



Agenda Item 9

Lease Agreement – Astroturf and Changing Rooms, Dawson

Falkirk Council

Title: Lease Agreement – Astroturf and Changing Rooms, Dawson
Meeting: Education Executive
Date: 6 November 2018
Submitted By: Director of Children's Services

1. Purpose of Report

- 1.1 This report is to seek approval to lease the astroturf area and changing rooms, Dawson at below market rent to the Dawson Sports Development Association (DSDA), to support the organisation's activities in the community. The locations of the astroturf area and changing rooms are shown outlined in red on the plan in Appendix 1.

2. Recommendations

2.1 The Education Executive is asked to:

- (1) agree to the lease Astroturf Area and Changing Rooms, Dawson to Dawson Sports Development Association for a period of 15 years on full repairing and insuring terms at a nominal rent of £1 per annum;**
- (2) note that the proposals are in compliance with the Council's statutory obligations in respect of disposal of land and buildings at less than best price; and**
- (3) agree that the Director Of Children's Services, in consultation with the Director of Development Services, be authorised to conclude the lease transaction on the terms set out in this report.**

3. Background

- 3.1 DSDA is a Scottish Charitable Incorporated Organisation (SCIO) established to provide recreational facilities and advance social needs, health and wellbeing of individual's in the local area.
- 3.2 An application has been received from DSDA to lease the astroturf area and changing rooms at Dawson, at nominal annual rent, through the Council's normal letting process. This is not a formal statutory asset transfer request under the Community Empowerment (Scotland) Act 2015. However, given that the application is to lease the subjects at less than market value, it is considered appropriate that the matter be determined by the Education Executive.

4. Proposal

- 4.1 Members of the DSDA currently use the property by informal arrangement. They require a formal lease at a nominal rent to allow them to progress fit-out and improvements to be made to the property, to ensure their activities are sustainable and to maximise community benefits.
- 4.2 DSDA have requested a fifteen year lease. It is normal for the terms of a lease of this type of transaction to be on a full repairing and insuring basis, where the tenant will be responsible for all aspects of the property maintenance and costs of occupation.
- 4.3 DSDA have secured £65,000 external funding from the Cashback for Communities fund to create a “state of the art” multi-sports area, which will mean improved community access to social, recreational and physical activities.
- 4.4 DSDA have prepared a business plan with support from Falkirk CVS and the Council’s Community Learning and Development Service.

5. Considerations

- 5.1 The rent proposed is nominal relative to the market rent of £1,500 per annum. Accordingly, this transaction falls within the scope of s74 of the Local Government (Scotland) Act 1973, thereby allowing local authorities to dispose of land for less than best consideration but only in certain circumstances.
- 5.2 The Disposal of Land by Local Authorities (Scotland) Regulations 2010. The 2010 regulations set out the procedure. They set out the circumstances in which a local authority may dispose of land for a consideration less than the best that can reasonably be obtained. It must be satisfied that disposal of the subjects are considered as being reasonable and are likely to contribute in whole or in part to the following:
 - (a) economic development or regeneration;
 - (b) health;
 - (c) social well-being; or
 - (d) environmental well-being
- 5.3 A full assessment of the application has been undertaken by a group of officers from various services across the Council including Social Work, Community Learning and Development, the Growth and Investment Unit, Governance, Policy & Improvement and Asset Management.
- 5.4 The assessment carried out by the Corporate Asset Transfer Working Group of officers concluded:
 - the proposal meets the Council’s priorities to empower and enable people to be self-reliant and promote stronger, more self-reliant communities;

- it accords with SOLD outcomes to make our area a fairer and more equal place to live, with a healthier population where people will live full, independent and positive lives within supportive communities;
- there are significant benefits identified for public health, social wellbeing and the reduction of inequalities as well as strong economic development and regeneration benefits;
- the ability of the organisation to deliver has been assessed as good;
- DSDA has good local and wider public support through strong community networks;
- the reputation of Falkirk Council should not be harmed should the project fail; and
- the project does not compete with services being provided by Falkirk Council.

5.5 Based on the above assessment, in particular, its strong potential for contributions to the promotion and improvement of economic development, regeneration, health and social wellbeing it is considered that the requirements of the 2010 Regulations are met.

5.6 Accordingly, the key lease terms will be that the Council will lease the astroturf, changing rooms and a right of pedestrian and vehicle access to the assets to DSDA at a nominal rent of £1.00 per annum, with a duration of 15 years and the lease be on a full repairing and insuring terms.

6. Consultations

6.1 Consultations with Services are incorporated in the assessment process as detailed in Section 5.

7. Implications

Financial

7.1 The astroturf and changing rooms currently form part of the Children's Services asset portfolio and this proposal will reduce the Service's income by approximately £1,700 per annum.

Resources

7.2 None

Legal

7.3 The proposals will be subject to the successful conclusion of all necessary lease arrangements.

Risks

- 7.4 Should the venture be unsuccessful, the consequences may involve the astroturf and changing rooms being returned to Falkirk Council.

Equalities

- 7.5 DSDA offers opportunities for individuals from disadvantaged backgrounds to participate within activities that promote health and lifestyles.

Sustainability/Environmental Impact

- 7.6 None.

8. Conclusions

- 8.1 The proposal accords with many of the Council's priorities and those of the Scottish Government. DSDA is properly constituted and has been assessed as having the capacity to deliver its activities and benefits.
- 8.2 This proposal does not, at least directly, assist the financial pressures facing the Council. However, the corporate assessment indicates that there are wider derived benefits in economic development, regeneration, health and social well-being and therefore approving the application on a nominal rent basis, complies with the relevant legislative requirements for disposal by way of lease and less than market value.

Director of Children's Services

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Date: 16 October 2018

APPENDICES

Appendix 1 – Plan showing location of astroturf and changing rooms.

List of Background Papers:

The following papers were relied on in the preparation of this report in terms of the Local Government (Scotland) Act 1973:

Community Asset Transfer Assessment Pro-forma for astroturf and changing rooms, Dawson.

