

WEST NORTHAMPTONSHIRE COUNCIL CABINET

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Cabinet Member for Finance: Councillor Malcolm Longley

Report Title	Disposal of land by leasehold
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- Appendix A – Becket’s Park Pavilion
- Appendix B – 19th Century Stable Yard, Delapre Abbey
- Appendix C – Land off Manor Road, Brackley
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1. Purpose of Report

To seek approval for three disposals of land by leasehold: the former café at Becket's Park, Northampton, the 19th Century Stable Yard at Delapre Abbey, and land off Candleford Close, Brackley for a skate park and youth/community centre.

2. Executive Summary

- 2.1 It is often helpful for the Council to put property which has an important public function or heritage significance in the hands of third parties by leasehold, therefore retaining a degree of security for the public good whilst enabling beneficial use. This report sets out two cases where it is considered this applies: Becket's Park Pavilion, and the 19th Century Stable Yard, Delapre Abbey, both in Northampton.
- 2.2 The report also covers a third proposed leasehold disposal, to Brackley Town Council for land at Candleford Close, Brackley on which it proposes to construct a skate park and youth/community centre. This is intended to allow the Town Council to invest in providing facilities of value to the local community.

3. Recommendations

- 3.1 It is recommended that Cabinet:
- 3.1.1 In relation to Becket's Park Pavilion:
- a) Authorises the Assistant Director Assets & Environment to grant the leases to the proposed tenants for the respective parts of the property broadly on the terms set out in the report.
 - b) Notes and agrees to the proposed use being a part departure from the original proposal to use the whole of the building entirely for community type uses.
- 3.1.2 In relation to the 19th Century Stable Yard at Delapre Abbey authorises the Assistant Director Assets & Environment to grant extensions of the long stop date in the agreement for lease to:
- a) 31st January 2024.
 - b) In consultation with the Portfolio Holder for Finance, such later date is as reasonably necessary to support the restoration of the Stable Yard and it coming into productive use.
- 3.1.3 In relation to the land at Candleford Close, Brackley, authorises the Assistant Director Assets & Environment to grant a lease at less than best consideration to Brackley Town Council (BTC) as if BTC was a VCS group within the meaning of the Policy on the Voluntary, Community, Social Enterprise, and Faith Group use of Property and it had submitted a successful expression of interest under that Policy.

4. Reason for Recommendations

- 4.1 The reasons for each proposed transaction are set out in the relevant Appendices.

5. Report Background

- 5.1 It is often helpful for the Council to put property which has an important public function or heritage significance in the hands of suitable third parties. Depending on the nature of the property this may be a charity, voluntary group, or commercial operator.
- 5.2 It is proposed to make arrangements for two properties (a) the Pavilion in Becket's Park, Northampton, and (b) the 19th Century Stable Yard, Delapre Abbey, Northampton. In both cases the property has heritage value but is also important for public enjoyment of the surrounding parkland.
- 5.3 In the case of Becket's Park, the proposal is to let the building under two leases to a commercial café operator and Buddies of Becket's, a charity concerned with the park. The details are set out in Appendix A, with confidential information in Appendix C.
- 5.4 In the case of the 19th Century Stable Yard, the proposal is to further amend an existing agreement for lease with Delapre Abbey Preservation Trust (DAPT) to extend the longstop date by which the DAPT can call for grant of the lease. This is needed due to the extended programme for securing grants for the scheme.
- 5.5 Additionally, it is proposed to grant a lease to Brackley Town Council in order to enable it to develop a skate park and youth/community centre on land off Candleford Close, near Brackley Leisure Centre. This should deliver useful community benefits whilst not incurring any appreciable cost for the Council.

6. Issues and Choices

- 6.1 The issues and choices in each proposed transaction are set out in the relevant Appendix. In each case it is suggested the optimal choice is to proceed with the proposed disposals, as it will help the Council secure useful outcomes for the community whilst reducing its costs.

7. Implications (including financial implications)

7.1 Resources and Financial

- 7.1.1 The proposed leases would result in a small annual income. They would also remove certain costs which the Council would otherwise need to pay.

7.2 Legal

- 7.2.1 Each of the disposals is proposed to be made under the powers provided by Section 123 of the Local Government Act 1972. Specific details are provided in the relevant appendices.

7.3 Risk

- 7.3.1 Risks relating to each proposed transaction are set out in the relevant Appendices.

