



Officer Decision Record – Key Decision

Key decisions taken by an officer are subject to the 5-day call in period from circulation to Members, and therefore the decision will be released for implementation following the call-in period and no call in being received.

1. Cabinet date and copy resolution this key decision relates to

At the meeting of the Cabinet held on the 13th January 2021 it was resolved that:

“DN.76 FAMILY HUB REVIEW

Cabinet considered a report from the Portfolio Holder for Children, Young People and Education and the Portfolio Holder for Regeneration, Skills and Housing seeking authority to implement the recommendations following a review of Family Hub provision and consider future use proposals associated with Family Hub accommodation.

RESOLVED –

1. That the findings of the Review be approved, and authority be delegated to the Chief Operating Officer / Director of Children’s Services, in consultation with the Portfolio Holder for Children’s Education and Young People, the undertaking of full engagement and implementation of future use proposals and budgetary savings as set out in Section 5 of the report now submitted.

2. That authority be delegated to the Director of Resources and Governance, in consultation with the Leader and Portfolio Holder for Regeneration, Skills and Housing to settle all terms and ensure that all necessary actions are carried out in relation to the repurposing or surrender of surplus accommodation and formalising private day care occupation.

3. That the Chief Legal and Monitoring Officer be authorised to complete and execute all requisite legal documentation in relation to the matters outlined above.

REASONS FOR DECISION - The Council has undertaken a review of the Family Hub portfolio and has concluded with several recommendations which, if approved, will set the future shape of service provision across the Borough, seek to rationalise repurpose or reduce the property portfolio and formalise the accommodation arrangements of private day care providers on market terms.

OTHER OPTIONS CONSIDERED – Do nothing – would result in a missed opportunity to meet the evolving demand in service need and would not enable the Council to repurpose or release property for other uses and the Council being able to achieve the financial savings required.”

Further to extensive engagement, a report to Scrutiny set out the outcome of the engagement and identified the preferred option to continue with the proposed closure of five (5) of the Family Hubs, with the exception of Immingham which would be retained and reopened.

The five (5) Family Hubs that remain in scope for closure and that have been closed since 2020 are as follows:

- Highgate – Thrunscoe Academy
- Scartho – Fairfield Academy
- Strand – Strand Academy
- Broadway – Western Maintained School
- Riverside – Yarborough Academy

Broadway is the only site with part occupied by a Private Day Care Provider on-site, however this is a Council maintained School. Thrunscoe Academy have given the Council notice to vacate Highgate and the lease ended as at 22 February 2023.

Private Day Care will be retained throughout the portfolio which includes sites both with and without retained Family Hubs. However, rents that have historically been subsidised at 90%, following a 2009 Cabinet decision. All rents will be increased in line with the market.

There is no automatic right to re-let space within the sub leases the Council hold, therefore, should existing Providers decide not to sign up to a formal lease agreement,

where there is a Family Hub, this space will be considered for realignment or surrendered. Should Private Providers wish to accept a formal agreement on Academy sites, the relevant Academy will also have to agree with any sub-let the Council propose.

The Private Providers in occupation that are in scope are:

- Nunsthorpe & Bradley Park (Sutcliffe Avenue) – Council owned – Butterflies Nursery
- West Marsh (Macaulay Street) – Macaulay Academy – Judy Clark
- Immingham (Margaret Street) – Eastfield Academy – Immingham Day Care
- Queensway (Binbrook Way) – Willows Academy – For Under 5's
- Edward Heneage (Edward Street) – Council owned – For Under 5's
- East Marsh (Victor Street) – Council owned – First Steps
- Broadway – Council owned – Under 5's

2. Subject and details of the matter (to include reasons for the decision)

Family Hub property realignment

To support Children's Services to rationalise the Family Hub property portfolio and repurpose space where needed or surrender sub-lease agreements back to Academies.

3. Decision being taken

It is proposed that the Council surrender their existing lease interest and hand back the whole Family Hub area at the five (5) subject premises that are closed.

In addition, there is a need to negotiate new lease agreements for the Private Day Care providers at the retained Family Hubs. This will ensure the costs associated with the closed Family Hubs is taken as a saving (from a date to be agreed) and the rent for Private Day Care providers is set at Market rent. The rent increases to Private Providers will be stepped up over a three (3) year period (25%, 50%, 75%), with full rent being achieved from Year four (4).

That the Executive Director Place and Resources, in consultation with the Portfolio Holder for Finance, Resources and Assets, settle all terms and ensure that all necessary actions are carried out to complete the freehold disposal.

