

Report to Executive

Agenda
Item:

A.5

Meeting Date: 15th October 2018
Portfolio: Finance, Governance & Resources
Key Decision: No
Within Policy and Budget Framework: Yes
Public / Private: Public – Part A
Title: **LAND AND PROPERTY TRANSACTION – Morton Manor Community Centre, lease surrender and re-grant**
Report of: **CORPORATE DIRECTOR OF GOVERNANCE & REGULATORY SERVICES**
Report Number: **GD.70/18**

Purpose / Summary:

This Report seeks Executive consent to the surrender and re-grant of a lease to the Trustees of Morton Manor Community Centre.

Recommendations:

1. That the Executive agrees to a surrender and re-grant of a lease of Morton Manor Community Centre to the Trustees of the Morton Community Association subject to no further representations being received within the statutory timescale objecting to the disposal of public open space;
2. That delegated authority is given to the Property Services Manager to agree final terms; and
3. That the Corporate Director of Governance and Regulatory Services be authorised to complete the surrender and lease documentation.

Tracking

Executive:	15 th October 2018
Scrutiny:	n/a
Council:	n/a

1. BACKGROUND

- 1.1 Built around the late 18th Century as a family home of the local mill owners, the Ferguson family. In the 1940's the then owners of the property, the Chance family, bequeathed the manor for the benefit of the people of Carlisle. The building eventually became a Community Centre operated by the Council in 1967.
- 1.2 Morton Community Association has occupied Morton Manor Community Centre by way of a lease since 2001. The current lease is for a term of 25 years with effect from 25th July 2001, the unexpired term is therefore circa 8 years. The current lease area is shown edged red on the attached plan 1.
- 1.3 Morton Community Association would like to further improve and develop the range of services they can offer their users. In order to do this, they want to extend their lease term so that they can apply for external funding.
- 1.4 The Community Centre is located within Chances Park, on Wigton Road, the Park is City Council owned and is managed by the Council's Green Space's Team. The Community Association want to reduce the area within their demise, the land surrendered from the Community Association lease will then be incorporated back in to the surrounding park. The Green Spaces and Bereavement Services Manager has confirmed that there will be no additional cost to the Council as his team currently maintain the land to be surrendered. The extent of the new demise is shown edged red on plan 2.

2. PROPOSALS

- 2.1 Due to the short length of the unexpired term of their current lease external funders/ grant providers will not give the Centre any funding to develop the buildings.
- 2.2 The Community Centre Association has approached the City Council with a request to surrender their existing lease and take a new lease for a term of 99 years, the demise of the lease is to be of a reduced area, the new demise is shown edged red on the plan attached as Appendix B.
- 2.3 It is proposed to accept a surrender of the current lease arrangement and grant a new lease to the Trustees of the Community Centre Association for a new term of 99 years, at a Peppercorn Rent, on the same terms as the passing lease to allow the funding application to be submitted.

- 2.4 By virtue of Section 123 of the Local Government Act 1972, the Council is required to obtain Best Value in all land and property transactions. It is considered that, due to the nature of the facility and the community offer it provides, the granting of a lease for a further term of 99 years to the Trustees of Morton Manor Community Centre represents best value to the Council.

3. CONSULTATION

- 3.1 Ward Councillors have been advised of the proposals.
- 3.2 The Contracts and Community Services Manager & the Green Spaces & Bereavement Services Manager have been involved in the discussions between the parties and fully support the proposals.
- 3.3 Because the new demise includes an area to the front of the centre, which is used for car parking but which is open to the public and unrestricted, there needs to be public consultation on this area of public open space. Two consecutive adverts are required to be placed in the local newspaper and a period of 28 days allowed for representations. The adverts have been published and the consultation period is current. Any representations will be presented to Members at the meeting.

4. CONCLUSION AND REASONS FOR RECOMMENDATIONS

- 4.1 Agreement to the surrender and re-grant of a longer-term lease will allow the Community Centre Association to put forward an application for funding to develop and improve the building. This protects the asset into the future and supports the community function the Centre provides.

5. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

- 5.1 The proposals support the continued provision of valuable community services.

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Appendices Appendix A – Plan 1 showing original extent of the property.
attached to report: Appendix B – Plan 2 showing the revised demise of the property.

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers:

- **None**

CORPORATE IMPLICATIONS:

GOVERNANCE AND REGULATORY SERVICES – The Council is able to grant a lease in the manner described. The Leader's scheme of delegation authorises officers to grant a lease however, as this lease is being granted for a peppercorn rent and for a period in excess of seven years, Executive needs to be satisfied that best consideration is being obtained. This report explains that this lease is considered to represent "best consideration" because of the economic, social and wellbeing benefits therefore benefits from implied consent from the Secretary of State. Thus, the Council would be in compliance with its obligations under Section 123 of the Local Government Act 1972. Because part of the demise includes an area of public open space, the disposal needs to be advertised in the local newspaper for two consecutive weeks followed by a period of 28 days to allow representations to be made. If representations are received after the Executive meeting, a report should be brought back to Executive if not delegated to officers for consideration.

FINANCE – The proposal to surrender and re-grant a lease to Morton Community Centre Association will have no financial impact as the current and proposed leases are at a peppercorn rental. The new lease will allow the Centre to apply for external funding for improvements. As the Council owns the property occupied by the Community Centre Association its value is held on the Council's Balance Sheet under Land and Buildings.

EQUALITY – None

INFORMATION GOVERNANCE – None



**Lease Plan
Morton Community Centre**

Date: 23/08/2018

Scale: 1:1250

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Civic Centre
Rickergate
Carlisle
CA3 8QG



Lease Plan **Morton Community Centre**

Date: 17/04/2018

Scale: 1:1250

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