7.4 Consultation and Communications

7.4.1 Relevant matters are set out in the relevant Appendices.

7.5 Consideration by Overview and Scrutiny

7.5.1 None.

7.6 Climate Impact

7.6.1 Relevant matters are set out in the relevant Appendices.

7.7 Community Impact

7.7.1 Relevant matters are set out in the relevant Appendices.

8. Background Papers

8.1 None.

Appendix A: Becket's Park Pavilion

A1. Executive Summary

- A1.1 Within Becket's Park, Northampton is a pavilion. This has been without formal occupation for some time, but had been used by BOB for storage. This use is not formally documented, which carries risks. The apparently unoccupied nature of the building has contributed to anti-social behaviour in the area.
- A1.2 Following advertisement, offers from two parties to lease the building were received. BOB offered to take all or part of the building, using part of storage and part (if included) for a volunteer-run café. BOB did not offer any rent and its offer for the whole building would have required investment from the Council. The other offer was from a professional café operator, to take part of the building for use as a café. The operator was willing to invest in the building and after a rent-free period to pay a modest rent. If the commercial operator's offer was accepted it was happy for BOB to have occupation of the remainder of the building.
- A1.3 A Cabinet decision of July 2021 had intended the building be used solely by a Voluntary and Community Sector (VCS) operator, but the offers received suggest the best outcome for both the community and for the Council's finances would be to accept the commercial offer and alongside that offer BOB a lease of the remainder of the building for its storage purposes. This is therefore recommended.

A2. Reason for Recommendations (NOTE: this section is mandatory and must be completed)

- A2.1 To secure use of part of the property as a café, which is likely to improve the enjoyment of the park by the public.
- A2.2 By granting the commercial lease achieving an internal refurbishment of the property which will enhance the value of the Council's asset and achieve a modest rental income (after the initial rent-free period has expired).
- A2.3 Insofar as the commercial lease is concerned, complying with the Council's duty to secure the best consideration reasonably obtainable from property disposals.
- A2.4 Granting the proposed lease to BOB will give the group some security for the future.
- A2.5 Ensuring that there are proper legal agreements in place for the management of the property.
- A2.6 To secure positive uses for the property, helping to avoid deterioration of asset.

A3. Background

- A3.1 The former café at Becket's Park comprises a single storey 19th Century style pavilion with verandas to two aspects. The building is owned freehold by the Council. It is of timber construction and probably dates from circa 1920. The building was previously used for a period

of time as a café/kiosk and the previous tenant assisted the Council with tennis court usage and hired out boats to use on the adjacent river and canal.

- A3.2 Unfortunately, the previous tenant died some years ago. The building was not formally re-let and at the present time is informally occupied by BOB. BOB is a charity which assists the Council in the management of the park and organises some of the smaller events that take place throughout the year, such as Easter egg hunts. BOB does not have any form of legal agreement to use the building and does not contribute to the building's costs in any way, including electricity usage. It is important this position is regularised.
- A3.3 A condition survey of the building was recently carried out and it was confirmed that the building is in fair condition but does require some work to improve its weather resistance. This includes replacement felt to the roof and repair of the rainwater goods together with redecoration throughout. The former requirements are in the process of being completed. Its condition would benefit from usage; this is also likely to deter vandalism and anti-social behaviour especially in the veranda areas.
- A3.4 In July 2021 Cabinet approved letting the building. At the time this was to be on the basis of a solely VCS use. The process to be followed was essentially the same as that later set out in the Council's Policy Voluntary, Community, Social Enterprise, and Faith Group use of Property. Due to staff handovers this element was missed when the property was advertised. Whilst this is regrettable the effect may, as described below, have been positive.
- A3.5 BOB had approached the Council seeking to formalise its occupancy of the property. BOB wished to enter into discussions about the future use of the building as they were of the view that it was the Council's intention to consider the demolition of the building, which despite its age, is not listed. This was incorrect but it is understandable the concern existed.
- A3.6 The Council already had a list of other parties who were interested in leasing the property, and in accordance with Section 123 of the Local Government Act 1972, was required to advertise the proposed disposal (lease) for two consecutive weeks in a local newspaper. This was done by placing a notice in the Northampton Chronicle and Echo giving the required notice and seeking expressions of interest in respect of the building.
- A3.7 Following the advertising of the Property, viewings were arranged, and bids were received from both the commercial and voluntary sector. These are described in section A4.

