

Committee: **Executive Committee**
Date of meeting: **21st July 2021**
Report Subject: **Community Asset Transfer – Deighton Field & Sirhowy Gardens, Tredegar – Tredegar Town Council**
Portfolio Holder: **Cllr Joanna Wilkins, Executive Member Environment**
Report Submitted by: **Director of Regeneration and Community Services – Richard Crook**

Reporting Pathway								
Directorate Management Team	Corporate Leadership Team	Portfolio Holder / Chair	Audit Committee	Democratic Services Committee	Scrutiny Committee	Executive Committee	Council	Other (please state)
22.6.21	1.7.21	06.07.21				21.07.21		Community Asset Transfer Steering Group & Corporate Asset Management Working Group

1. Purpose of the Report

- 1.1 The purpose of the report is to seek approval to undertake the Community Asset Transfer of Deighton Fields and Sirhowy Gardens shown as Appendix 1 and 2 on a 99-year lease to Tredegar Town Council at nil consideration.

2. Scope and Background

- 2.1 In 2015 Education had declared that the Deighton Field – shown at Appendix 1 - was no longer required for education purposes and they would no longer maintain the area. As there was no alternative funding in place to maintain the area the Council was forced to consider the future of the space.
- 2.2 Tredegar Town Council approached the Council with a view to taking on the area and allowing its continued use for sport and recreation. Whilst it was recognized that this was a positive outcome it could not be advanced via community asset transfer as Town Councils were not eligible at that time to advance transfers under the then approved Policy.
- 2.3 As a result, the proposal was dealt with as a request to Council and after due process and consideration the Town Council were allowed to take control of the land under a two year licence which was entered into July 2016.
- 2.4 In 2017 the Town Council further enquired about a second area – shown at Appendix 2 – Sirhowy Gardens at Beaufort Road, Tredegar. Sirhowy Gardens were created in 2005 by Tredegar Development Trust Ltd. with the

support of Blaenau Gwent County Borough Council. The area provides an open green space in the Sirhowy area and was intended to have been maintained by the Development Trust.

- 2.5 The Trust was dissolved in 2005 and the land reverted back to the Council. The Council had continued to maintain the area since then but in the absence of any dedicated budget and with pressures on existing budgets this has been limited in its scope.
- 2.6 The Town Council recognized the limitations on maintenance and felt that by taking on the area they could again ensure its continued use as a garden and undertake a more frequent maintenance regime than that undertaken by the Borough Council. The proposal was approved and a new 2 year licence covering both areas was entered into in February 2018.
- 2.7 In July 2018 the Council altered its Community Asset Transfer Policy and it now allows Town Councils to take on facilities under community asset transfer.
- 2.8 Tredegar Town Council have now submitted proposals to take the two sites on under the CAT procedure. They have asked for a 99-year lease on the basis that this will protect them from loss to the community and justify monies spent year on year as well as preventing any change of use.
- 2.9 They will continue to operate the facilities as they are now but may seek funding to improve the Deighton Field to potentially include toilets and changing facilities.
- 2.10 As the sites have both been under the control of the Town Council and are funded directly from their revenue funding a simpler application than normal was facilitated,
- 2.11 The proposals have been circulated to the CAT Steering Group, Local Members and Executive Member. They would also normally be circulated to the Town Council but as they are the ones making the application that was not done in this case.
- 2.12 Two members of the Steering Group came back to support the application as did one of the local Members. No adverse feedback was received.
- 2.13 The proposals were also advertised under the Local Government Act 1972 S123 as a loss of public open space. No representations were received as a result of the advert.
- 2.14 An earlier version of this report and appendices has been circulated to Corporate Asset Management Working Group Members. No objections were received and two queries relating to school use (of Deighton) and public liability insurance on the sites were answered.

2.15 The Town Council had been advised that officers were prepared to recommend to Executive that a 99-year lease be agreed but wanted to establish if there were a willingness to consider a break clause in the lease to protect the Council's interest should either of the sites be considered for alternative uses in the future. The Town Council confirmed they did not wish to consider a break clause and wished to proceed with the 99-year lease.

2.16 There are no plans for alternative uses for either area and it is recognized that the Town Council's main drivers in taking the areas on has been to ensure they are protected from any redevelopment and remain available for the public to utilise. Given the intentions of the Town Council and the nature of the organization the Team Manager Estates and Asset Management is prepared to recommend the transfer of the two areas on a 99-year lease with no break clauses.

3. **Options for Recommendation**

3.1 The Options presented for consideration are as follows: -

3.2 **Option 1** – Terminate existing licences and take the two areas back into Council control. The Council has no requirements nor budget for the two areas.

3.3 **Option 2** – Permit the transfer of the two areas on a 99-year lease but only subject to a rolling 10 year break clause.

3.4 **Option 3** – Permit the transfer of the two areas on a 99-year lease with no break clause.

3.5 The preferred option is **Option 3**.

4. **Evidence of how does this topic supports the achievement of the Corporate Plan / Statutory Responsibilities / Blaenau Gwent Well-being Plan**

4.1 **BGCC Corporate Plan/Well-Being Objectives 2018-2022**

4.2 In 2018 the Council developed a new core vision:
Proud Heritage, Strong Communities, Brighter Future

4.3 Under this vision sits the plan to forge 'Strong & Environmentally Smart Communities'. Linking this to the Well Being Plan, the council will work to:

- Create safe and friendly communities
- Look after and protect the environment
- Encourage and enable people to make healthy lifestyle choices in places that they live, learn, work and play.

