

BARNSELY METROPOLITAN BOROUGH COUNCIL

This matter is not a Key Decision within the Council's definition and has not been included in the relevant Forward Plan

REPORT OF THE EXECUTIVE DIRECTOR – PLACE TO CABINET ON 7 APRIL 2021

COMMUNITY ASSET TRANSFER – GRANT OF A 25 YEAR LEASE OF LAND AT HOUGHTON ROAD RECREATION GROUND TO THURNSCOE REGENERATION CIO

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to seek Council approval for the grant of a 25 lease of land at Houghton Road Recreation ground, shown hatched black on the attached plan, to Thurnscoe Regeneration CIO, a registered Charitable Incorporated Organisation (CIO).
- 1.2 The lease will enable Thurnscoe Regeneration CIO to secure external funding to facilitate the development of a Village Plaza and community café from which both formal and informal community and leisure-based activities will be delivered for the benefit of the community.

2. RECOMMENDATIONS

- 2.1 **That the Council as freeholder of Houghton Road Recreation Ground approves the grant of a 25-year lease to Thurnscoe Regeneration CIO on terms and conditions to be agreed.**
- 2.2 **That the Corporate Asset Manager be authorised to finalise Heads of Terms for a 25-year lease to Thurnscoe Regeneration CIO. The grant will be in accordance with Local Government Act 1972, but at less than best consideration based on the delivery of local social economic and environmental wellbeing powers as introduced by the Local Government Act 2000 and the General Disposal Consent (England) 2003.**
- 2.3 **That the Service Director of Legal Services be authorised to complete the lease to Thurnscoe Regeneration CIO, subject to the necessary planning consents being achieved**
- 2.4 **That the Service Director Legal Services be authorised to deal with the issuing of notices relating to the disposal of Public Open Space and consider any objections should they arise.**

3. INTRODUCTION

- 3.1 The Council own the freehold of Houghton Road Recreation Ground an area of recreational space located in the centre of Thurnscoe. The site is host to a multi-use

games area (MUGA), football fields, a wetland area, and outdoor gym equipment all of which was originally funded by Sport England. The Recreation Ground is currently managed by the Parks Services.

- 3.2 The Council acquired the land from the British Coal Authority in 1990. As a condition of the sale, the British Coal Authority placed a restrictive covenant on the title, limiting use of the land to that of recreational purposes only, as such consent from the British Coal Authority will be required in the granting of any lease to Thurnscoe Regeneration CIO.
- 3.3 In 2005, Barnsley MBC secured funding from Sport England for a sports support worker, refurbishment of the playing fields, the addition of a MUGA and outdoor gym within the recreation ground. A condition of funding was that the Council enter a Deed of Dedication with Sports England, whose consent is required in the granting of any lease to Thurnscoe Regeneration CIO.
- 3.4 There is a 20-year ground lease in place between the Council and Direct Access Ltd granted 20 October 2017 for a telecommunication mast located adjacent the MUGA. There are two wayleave agreements providing services to the mast these run between the mast and Houghton Road. The granting of a lease to the CIO will not interfere with the telecommunication mast and reservations will be made in relation to existing services.
- 3.5 Thurnscoe Regeneration CIO was established in 2018 and their objective is the promotion for the benefit of the public regeneration in areas of social and economic deprivation. The ways in which this is to be achieved are set out in their Charitable Constitution that outlines several means, one being the provision of recreational facilities available to all. As such they have been working on a project to develop a Village Plaza along with a community café and have identified an area within Houghton Road Recreation ground for the Village Plaza and café to be located.
- 3.6 The CIO are planning on creating a Village Plaza and cafe that is accessible to the whole of the community and will form a platform from which the CIO can deliver a range of community and leisure activities. The development of the Village Plaza will create a place for the community to invest their time in and create and develop a cohesive community enabling them to fulfil their with aspirations for the future.
- 3.7 Thurnscoe Regeneration CIO are in the process of making funding applications in support of the development of a Village Plaza and Community Cafe. They have engaged Freestyle and are working with them to finalise the design, secure capital funding and oversee the development. Once completed the CIO will continue to raise funds to support the ongoing revenue costs of the project and to support the employment of a project development officer who will engage with the community around the use of the Village Plaza.
- 3.8 The CIO have worked with stakeholders and designers to future proof the Village Plaza Project and have already secured £150k from the Big Local Thurnscoe Legacy budget for the build, £6k from SY Wind Farm and £120k in principal from Yorkshire Sport. Further funding bids amounting to over £25k have been submitted and are confident that the remainder will be secured in order to commence the build in Spring 2021. It is estimated that the build phase will cost in the region of £250k-£300k.