A4. Issues and Choices

- A4.1 To help ensure bids were credible, it was made clear that no bid would be considered unless the property had been viewed. Following the period of advertising, this generated interest from five separate parties but only two submitted bids for the property. The groups that did not submit a bid, included a railway group who required a hall like facility, another catering facility who did not want to carry out such extensive refurbishment works, and a theatre group due to the layout of the property being too small for their required use.

- A4.2 BOB put forward two offers, one for the continued use of half the building for their storage and the second for the whole of the property which would include the storage use together with the remaining half to be used as a café to be run on a voluntary basis. BOB would not be offering any rent and they would require the Council to undertake works, including reconnection of the gas and water, at the Council's cost. The group has no financial standing and would require on-going assistance from the Council with repairs and improvements, although it would carry out some refurbishment work to the kitchen area and redecoration of the property.
- A4.3 The other bid was from Mr Iain Hill who runs professional catering establishments. He would require a 10 year lease (subject to a five year rent review and a two year tenant only break clause) with modest real rent (see Appendix C). A one year rent free period would be required and he would carry out external redecoration, together with internal decoration of the café area, refurbishment of the kitchen area, reconnection of the services, the provision of a toilet for customers' use, and CCTV. Mr Hill has produced evidence of his financial standing. His lease would only be of approximately half the building including the veranda areas. He has confirmed that he would have no objection if his bid were acceptable by the Council, to allow BOB to continue to occupy the storage area of the building.
- A4.4 All the bids would mean that the Council would be responsible for the structure of the building. Under the terms of the commercial lease, the Council would continue to insure the whole of the building but recharge a proportion for the commercial tenant. The commercial tenant would be liable for business rates if applicable. However, it is possible that it would be below the threshold for 100% small occupier relief and consequently, business rates may not apply. The Council would reserve the right under the lease to continue to have access to the electric supply connection which is located within the property to provide a supply for major events which are organised in the park and the Council would pay for all electricity during that period (this supply is within the café's area).
- A4.5 The commercial tenant would have a licence for the use of a small grass area around the property allowing for tables and chairs to be provided, but these would be cleared away when the café is not open.
- A4.6 The bid from the proposed commercial tenant would result in a small annual rent payable to the Council after the initial year. It would also result in the refurbishment of the property and no or little cost to the Council and a reduced liability in the future in terms of internal repairs, interior and exterior decoration. The occupation of the building is also likely to reduce vandalism and antisocial behaviour and the tenant's proposed installation of CCTV would also assist with security.
- A4.7 The bid from BOB for the whole building would be likely to result in increased future costs to the Council and an initial contribution to the refurbishment would also be required. It is unlikely that there will be much future investment in the property. Although this is acceptable in terms of the storage area where the only works are likely to be internal decorations (which could be undertaken by the group), the café area requires a great deal of expenditure to refurbish it to a safe and hygienic standard.

- A4.8 The division of the building between the two users appears to offer the best outcomes both commercially and for the public. A professionally run café is likely to be able to respond to market demands and provide a range of services desired by park users. BOB would retain a storage facility to support its operations in the park.
- A4.9 It is therefore proposed to accept the commercial offer and to grant BOB a lease of the remaining part of the building in line with the terms of the Council's policy on the VCS use of property.

A5. Implications (including financial implications)

A5.1 Resources and Financial

- A5.1.1 The proposed leases would result in a small annual income which would help support the parks service. They would also remove certain costs which the Council would otherwise need to pay.

A5.2 Legal

- A5.2.1 The property would be leased to the commercial tenant for a period of 10 years, with the lease providing for the rent to be reviewed on the fifth anniversary of the term. The lease would also provide the tenant with a rent-free period of one year and a break option after two years. They would have a protected business tenancy (under the terms of the Landlord and Tenant Act 1954). This allows for a lease to be renewed following expiry at market rent unless certain conditions are met (for example, for breach or if the landlord wishes to use the building itself). The proposed commercial tenant requires the ability to renew the lease on expiry because of the expenditure he will incur at the start of the lease.
- A5.2.2 In line with the Council's Policy on Voluntary, Community, Social Enterprise, and Faith Group use of Property, BOB would be provided with a seven year lease, with a 'peppercorn' rent (no real rent). This would not be a protected business tenancy. BOB would be required to pay towards the utilities (the precise mechanism for calculating these payments has yet to be agreed).
- A5.2.3 The Council would still need to meet costs of structural maintenance of both parts of the property, and external decoration of the part occupied by BOB.
- A5.2.4 As this building is within an area of public open space, it is a requirement under Section 123(2A) of the Local Government Act 1972 that any disposal (including leasehold disposal) be advertised for two consecutive weeks in the local newspaper and any objections considered. The notice has been published as required and no objections were received.
- A5.2.5 Section 123 also requires that disposals longer than seven years in duration are (except with the Secretary of State's consent) at the best consideration reasonably obtainable. Since the property has been marketed and the financially best offer is proposed to be accepted, this test is met.

