



Cabinet
9 November 2020

**Report from the Strategic Director
of Regeneration and Environment**

Variation of longstop date in respect of Community Asset Transfer at Tenterden Pavilion & Sports Ground, Preston Road HA3 0QQ

Wards Affected:	Kenton
Key or Non-Key Decision	Non-Key
Open or Part/Fully Exempt	Open
No. of Appendices:	Three: Appendix 1: Site Plan Appendix 2: New Location Appendix 3: Architect Illustrations
Background Papers:	None
Contact Officer(s):	Amin Soorma, Estates Surveyor. Amin.soorma@brent.gov.uk Tel: 02089374204 Nick Ljustina, Operational Director of Property and Assets. nick.ljustina@brent.gov.uk Tel: 020 8937 5025

1.0 Purpose of the Report

- 1.1 On 27 June 2016, the Cabinet approved the proposal for a Community Asset Transfer (“CAT”) in respect of the Tenterden Pavilion & Sports Ground to the Wembley Education Charitable Trust (“WECT”). There was also the condition that the WECT and Forest United 1973 Youth FC (“FC”) worked collaboratively on the proposal for the new development.
- 1.2 The Council has agreed the Agreement to Lease with the WECT, which allows the development of a new four-court indoor badminton facility, subject to planning approval.
- 1.3 The WECT were originally required to commence development works by September 2020, however, the negotiations between WECT and FC took time to work through and it took approximately 18 months for the WECT to submit the planning application for the new development owing to the complexity of the proposal. As part of the new development, the existing Tenterden Pavilion will be demolished. The new sports facility will be on two levels and will include a

four-court indoor badminton hall, with the provision for an internal area for use by FC.

- 1.4 The planning application is due to be decided at the planning committee meeting scheduled for 14 October 2020.
- 1.5 The 27 June 2016 Cabinet Report required development works to commence by September 2020. However, even though the Agreement to Lease was completed on 2 November 2017, because of the delays arising from the negotiations and planning application, an extension to the timeframe for the development is required.
- 1.6 The extension of time deemed appropriate is to allow the completion of the new development within 3 years of WECT obtaining planning approval (“the longstop date”). This should allow sufficient time for the complex development to be completed in what will be a multi-million pound investment by the WECT at a new location adjacent to the Tenterden Car Park (see appendices).

2.0 Recommendations

- 2.1 That Members delegate authority to the Strategic Director of Regeneration and Environment to agree the terms and vary the longstop date to 3 years from the WECT obtaining planning approval. The condition is that the WECT will be required to obtain planning approval by September 2021, commence works, and secure funding shortly thereafter, therefore the longstop date for completion of the development will be September 2024.
- 2.2 Members to note that the WECT has met the 27 June 2016 community use caveat, with provisional terms agreed with FC, allowing FC to occupy an area within the new sports facility and to provide wider community access to the new sports facility when not operationally required by the WECT.

3.0 Detail

Negotiations post Cabinet Report of 27 June 2016

- 3.1 Subsequent negotiations will require the WECT to demolish the derelict Tenterden Pavilion as part of the overall project. The new sports facility will be on two levels and include four-court indoor badminton hall with a provision for an area for use by FC. Planners have confirmed that most of the development proposal matters have been worked through with the WECT.
- 3.2 Under the new planning proposal, the WECT would not be able to make use of the Tenterden Sports Ground until such time drainage improvement works are completed by the Council. The Council’s Parks Service has recently secured approval from the Council’s Capital Investment panel for funding to improve the Tenterden Pavilion playing fields.
- 3.3 The programme proposal is set out as follows:

- a) That the WECT be allowed to finalise negotiations with the Planning Service on the new sports facility development proposal. Discussions with the Planning Service suggests most matters are close to a resolution and the Report to Planning Committee should be presented in the next few months, with the updated development plans approved by Transport Development Control and Parking Services. The public consultation period is scheduled to complete on 17 September 2020.
- b) FC are concerned about the loss of land that they currently make use of for parking purposes at the existing Tenterden Pavilion site (see appendix 1 area marked in red). Under the new development proposal, the parcel of land currently being used by FC for parking will be returned to public open space. FC have approached the Property Team with their concerns on this issue.
- c) Under the proposal, the WECT will be granted a 30-year lease term (contracted out of the 1954 Landlord and Tenant Act) at a rent £1,000 per annum (reviewed every 5 years) for the site, which means that the new sports facility will revert to the Council at the end of the 30-year lease term.