That the Assistant Director Law and Governance (Monitoring Officer) be authorised to complete and execute all requisite legal documentation in relation to the matters outlined above.

4. Is it an Urgent Decision? If yes, specify the reasons for urgency. Urgent decisions will require sign off by the relevant scrutiny chair(s) as not subject to call in.

No.

5. Anticipated outcome(s)/benefits

Implementing the proposals outlined within this ODR will result in cost savings from relinquishing property no longer required for operational service delivery. There is also the intention to set market rents for the Private Day Care providers which will result in an ongoing increase in revenue income.

6. Details of any alternative options considered and rejected by the officer when making the decision (this should be similar to original cabinet decision)

To do nothing and to continue with the existing accommodation would not be viable. The service has realigned delivery of activity further to a review and an approved Cabinet resolution sets out the delegation to close five (5) Family Hubs which are no longer required for operational use. This supports the realignment of service delivery which does not always require dedicated space paid for by the Authority.

In addition, the Cabinet mandate approves the removal of the 90% subsidy on rents for Private Day Care providers, set 18 years ago, which is outdated and does not reflect the current market demand. The subsidy needs to be removed and market rents applied which will be subject to a staged increase over three (3) years. To continue to subsidise rents would skew the market and offer an unfair advantage to Providers renting Council owned and managed premises. Any subsequent decision by Providers to vacate space, if this is deemed unviable, is not expected to affect the provision of statutory day care places, however, sufficiency would be assessed across the Borough to ensure sufficient demand would continue to be met.

7. Background documents considered (web links to be included and copies of documents provided for publishing)

Cabinet Report – 28 October 2009



Cabinet Report - 28th October 09.pdf
Decision Notice - 28th October 09.pdf

Cabinet Report – 13 January 2021

<https://democracy.nelincs.gov.uk/wp-content/uploads/2020/06/4.-Family-Hub-Review-PDF-1373KB.pdf>

<https://democracy.nelincs.gov.uk/wp-content/uploads/2020/06/Decision-Notice-13th-January-2021-PDF-133KB.pdf>

Scrutiny Report – 2 December 2021

<https://democracy.nelincs.gov.uk/wp-content/uploads/2021/11/3.-Family-Hubs-Review.pdf>

8. Does the taking of the decision include consideration of Exempt information? If yes, specify the relevant paragraph of Schedule 12A and the reasons

No.

9. Details of any conflict of interest declared by any Cabinet Member who was consulted by the officer which relates to the decision (in respect of any declared conflict of interest, please provide a note of dispensation granted by the Council's Chief Executive)

None.

10. Monitoring Officer Comments (Monitoring Officer or nominee)

The decision is consistent with the will of Cabinet and the recommended delegations. It is clear this will support Children's Services to rationalise the Family Hub property portfolio. Legal Services will continue to support, as appropriate.

11. Section 151 Officer Comments (Deputy S151 Officer or nominee)

The surrender of the lease interest on the family hubs identified will realise cost savings, whilst the removal of rent subsidy and application of market rents to private day care providers will also generate additional rental income. Both of these activities will aid in the achievement of a savings requirement which is already incorporated into the Council's current budget.

12. Human Resource Comments (Head of People and Culture or nominee)

There are no direct HR implications.

13. Risk Assessment (in accordance with the Report Writing Guide)

The risk to the Council in progressing with lease surrenders is considered minimal given once the use has permanently ceased as a Family Hub, as the agreement limits use, the space reverts back to the respective Academy.

Future risks will then be passed to and remain with the Academies once the formal agreements are surrendered in respect to the operational costs of maintenance and the obligation of repair and maintenance to an acceptable standard to ensure ongoing use, as well as investment opportunities.

There are currently no identifiable environmental sustainability implications as a result of the proposal, as it is the intention that all assets are considered to be maintained or improved for a future use, providing a positive reflection to the street scene.

Whether any future development of the assets result in a potential reduction or loss of natural habitat, this will be for the necessary statutory advice to be sought as to the required balance between development and growth and protecting/ maintaining natural habitat.

14. Has the Cabinet Tracker been updated with details of this decision?

Yes

15. Decision Maker:

Name: Sharon Wroot

Title: Executive Director Place and
Resources

Signed: REDACTED

Dated: 05.05.23

**16. Consultation carried out with the
Portfolio Holder:**

Name: Cllr Stephen Harness

Title: Portfolio Holder for Finance,
Resources and Assets

Signed: REDACTED

Dated: 5th May 2023