A5.3 **Risk**

A5.3.1 Although used for storage by BOB, the property appears vacant. This has attracted unwanted attention from vandals and those attempting to break in. A visual occupancy of the building with security would be likely deter anti-social activities and therefore lower the risk to the building.

A5.3.2 Taking no action is likely to generate poor publicity for the Council.

A5.3.3 At present BOB occupies the property without any legal agreement. This is poor practice and could expose the Council to legal risks and challenges. Putting in place a proper lease should remove these risks.

A5.4 **Consultation and Communications**

A5.4.1 All groups that had approached the Council about the building were contacted during the advertising process. The advert inviting expressions of interest encouraged interest from all sectors.

A5.5 **Consideration by Overview and Scrutiny**

A5.5.1 None.

A5.6 **Climate Impact**

A5.6.1 Bringing the building back into use as proposed is unlikely to have any material impact on the climate. The works to do so would produce some minor emissions, but by encouraging use of the park as a local facility it may reduce transport emissions.

A5.7 **Community Impact**

A5.7.1 Bringing the building into use is likely to be a benefit to the public as it would increase the leisure offer of Becketts Park. Having the building in visible occupation should also reduce anti-social behaviour in the area. Formalising an occupational agreement with BOB which is also likely to make them feel valued and secure.

Appendix B: 19th Century Stable Yard, Delapre Abbey

B1. Executive Summary

- B1.1 Delapre Abbey is an important historic asset in southern Northampton. Along with the parkland, it is owned by the Council. The Abbey itself is let on a long lease to the Delapre Abbey Preservation Trust (DAPT). Part of the Abbey complex, but not covered by the current lease, is the 19th Century Stable Yard.
- B1.2 The former Northampton Borough Council (NBC) entered into an agreement for lease (AfL) with the DAPT to allow the Trust to restore and manage the Stable Yard. Due to Covid-19 DAPT was unable to meet the longstop date in the AfL.
- B1.3 In September 2021 Cabinet approved the extension of the Long Stop Date in the AfL to 7th August 2022 and agreed to vary the AfL so that the lease term would be coterminous with the lease that DAPT holds on Delapre Abbey as well as other minor adjustments. For various reasons, DAPT has been unable to meet the revised long stop date of 7th August 2022.
- B1.4 This report therefore seeks authority to vary the AfL by moving the longstop date from the 7th August 2022 to 31st January 2024 but also seek delegated authority for the Assistant Director Assets and Environment to make reasonable extensions to this long-stop date should it be considered necessary and in line with project timescales for the restoration of the Stable Yard.
- B1.5 It is considered DAPT is best placed to take forward the restoration of the Stable Yard and put it to worthwhile uses. Doing so should also help DAPT remain viable and thus continue to secure the future of the Abbey. The risks to the Council of agreeing to the extension should be low.

B2. Reason for Recommendations

- B2.1 To maximise the opportunity to see the plan for the Delapre Abbey site implemented, and help sustain the Delapre Abbey Preservation Trust, thus securing important public benefits and community resources.
- B2.2 To make it more likely that public expectations will be fulfilled.
- B2.3 To minimise the risk of costs falling on the Council to restore and manage the 19th Century Stable Yard.

B3. Background

- B3.1 Delapre Abbey and park were acquired by the former Borough of Northampton in the 1940s. The Abbey building itself was let to Northamptonshire County Council for use as its archives centre until the 1990s (when that function was relocated to the current archive office at Wootton Hall Park). Since then, there has been a lengthy period of review and consideration of the future of the important listed Abbey buildings.