4.0 Alternative Options Considered

- 4.1 There are no alternative options under consideration. The Council has devoted considerable resources in support of the development proposal for a new four-court indoor badminton facility at the Tenterden Sport Ground that would be available for community use outside the WECT operational periods.
- 4.2 Equally, the WECT has invested heavily to try to obtain planning approval. An extension to the longstop date would support their ambitions for a significant new sports facility at the location.

5.0 Financial Implications

- 5.1 The development of the new Tenterden Pavilion will be funded by the Wembley Educational Charitable Trust that forms the Lycée International de Londres Winston Churchill by a bank loan which will be repaid by the school whose main income comes from pupil fees. The potential development cost is estimated by WECT at £3m.
- 5.2 Applications for bank loans will begin once the planning application is granted. WECT have confirmed that no works would commence until all funding is secured.
- 5.3 WECT securing the required funding is a project risk. It is therefore recommended that:
 - (i) WECT develop a business plan for the new Tenterden Pavilion development. This will be reviewed as part of the Council's due diligence prior to agreeing an extension to the longstop date.

- (ii) The longstop extension agreement includes a requirement for the WECT to secure all funding within 12 months of the planning application being granted, but this will be kept under review as an extension may be required by the WECT.

5.4 The current service area (Property Team) will continue to fund any cost associated with the maintenance and upkeep of the Tenterden Pavilion until the asset is transferred to the WECT for development.

5.5 Saving may accrue in the 2020/21 budget & beyond should the Tenterden Pavilion be demolished early by the WECT.

5.6 A rental income of £1,000 per annum will be received by the service from the lease. The level of the rental offer was not the primary assessment in CAT applications as reported to Cabinet on 27 June 2016.

6.0 Legal Implications

6.1 The report to Cabinet on 27 June 2016 required a landlord's break option to be operable if service delivery milestones were not met on the basis of service delivery by the tenant three years after entering into the Agreement to Lease, with a provision for a landlord bi-annual break option thereafter, subject to service delivery.

6.2 The original development proposal does not meet the service delivery milestone three years after entering into the Agreement to Lease on 1 November 2017 (the longstop date milestone).

6.3 Under Section 123 of the Local Government Act 1972, the Council has a general power to dispose of properties including by way of the sale of the freehold or the grant of a lease or a licence.

6.4 The Council must obtain the best consideration that is reasonably obtainable unless it is a lease or licence for 7 years or less.

6.5 Disposal on the open market, by way of a tender marketing process, satisfies the best consideration requirement, which has previously taken place.

6.6 As the new sports facility is in a different location to the Tenterden Pavilion with the land held as public open space, the leasehold disposal shall be advertised under Section 123 of the Local Government Act 1972 in a local newspaper for two weeks with a 21-day period for any objections to be received.

6.7 The Council will not be in breach of any obligation by seeking Cabinet approval in October 2020, given that the Cabinet Report of 27 June 2016 required WECT to commence works by September 2020. The timetable set out in the 2016 Cabinet Report was a proposed programme and is not in breach of any obligation.

7.0 Equality Implications

- 7.1 Progressing the proposed CAT will support a number of Brent's equalities objectives. The proposals provide for community engagement and involvement, safeguarding and enhancing the environmental education offer by providing opportunities for adults and children to use the sports ground as part of a community based approach. A full equality impact assessment was previously undertaken for the CAT.
- 7.2 The marketing process aimed to ensure that all eligible organisations had equality of opportunity and could put forward an application, with marketing resulting in six applications being received and evaluated, with WECT as the winning bid.
- 7.3 WECT has an equalities policy that broadly aligns with that of the Council. WECT is an experienced education and sports provider, their bid provided the opportunity to not only re-instate the service but to enhance it and create increased opportunity for young people to receive sports education.
- 7.4 The FC application looked to safeguard the existing service and develop this over time and the offer had merits. There was real benefit for both organisations to work together to ensure outcomes were delivered much sooner, positively affecting Brent's overall equality objectives.

8.0 Any Other Implications (HR, Property, Environmental Sustainability - where necessary)

8.1 None

9.0 Proposed Consultation with Ward Members and Stakeholders

9.1 N/A

Report sign off:

Alan Lunt

Strategic Director of Regeneration and Environment

Appendix 1: Existing site plan

Appendix 2: Proposed location of new development

Appendix 3: Architect illustration