



Cabinet
20 January 2016

Report from Chief Executive

Wards affected:
Kenton

Authority to market Tenterden Pavilion under the Council's Community Asset Transfer (CAT) Policy

Appendix I is not for publication.

1.0 Summary

- 1.1 Through the Council's Community Asset Transfer (CAT) policy, the Tenterden Sports Pavilion and associated playing fields was the subject of an Expression of Interest (EOI) by Forest United (1973) Youth Football Club Limited. This EOI has been evaluated and has passed the relevant tests as outlined in the CAT policy. The next step of the decision making process is for Cabinet to grant authority to market the asset as a CAT opportunity.

2.0 Recommendations

- 2.1 That Cabinet approve the marketing of the Tenterden Pavilion and associated playing fields as a CAT opportunity.
- 2.2 That Cabinet note the subsequent granting of the lease will be to the preferred CAT bidder, following marketing through a non binding informal tender process. The final decision to let the asset on the agreed terms will be placed before Cabinet for approval.
- 2.3 That Officers advertise in the local newspaper in accordance with Section 123 of the Local Government Act 1972 the land shown edged red on the Site Plan Appendix III and in the event of objections they be considered by the Strategic Director unless in the opinion of the Strategic Director significant objections are received in which case this should be reported back to the Cabinet for it to consider.

3.0 Detail

Community Asset Transfer Policy (CAT)

3.1 The CAT policy was launched in July 2015. It outlines a framework that supports the identification, transfer and sustainable management of Council assets by Third Sector Organisations (TSOs). It encourages TSOs to approach the Council with proposals for assets by submitting a completed Expression of Interest (EOI) template, which summarises their vision for the asset including how the intended use supports Borough Plan 2015-19 priorities.

3.2 The CAT policy is underpinned by five underlying principles¹:

1. Community asset transfers will support the priorities of the Borough Plan;
2. Organisations that benefit from the transfer need to be credible, constituted, financially viable with a clear business case;
3. The services and building need to promote equality and community cohesion;
4. All opportunities should be advertised; and
5. Buildings should be transferred on a repairing leasehold basis.

Principle four - *all opportunities should be advertised* - means that a successful EOI does not guarantee the submitting organisation the lease of the asset. Instead, pending Cabinet approval, the asset will be marketed as a CAT opportunity; for which all interested TSOs can submit a more detailed, full application through a non binding open market tender process.

Expression of Interest

3.3 An EOI for the asset and its associated sports fields was submitted by Forest United (1973) Youth Football Club Limited. Through a successful CAT this organisation aims to obtain funding that can be used to regenerate the asset and its surrounding sports fields. This includes replacing the existing pavilion with a new, purpose-built pavilion, which would be used to provide improved sporting facilities for a range of year round activities.

The Borough Plan Test

3.4 The proposal was evaluated to successfully support the priorities outlined in the Borough Plan 2015-19. Additionally, there is scope for a project of this type to contribute towards a number of Borough Plan outcomes to be achieved by 2019 including:

- Participation rates in sport, physical recreation and cultural activities amongst the highest in London.

¹ These were approved Brent's Cabinet on 1 June 2015 following a report titled 'Strategic Property Plan 2015-19 including proposals in respect of Community Asset Transfer'.

- Childhood obesity rates will be amongst the lowest in London.
- A range of examples of new service models developed and run in partnership with local people and organisations.

3.5 The proposal is supported by the lead Brent Service, (that manages the Council's Sports and Parks facilities), with the caveat that the associated sports pitches and green spaces remain fully accessible to the general public when not in use for matches or training, and do not become the exclusive property of the successful organisation.

The Property Test

3.6 The Tenterden pavilion is currently unoccupied and is in extremely poor condition. It has been the subject of illegal occupation by rough sleepers and a catalyst for anti-social behaviour that has affected local residents. It was built circa 1920's of a timber framed, timber clad construction comprising hall, bar, kitchenette, two toilet units, storage, and boiler room. It also has a 2 storey brick built addition which is an annexe to the main pavilion. This annexe is also in extremely poor condition.

3.7 The pavilion and annexe has a building foot print of approximately 340 sq metres and is located on a site of 2.29 hectares (Please see Appendix III for a site plan).

3.8 The property is suitable for a CAT and is surplus to requirements to the lead Service. The Council does not have the financial resources to bring it back into an appropriate use. This is essentially a site for community use and therefore it is considered appropriate for a TSO to lease it from the Council and bring it back into use to provide benefits to the community. It is recommended that, due to the condition of the buildings, there is a three month marketing period in order to reflect the level of work that a bidder might be required to do in order to produce a substantive and solid proposal.

3.9 The building and site are to be leased with the adjacent playing fields to be managed by the ingoing tenant under a licence agreement.