- B3.2 The main Abbey buildings were substantially repaired and renovated in the later part of the previous decade, the work being funded in part by NBC, in part by English Heritage and in part by fundraising by the Delapre Abbey Preservation Trust (DAPT). They are now let to DAPT on a 125-year lease from 30th April 2019. The lease is at a peppercorn and subject to a landlord rolling break on 12 months' notice with the lease being outside the security of tenure provisions of the Landlord and Tenant Act 1954. WNC remains responsible for the structure of the property and 50% of the cost of the repair of the windows with the other repairing liabilities being the responsibility of the Trust. There are also licence agreements in place to DAPT in respect of the car park, Walled Garden, Eastern Garden and South Lawn.
- B3.3 Within the grounds, but outside the areas currently let to DAPT, is a 19th Century Stable Yard. This is not listed but is within the conservation area and adds to the setting of the Abbey. DAPT has previously approached WNC with a proposal to convert the property, the detail of which was included within the September 2021 Cabinet Report but broadly included:
- Small creative business studios/workspaces. The units would be developed commercially to provide a small business complex generating income for the Abbey through rents, with a focus on creative workplace, with shared exhibition or retailing areas which are accessible to the public.
 - Niche retailing with a marketplace, a microbrewery, and a café.
- B3.4 DAPT previously applied for planning permission (N/2013/0612) for various projects including the 19th Century Stable Yard. Planning permission was given on 30th October 2013. This allowed for various works and “change of use of building to business studio/workshops (Class B1).”
- B3.5 While the other projects were completed, work was not commenced on the 19th Century Stable Yard until further investigations were undertaken and a business plan developed. A planning consultant is currently working with DAPT to develop a proposal for the site and considering whether a fresh planning application is needed. If a further planning application is required, this would be submitted by DAPT at its own cost.
- B3.6 Agreement was reached with NBC to enter into an AfL on 7th February 2020. Under this agreement, NBC would have been required to let the property to DAPT if certain conditions were met by the longstop date of 7th August 2021. This included the Landlord having approved DAPT's works plans and having secured vacant possession of the property.
- B3.7 As these conditions had not been met by the long stop date of 7th August 2021, Cabinet approved, at the September 2021 meeting, an extension of the long stop date to 7th August 2022. While DAPT has continued to develop the plans for the site, the conditions remain unsatisfied, and the revised long stop date has passed.
- B3.8 It is therefore proposed to agree an extension of the longstop date in the AfL until 31st January 2024. This should be sufficient time for DAPT to complete its wider investigations and agree proposals for the site with the Council. However, given the complexities, it is also proposed that delegated authority is given, in consultation with the relevant Cabinet Members, to make agree further extensions to the long stop date in the AfL if deemed appropriate.

B4. Issues and Choices

- B4.1 The Stable Yard is no longer needed as stables and is currently unused except for storage. DAPT has identified how it can be brought back into beneficial use and enhance the visitor experience at Delapre Abbey. Unless the property is occupied or suitably managed, it is likely that the condition of the property would deteriorate and result in increased management cost for WNC.
- B4.2 WNC could refuse consent to the extension of the longstop date in the agreement to lease. This is not recommended as it would cause uncertainty and discourage DAPT from proceeding with their plans to bring the premises back into use. The vision for the 19th Century Stable Yard is part of DAPT wider vision for Delapre Abbey which would be adversely impacted if the stables were not developed.
- B4.3 WNC could also consider whether to develop the site itself. However, no viable alternative uses other than those proposed by DAPT have been identified. The buildings are in a poor state of repair and would require substantial capital investment which has not currently been provided for. In addition to this, any future use of the site would need to be sympathetic to the wider services offered at Delapre Abbey so as not to have a detrimental impact on overall viability.
- B4.4 WNC could let the stables as storage, but it is likely the income set against the cost of maintenance would not make this a financially viable option.

B5. Implications (including financial implications)

B5.1 Resources and Financial

- B5.1.1 No income is currently being generated by the Stable Yard but the liability for repair remains with WNC. Completion of the project would mean that DAPT would take on the management of the property and the responsibility for ongoing repair and maintenance. In addition, DAPT would look to undertake significant refurbishment works which will not only enhance the value of the asset but would also enhance the overall visitor experience of Delapre Abbey.
- B5.1.2 If the stables continue to be used for storage it is unlikely the income would meet the repairing liabilities. It is therefore likely that the disposal would be at best price (see below).
- B5.1.3 All the documentation has been drafted and the proposal to alter the terms via a deed of variation should not result in material legal costs.
- B5.1.4 The property is currently largely vacant and generates no income. It is estimated that the market rent for the property would be negligible and significant capital investment would be required to achieve this.