- 4.4 One of the ways that BGCC will achieve this is to *'take a strategic approach to the management of our land and property services in different ways (Community Asset Transfers)'*
- 4.5 The council will do this by encouraging *'Communities to work with the Council to ensure services are retained locally (Community Asset Transfers)'*.
- 4.6 The Corporate Plan also lays out BGCC's aim to be an ambitious and innovative council delivering the quality services we know matter to our communities. One of the ways this will be achieved is *'To be a strong and effective partner and collaborate where possible to deliver financial, business and community benefits'*.
- 4.7 With the proposed transfer to the Town Council, this proposal will ensure that BGCC meets its Corporate Plan 2018-22 to:
- Think for the long term
 - Take an integrated approach
 - Take a preventative approach
 - Collaborate
 - Involvement
- 4.8 The proposals for Deighton Field and Sirhowy Gardens therefore will help meet priorities and objectives in both the Corporate Plan and Blaenau Gwent Well-being Plan.

5. **Implications Against Each Option**

5.1 ***Impact on Budget***

- 5.2 As the facilities have been the responsibility of Tredegar Town Council for the last two years there are no financial savings for the Council.
- 5.3 The Council's Community Asset Transfer Policy sets out that any transfer of premises would usually be by way of lease or licence. It is proposed that the lease would be at nil consideration or one peppercorn. This would allow the Group to devote resources to operating the changing room and pitches as well as investigating external funding opportunities.
- 5.4 Should the Council be minded to dispose of the property at an undervalue, it will need to comply with the Local Government Act 1972, General Disposal Consent (Wales) 2003 – Disposal of Land in Wales for Less than Best Consideration, which came into effect on 31st December 2003 and removes the requirement for Authorities to seek specific consent for any disposal and undervalue where the Authority considers that the disposal is in the interest of the economic, social or environmental wellbeing of the whole or part of its

area, or any persons resident or present in the area and the undervalue is £2,000,000.00 Million Pounds (two million pounds) or less.

5.5 As the proposed long term lease is in excess of 7 years, the Council will need to comply with these requirements. The amount of undervalue of the disposal being certified by a qualified valuer in accordance with the Royal Institution of Chartered Surveyors – professional standards, who has confirmed that the unrestricted market value of the sites would be £880,000 - £780,000 Deighton and £100,000 Sirhowy. However, given the location and proposed restrictions the value of each site would be £2 - £1 for each site.

5.6 It is this which is the opportunity cost of the Council entering into the lease.

5.7 The Council will also need to consider any State Aid implications of the transfer. The council had considered that the unrestricted market value of the sites is £880,000 however the value, given the restrictions of the activities and occupation which would be placed on the property operating in accordance with the activities of a Town Council as set out in the support information for Tredegar Town Council is considered to be nominal.

5.8 In summary the assessments confirm that state aid is not applicable – either because the value is nominal or due to the proposals not constituting state aid.

5.9 In light of this it is felt that transfer of the properties to Tredegar Town Council under a nil consideration would not overly expose the Authority to any implications arising from any future State Aid intervention and that the risk of any future action regarding such a transfer would be minimal.

5.10 ***Risk including Mitigating Actions***

The proposal is considered low risk for the Council given the status of the Town Council and that they have been operating the two facilities without any known incidence since 2017.

5.11 The only risk identified would be the potential return of the two areas which would then become the responsibility of the Council.

6. **Supporting Evidence**

6.1 ***Performance Information and Data***

Tredegar Town Council will be expected to provide data on user groups and expenditure if requested by the Council.

6.2 ***Expected outcome for the public***

The continuation of public open space for formal and informal exercise on well-maintained areas with the possibility of further investment to create enhanced facilities at Deighton with toilet and changing room facilities.

6.3 ***Involvement (consultation, engagement, participation)***

6.4 The proposals have been circulated to the CAT Steering Group, Local Members and Executive Member. They would also normally be circulated to the Town Council but as they are the ones making the application that was not done in this case.

6.5 Two members of the Steering Group came back to support the application as did one of the local Members. No adverse feedback was received.

6.6 The report was presented to Regeneration and Community Services Leadership team on the 22nd June 2021 where it was supported. It was further presented to Corporate Leadership team on the 1st July 2021 and cleared for presentation to Executive.

6.7 ***Thinking for the Long term (forward planning)***

The proposal will ensure continued use and maintenance of two green spaces within Tredegar for many years and lead to potential investment and improvement of the areas.

6.8 ***Preventative focus***

Provision of space for informal and formal recreational opportunities will aid physical and mental health and wellbeing.

6.9 ***Collaboration / partnership working***

The Council has regular meetings with all of the Town Councils to discuss areas of concern or collaboration.

6.10 ***Integration (across service areas)***

The proposals will help to meet a number of Council priorities across a broad range of activities.

6.11 ***EqlA***

The facilities will be open to all.

7. **Monitoring Arrangements**

7.1 It would also be expected that Tredegar Town Council will maintain their strong links with the Authority and make available any information which they can regarding the operation and hoped for success of the venture.

Background Documents /Electronic Links

- Appendix 1 – Deighton TTC
- Appendix 1 – Sirhowy Gardens