale must be conducted on terms that reflect best consideration. This is, in itself problematic as the lack of exposure of the site to the market means that the only way to certify best consideration is

through the use of valuation advice which does not preclude a challenge from a party not invited to bid who claims that they would have offered a higher price.

- 3.27 The assessment of best consideration cannot be limited by the use proposed for the site, and should take account of the highest price that could reasonably be achieved for the land.
- 3.28 Once the property is vacant measures will be put in place to ensure that the building is secure during the disposal process.
- 3.29 At its meeting on 18<sup>th</sup> May 2017, Cabinet affirmed its previous decision taken on 26<sup>th</sup> April 2017 when it declares the site surplus to the Council's requirements and approved the disposal of the site on the open market by informal tender. Cabinet further approved the termination of Park Hall Community Association's licence to occupy the building.

### The Health Centre

- 3.30 In 2016, the CCG received a proposal from 4 General Practices that are currently based near to Walsall Town Centre, to develop a new purpose built healthcare facility in the locality. The new building would bring the 4 practices together on to one site and the proposal has been supported enthusiastically by Walsall CCG as it fulfils the aspirations set out in the CCG's Primary Care Strategy, and in NHS England's GP Forward View.
- 3.31 The development will be a flagship facility for the NHS in Walsall and will make a significant contribution to the desire to provide more extensive high quality 'out of hospital' care in the town, and offer extended hours services to meet the demands of the population. The 4 surgeries currently used by the practices are poor in some cases, and in all cases the sites offer little or no opportunity for expansion.
- 3.32 The development has an estimated cost of £8.2m and a contribution has been secured from NHS England of £2.1m towards the capital cost. This resource is from the Estates and Technology Transformation Fund and the release of funds is dependent on the approval of a business case and on a plan to complete the development by March 2019.
- 3.33 The practices undertook a survey of local estate agents and sites before putting forward the Jabez Cliff site on Lower Forster Street as their preferred location for the new build. The size and cost of this site met with their requirements and the location is very close to 2 of the current surgeries and is accessible from the other two sites. Nevertheless the CCG requested that the practices ensured other site options were explored, and two sites in particular were given additional consideration.
- 3.34 One was found to be almost double the size of the Lower Forster Street site and also nearly double the cost and therefore not deemed feasible under the financial model put forward. The other site given additional consideration was at Broadway North, but as one of the practices have stated they would not consider it appropriate moving to that site due to a range of factors, the scheme as it is outlined could not be provided on that site and it is considered important to the development that it is one that is GP determined and decided.

- 3.35 It is also the case that the sale process for that site would mean it would be some time before the practices knew if any offer they made had been successful, and they would also be buying a site that has current buildings and is occupied, thus delaying the delivery timescales of the scheme, probably beyond the point at which the funding from NHS England remained available.
- 3.36 The next stages towards the development are the production of a Business Case and a consultation exercise, and to progress towards securing planning permission. The Business Case would need to be supported by the CCG and then be passed to NHS England who would sign off the release of their earmarked funds following their approval of the case. The consultation process has begun through the Patient Participation Groups of all four practices, and that has been met with a positive response, and will be followed by a much wider consultation in the coming months.
- 3.37 The GPs have made it clear that the development will not proceed if there is a consensus amongst their patients that the new development is not wanted. A pre-planning meeting has already been held with the council and the practices are awaiting feedback from that meeting and details of the process to subsequently follow. The CCG is also working with the Public Health department of the council to undertake some work to assess the access to the Lower Forster Street site for the patients of the four practices.
- 3.38 It is now the case that the scheme is being taken forward as a proposal from the GPs to build a new surgery on the Jebez Clift site and if this proposal does not proceed, then the scheme would be cancelled and the 4 practices would continue to practice from their current inadequate surgeries. There would not be an alternative health centre developed at the Broadway North site.
- 3.39 It is the view of the CCG that if a new development were not to proceed as indicated above, then that would represent a considerable loss to the community, resulting in poorer services than should be the case, a loss of investment into the borough, and a significant opportunity cost to the overall health and social care outcomes for the local population.
- 3.40 Cabinet resolved that an options appraisal be conducted in respect of the services that are currently being delivered from the site and the future of the site itself, to be subject to further consultation and a report back to Cabinet.

## **Background papers**

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