B5.2 Legal

B5.2.1 The disposal would be authorised under Section 123 of the Local Government Act 1972. This requires that freehold disposals and all leasehold disposals of seven or more years in length must be on the best consideration reasonably obtainable. However, there is an exemption where the Secretary of State otherwise approves. Sometimes specific consent is required, but often the necessary consent is given by the General Disposal Consent (England) 2003. This gives consent for disposals at up to £2 million less than the best consideration where the Council considers that the purpose for which the land is disposed will advance the economic, social, or environmental well-being of the area or people in it. In this case, for the reasons given above, the disposal is probably best consideration or if not, is close to it. If there is a need to rely on the General Consent is reasonable for the Council to consider that the proposed use of the property would contribute to the social and economic wellbeing of both the immediate environs of the Abbey and also the wider area.

B5.2.2 The Council must also comply with the subsidy control law. However, it is considered that this case is a disposal would not result in a subsidy of the kind or scale, if it is a subsidy at all, which is prohibited.

B5.3 Risk

B5.4 Agreeing an extension would carry very little risk to the Council because the Council's obligations are, generally, limited to making the property available to DAPT and, as with the main Abbey lease, possession can be recovered should problems arise in future with the overall project.

B5.5 Not agreeing an extension to the longstop date would create uncertainty and potentially increase costs for both parties. WNC would be required to continue to manage and maintain the property with little prospect of income to mitigate the costs. The prospective community benefit would be lost and DAPT would be unable to fulfil its wider vision for the Abbey.

B5.6 Consultation and Communications

B5.6.1 There has been no specific consultation undertaken in relation to this proposal. However, the restoration and development of the Delapre Abbey site has been the subject to extensive planning, involving public consultation and engagement.

B5.7 Consideration by Overview and Scrutiny

B5.7.1 None.

B5.8 Climate Impact

B5.8.1 Bringing the building back into use as proposed is unlikely to have any material impact on the climate. The works to do so would produce some minor emissions, but by encouraging use of the Abbey as a local facility it may reduce transport emissions.

B5.9 **Community Impact**

B5.9.1 The uses proposed would provide space for small business, create jobs, and enhance the visitor experience at Delapre Abbey. It should therefore have a positive impact on the community.

Appendix C: Land off Candleford Close, Brackley

C1. Executive Summary

- C1.1 Brackley Town Council (BTC) is seeking to locate a skate park and youth/community building on land owned by WNC off Candleford Close, Brackley, near Brackley Leisure Centre.
- C1.2 Given the likely community benefits, it is proposed to offer BTC a lease on a no cost basis on terms which align with those set out in the Policy on the Voluntary, Community, Social Enterprise, and Faith Group use of Property.

C2. Reason for Recommendations

- C2.1 To enable Brackley Town Council to deliver community facilities of benefit to the people of Brackley.
- C2.2 To maximise the likelihood of sustainable delivery of the facilities and the services which would be provided in them.

C3. Background

- C3.1 BTC has a longstanding aspiration to deliver a skate park and youth/community building for the people of Brackley. As the town expands, the need for such facilities increases.
- C3.2 At BTC's request, confirmation was given by letter that a lease would be granted for a skate park on land off Candleford Close near Brackley Leisure Centre if BTC fulfilled certain conditions, notably obtaining planning permission and showing it could fund the development. That confirmation was based on delegated authority and as such was limited in the secure term which could be offered.
- C3.3 BTC recently obtained planning permission (WNS/2022/2029) and would like to proceed with the skate park.
- C3.4 Additionally, BTC sought a site for providing the youth/community centre. Originally BTC wanted to use land owned by WNC off Manor Road, Brackley (the former outdoor pool site). BTC offered to pay the value of the site, but it became clear that it would be difficult for it to do so, and additionally some of planning obligation funds it proposed to use were not suitable for that purpose. BTC also became concerned that it would be difficult to manage facilities in two different places.
- C3.5 Therefore, BTC concluded it would prefer to locate the youth/community centre alongside the proposed skate park. This is a logical outcome and should allow efficient use of land. However, it is likely that BTC will want a longer lease than can be granted under delegated authority. It is therefore proposed Cabinet grants authority to grant a lease as could be done under the terms of the Policy on the Voluntary, Community, Social Enterprise, and Faith Group use of Property. The Policy sets a default limit of seven years but allows it to be extended where justified.