- 3.9 It is recognized that the importance of safe accessible outdoor spaces promotes health and wellbeing, and the original concept has been updated to reflect this. The new bespoke designs consist of a large hexagonal structure with a central parkour feature and amphitheater style seating. This space is designed to suit all manner of informal leisure options including skate, scoot, bike and parkour. A smaller overlapping hexagon provides a quieter more contemplative space incorporating raised beds, new seating and a sculpture.
- 3.10 The CIO intend installing a bespoke shipping container alongside the main Plaza to provide a pop-up café which will also provide storage for leisure and events equipment. It is believed that this provision will provide for maximum flexibility of use by the community.
- 3.11 In order to secure funding the CIO require a 25 year lease of the land shown hatched black once funding is secured and all necessary consents are in place the develop a Village Plaza and community café can be commenced all of which will improve amenities available to the local community and encourage local community cohesion around the newly developed Village Plaza.
- 3.12 The CIO propose to involve a range of existing community groups in the design and running of the plaza, with funds being made available from the grants received for a full time paid project development officer whose role will be to engage with young people and the wider community.

4. PROPOSAL AND JUSTIFICATION

- 4.1 It is proposed the Council approve the granting of a 25 year lease of the land shown hatched black on the attached plan to Thurnscoe Regeneration CIO at a less than best consideration in-line with powers as introduced by the Local Government Act 2000 and the General Disposal Consent (England) 2003.
- 4.2 The completion of the lease will be conditional on the tenants securing funding facilitating the development of a Village Plaza and café in accordance with previously approved plan after which the CIO will be responsible for the ongoing maintenance and repair together with all outgoings cost and utilities associated with the scheme.
- 4.3 The proposed lease will contain a landlord or tenant break clause, subject to 6-months' written notice. This will provide a degree of flexibility ensuring the CIO can terminate the agreement if the management of the site becomes too onerous and allows the Council to take occupation in the event of continued and material tenant breach.
- 4.4 The proposal is in line with the Council's Community Asset Transfer Policy (Cab 30.01.2013/6.3).
- 4.5 The proposed Village Plaza and community cafe will enable Thurnscoe Regeneration CIO to encourage the community to use and look after the facility and encourage community and leisure-based activities all of which is known to contribute to the well-being and development of individuals.

- 4.6 Charitable organisations with observable vested interests in property are more likely to receive funding from external parties for the purposes of investment or refurbishment of the facilities provided. The proposed lease would allow the CIO to finance the development of a Village Plaza and community café along with the funding of a full-time project development officer to development in the engagement of the community in the project.

5. CONSIDERATION OF ALTERNATIVE APPROACHES

- 5.1 If a lease is not granted, the CIO would not be able to access external funding for the development of the Village Plaza and community café or a full-time project development officer. This would mean that the residents of Thurnscoe do not benefit from investment in providing a Village Plaza and the associated benefits this proposal would bring to the local community would not be achieved. This would have a potential negative effect on the local community.
- 5.2 Transferring the freehold of the land to the CIO is not an option as the land remains part of a larger area of public open space. If the project is not successful, the land will revert to the Council and be managed alongside its retained portfolio as Public Open Space.

6. IMPLICATIONS FOR LOCAL PEOPLE

- 6.1 The proposal would help improve involvement, inclusion and empowerment of a third-sector organisation in the local community for the foreseeable future. The result of granting this lease will create a purpose-built Village Plaza and café facility which will provide a base at which the community can meet and from which the CIO can deliver organised activities for the benefit of the community.
- 6.2 Once the proposed works have been completed, the scheme will provide facilities appropriate to meet the specific local demand for social activity, providing a space for family and friends to socialise, promoting local cohesion.

7. FINANCIAL IMPLICATIONS

- 7.1 Consultations have taken place with representatives of the Service Director – Finance (S151 Officer).
- 7.2 The proposal is to grant a 25-year lease to Thurnscoe Regeneration CIO (the tenant) for land at the Recreation Ground, Houghton Road, Thurnscoe.
- 7.3 The lease proposed will be subject to a nominal rent received by the Council. In accordance with the Community Asset Transfer Policy, (Cab.30.1.2013/6.3 refers), any land or property leased out by the Council should be at a market rent, unless otherwise specifically agreed by Cabinet, and that in the case of offering land or property for rent or lease at a lower market value, the anticipated socio-economic benefits are taken into consideration.
- 7.4 The grant of a 25-year lease will allow the tenant to make a funding application for the development of a Village Plaza and community café. It is estimated that the development proposals will cost the tenant in the region of £350k. The tenant will also

be responsible for the ongoing operational running costs which will initially include a project development officer.