Proposed Lease Terms

3.10 The CAT policy allows for a 7 year lease to be granted to the preferred tender bidder. However, a longer lease would enable bidders to pursue necessary additional external funding. Should applicants require a longer lease, when they apply they will need to provide a business case and supporting evidence.

3.11 Service charge and maintenance issues will be clarified in marketing particulars, including responsibilities for improvements, for example lighting. Should planning permission be required, this will be the responsibility of the ingoing tenant to obtain.

Proposed Licence

- 3.12 The licence agreement will stipulate that the playing fields cannot be enclosed and that members of the public will have a right of way over them and usage of them, when sports activities are not taking place. It is anticipated that the incoming tenant, may not require all the proposed licenced area, (as shown in Appendix III). This will need to be clarified through the marketing, along with management and maintenance obligations.

4.0 FINANCIAL IMPLICATIONS

- 4.1 From the valuation it is expected that the tenderers will make a rental bid as per confidential Appendix I.
- 4.2 It should be noted that there may be a Social Value in a tenderer's bid that can be translated into a financial value and may be offset against the actual rental income that the Council receives from this asset.
- 4.3 The Social Value attached to a tenders bid will be quantified through a pilot exercise carried out in partnership with the Social Value Portal². This will involve assigning financial proxies to the outputs delivered by the successful CAT bidder, for example: *'the number of children regularly participating in sporting activity'*. The outputs used to demonstrate Social Value will be tailored to promote best use of this asset; including well-being measures around sport and fitness activities, inclusivity for community organisations and local people, and ensuring pleasant and well-maintained public spaces.
- 4.4 The Pavilion building is currently unoccupied and, aside from one-off costs to board-up and secure it, has no ongoing maintenance costs for the Council. As all assets under the CAT policy are transferred on a repairing leasehold basis, all redevelopment and maintenance costs post-transfer are expected to be met by the successful CAT bidder and should incur no additional costs to the Council.

5.0 LEGAL IMPLICATIONS

- 5.1 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.
- 5.1.1 The Council must obtain the best consideration that is reasonably obtainable unless it is a lease for 7 years or less.
- 5.1.2 Disposals on the open market, either by way of auction tender or by way of appointing a marketing agent, will satisfy the best consideration requirement.

² The Social Value Portal is a social enterprise and online resource designed to help organisations understand Social Value and integrate it in their day to day activities.

- 5.2 The lease will be as per the standard CAT policy and will be a template lease that will include the applicant's service officer in the Appendix section.
- 5.3 Since the land is held as public open space the disposal of the same has to be advertised under Section 123 of the Local Government Act 1972 in a local newspaper for two weeks, with a 21 day period for objections with any objections being considered by the Strategic Director. Unless, in the opinion of the Strategic Director, significant objections are received in which case this should be reported back to the Cabinet for it to consider.

6.0 DIVERSITY IMPLICATIONS

- 6.1 The EOI confirms that the services and activities included in the proposal will be inclusive and open to all. In relation to the nine protected equalities characteristics, the outcomes associated with this EOI proposal were evaluated as having either positive or neutral outcomes. If the asset is marketed as a CAT opportunity the full application process will include a more detailed equalities assessment based on full business plans.

7.0 STAFFING/ACCOMMODATION IMPLICATIONS

- 7.1 Following a successful CAT bid the relevant service unit will monitor the Tenant's outputs on a yearly basis to ensure compliance with the agreed social and other outputs to the community.

8.0 ADDITIONAL INFORMATION

Appendix I: Valuation (below the line).
Appendix II: Photographic Schedule.
Appendix III: Site Plan.

Contact Officers

Jon Cartwright, Senior Policy Officer. 020 8937 1742
Jon.cartwright@brent.gov.uk

Howard Fertleman- Estates Surveyor BSc MRICS
Property and Projects
Regeneration and Growth: 020 8937 1566
Howard.fertleman@brent.gov.uk

Peter Gadsdon, Director of Performance, Policy & Partnerships

Appendix I: Open Market Valuation

NOT FOR PUBLICATION

Appendix I is not for publication as it contains the following category of exempt information as specified in Schedule 12A of the Local Government Act 1972, namely: "Information relating to the financial or business affairs of any particular person (including the authority holding that information)"

Appendix II Photographic Schedule



(As per 3.12, the final licenced area will be determined through the marketing process, and will be subject to change)

This map shows a large area of land, shaded in light green with diagonal lines, designated as a 'Potential Licenced Playing Field'. The area is labeled '2.29 Ha.' and is situated in the vicinity of Preston. The map includes a scale bar (0 to 80 meters) and a north arrow. Surrounding the field are various buildings, including a 'Car Park' and a 'Ward Bdy'. The map also shows a 'Preston' area and a 'Ward Bdy'.