C4. Issues and Choices

- C4.1 The Council could choose to grant BTC no lease, a lease of a short duration, or a lease of longer duration.
- C4.2 Granting no lease to BTC would be likely to prevent the delivery of valuable local facilities. Given BTC would be taking the lead on delivering these, at no cost to WNC except potentially use of some S106 sums which could be used for other purposes, this option is not recommended.
- C4.3 Granting only a short term lease to BTC is likely to also impair BTC's willingness to invest significantly, to a degree it would probably not provide the youth/community centre. Therefore, this option is also not recommended.
- C4.4 Having the ability to grant a longer lease to BTC (the length being determined in consultation with BTC) should enable the full project to be delivered. This should maximise the community benefits.
- C4.5 The Council could also offer the lease at no cost, at a market rent, or at a rent somewhere between those levels. Given the nature of the intended use, and the benefits to the community flowing from it, it is suggested no cost would be appropriate.
- C4.6 Therefore, the recommendation is that the lease be granted to BTC at no cost (except if applicable elements such as insurance rent) and for a lease period to be agreed on terms equivalent to those in the Policy on the Voluntary, Community, Social Enterprise, and Faith Group use of Property, that is, a period reasonably necessary to deliver a sustainable business plan. Given the scale of investment proposed this may be for a period of some decades.

C5. Implications (including financial implications)

C5.1 Resources and Financial

- C5.1.1 No income is currently being generated by the land in question. Its disposal would remove a very small grounds maintenance cost and involve a minor degree of management cost.
- C5.1.2 The land has limited value in its current condition. In theory the Council could pursue development, for example housing, but this is likely to be challenging. Therefore, whilst the disposal would be at less than best consideration, the financial loss would be small or theoretical.
- C5.1.3 Conversely, whilst very hard to measure, it is likely that the provision of facilities to positively engage young people would have financial benefits to WNC.

C5.2 Legal

- C5.2.1 The disposal would be authorised under Section 123 of the Local Government Act 1972. This requires that freehold disposals and all leasehold disposals of seven or more years in length must

be on the best consideration reasonably obtainable. However, there is an exemption where the Secretary of State otherwise approves. Sometimes specific consent is required, but often the necessary consent is given by the General Disposal Consent (England) 2003. This gives consent for disposals at up to £2 million less than the best price where the Council considers that the purpose for which the land is disposed will advance the economic, social, or environmental well-being of the area or people in it. In this case there is potentially a modest degree of under-value and therefore the Council can rely on the General Consent. It is reasonable for the Council to consider that the proposed use of the property would contribute to the social wellbeing of Brackley.

C5.2.2 The Council must also comply with the subsidy control law. However, it is considered that this case is a disposal would not result in a subsidy of the kind or scale which is prohibited. Moreover, Brackley Town Council is a public body.

C5.3 **Risk**

C5.3.1 If the Council proceeds as proposed, there would be a risk that BTC did not implement, in whole or part, the proposals outlined. However, this would not be a worse situation than if no lease was granted, and in due course the lease would come to an end or potentially could be terminated. In any event, the risk appears low since BTC is clearly motivated to proceed.

C5.3.2 If the Council declined to grant the lease on suitable terms, it is likely the community facilities would not be provided. The Council would also be likely to be subject to criticism for not enabling developments which BTC is seeking to provide for the benefit of the residents of the town, when it could do so at no cost to it.

C5.4 **Consultation and Communications**

C5.4.1 There has been no specific consultation undertaken in relation to this proposal by the Council. However, it does reflect aspirations for the town set out in the Brackley Masterplan. This was adopted in 2011 by the (then) South Northamptonshire Council. The following items are specifically relevant: H6 (social infrastructure), L5 (facilities and activities for 11-18 year olds), L8 (play spaces and equipment), L9 (indoor and outdoor leisure facilities), L10 (sports, leisure, and recreational facilities). It should be recognised that the Masterplan called for a skate park in the south of the town, in St James Park (L7), but naturally specific details such as this change over time.

C5.5 **Consideration by Overview and Scrutiny**

C5.5.1 None.

C5.6 **Climate Impact**

C5.6.1 Construction of the skate park and youth/community centre would inevitably involve some carbon emissions. However, it is considered these are justified in the context of providing community facilities for the expanding town of Brackley.

C5.7 **Community Impact**

C5.7.1 Enabling the development by BTC should result in the creation of facilities valuable to the community of Brackley, especially young people.