- 7.5 The proposal to award the lease at a nominal rent promotes external investment in the site which will have significant socio-economic benefits to the local community as outlined within Section 6 of this report.
- 7.6 On completion of the lease, the area included in the lease and currently maintained by the Council will become the responsibility of the tenant in respect of maintenance and upkeep, thus reducing the Council's maintenance obligations and costs moving forward, which will be redeployed to other areas of the Borough.
- 7.7 The proposed lease has a 6-month notice break clause for either party to evoke throughout the duration of the lease. This would allow the Council to effectively regain short term control of the site should the need arise. Conversely, the tenant may also give the same notice should it need to. Should this event occur, then the Council would have to decide upon the future approach for the site at that point.
- 7.8 There are no undue VAT implications arising as a result of this report.
- 7.9 For accounting purposes, the proposed lease will be classified as an operating lease.
- 7.10 There are no direct financial implications associated with this proposal.

Financial Implications /  Consultation (To be signed by senior Financial Services officer where no financial implications)

8. **EMPLOYEE IMPLICATIONS**

- 8.1 There are no implications for BMBC employees as a result of this recommendation.

9. **LEGAL IMPLICATIONS**

- 9.1 The granting of a lease to the CIO will be subject to obtaining the necessary approvals which will include consent from Sport England and the Coal Authority together with dealing with any objections arising out of the relevant notices to be posted relating to the sale of POS. The development of the Village Plaza and community café will be subject to obtaining any necessary planning approval.

10. **CUSTOMER AND DIGITAL IMPLICATIONS**

- 10.1 There are no issues arising as a result of this recommendation.

11. **COMMUNICATIONS IMPLICATIONS**

- 11.1 There are no issues arising as a result of this recommendation.

12. CONSULTATIONS

- 12.1 Local ward members have been consulted on the proposed lease and support the proposals as detailed in this report.
- 12.2 The Service Director Stronger, Safer & Healthier Communities (Parks Services) support the grant of a 25-year lease.
- 12.3 The Director of Financial Services has been consulted and details are shown in paragraph 7 of the report.
- 12.4 The Director of Legal Services have also been consulted in the respect of the grant of a lease of public open space, Sport England and Coal Authority.

13. THE CORPORATE PLAN AND THE COUNCIL'S PERFORMANCE MANAGEMENT FRAMEWORK

- 13.1 Thurnscoe Regeneration CIO encourage active citizenship and promote the creation of local green space and community spaces. Thurnscoe Regeneration CIO's statement is to "develop green spaces and improve the local amenities for the public benefit". The grant of a lease to the CIO for the development of a Village Plaza along with a community café and employment of a project officer is in alignment with the continuing development, consolidation and expansion of community resources as detailed in the Council's Corporate Plan.

14. REDUCTION OF CRIME AND DISORDER

- 14.1 The development of a Village Plaza and café will provide a central hub that will provide a base from which the CIO will delivery community and leisure based activities providing place where people of all ages can feel safe and build and develop a cohesive community reducing the risk of persons engaging in crime and engaging in anti-social behavior.
- 14.2 The proposed transfer will provide investment in the site and encourage the local community to use and look after the facilities it will provide for the community again minimising the risk of vandalism and other anti-social behavior.

15. RISK MANAGEMENT ISSUES

- 15.1 The granting of a lease to Thurnscoe Regeneration CIO will see continued use of and investment in Houghton Road Recreation Ground, keeping the asset at the heart of the community encouraging the local community to use the facilities. The grant of this lease will bring investment to the site by way of creating a Village Plaza and café facility. Consultations with the local community has assisted in the development of the proposals in terms of what the local community want to see developed at the site for their benefit.
- 15.2 Should Thurnscoe Regeneration CIO not be successful if there is no other community organisation who is able take on the ongoing management of the project the Council would have to take responsibility for the Village Plaza and café along with all the associated costs.

15.3 In not granting this lease the local community would not benefit from the external investment Thurnscoe Regeneration CIO is able to access and the improvements to the recreation ground that this funding will enable.

16. GLOSSARY

CIO – Charitable Incorporated Organisation
MUGA – Multi use games area
POS – Public Open Space

17. LIST OF APPENDICES

Appendix A – Site Plan
Appendix B – Scheme layout

18. BACKGROUND PAPERS

Correspondence regarding this matter is held on the files in Property – Estates – not available for inspection, contains exempt information

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Date: 25th January 2021