

EAST AYRSHIRE COUNCIL

CABINET 29 JUNE 2010

PROPOSED LEASE OF LAND AND CHANGING PAVILION AT CRAIGENS ROAD, CUMNOCK TO
NETHERTHIRD COMMUNITY DEVELOPMENT GROUP

Report by the Executive Director of Finance and Corporate Support

1. PURPOSE OF REPORT

1.1 To seek Cabinet approval :-

- (i) to declare surplus two areas of land comprising (a) an unmaintained grassed area and access track extending to 1.029 hectares (2.54 acres) or thereby situated at the rear of Netherthird Primary School, Craigens Road, Cumnock and (b) Craigens Road Playingfields, Cumnock extending to 2.369 hectares (5.84 acres) or thereby together with the associated Changing Pavilion for the purpose of a lease to the Netherthird Community Development Group, and
- (ii) to lease the subjects identified above to the Netherthird Community Development Group for a period of 30 years for the purpose of undertaking Community Projects.

2. BACKGROUND

- 2.1 The Netherthird Community Development Group was established on 27 August 2010 and the Group's aims are to support the regeneration of the local area through a number of initiatives including the development of a Community Garden and a 11-a-side synthetic football pitch.
- 2.2 The Group's Mission Statement is " to develop the health and knowledge of the Community by opening access to activities, training and through eco-enterprise also to invest in local groups responding to the changing needs of the local area". The Group believes that the establishment of the proposed new projects will enable it to meet these objectives.
- 2.3 The Group proposes to undertake two separate development projects as identified within paragraphs 3.1 and 3.2 below.

3. CURRENT POSITION

- 3.1 **Proposed Community Garden** – The Group propose to convert an unmaintained grassed area of land situated at the rear of Netherthird Primary School, identified on the plan annexed to this Report, into a Community Garden. The proposal is to grow fresh fruit, vegetables, and flowers within the garden which will also contain raised beds and be enclosed by a high fence with access gates. The Group also propose to construct an eco-friendly building upon the site which will incorporate a shop to sell the products which will be grown within the garden, a "healthy" café and other community facilities. Car parking will also be provided. One of the Group's main aims associated with this project is to create opportunities for their volunteers to be able to train in horticulture in the garden and catering / hospitality in the café / shop. The Group also propose to involve the adjoining Primary School in this project and develop partnership working with other Groups and parties within the Cumnock area.

- 3.2 **Proposed Synthetic Football Pitch Development** – The Group propose to take over from the Council responsibility for the management and upkeep of the existing Craigens Road Playingfields and associated Changing Pavilion, identified on the plan annexed to this Report. The Group propose to develop a new 11-a-side Synthetic Football Pitch upon part of the site which will incorporate floodlights, fencing and possibly additional changing accommodation. It is anticipated that this facility will be widely used by many of the youth and adult football teams within Cumnock. The Group will also take over responsibility for the existing Multi Use Games Arena which is situated within the playingfields.
- 3.3 The land at the rear of Netherthird Primary School is currently an unmaintained grassed area which is unused and is not required for any Council project. It is considered that the conversion of this land into a Community Garden would be beneficial for the local area.
- 3.4 The Head of Leisure Services is supportive of the Group's proposals to manage and enhance the facilities within the Craigens Road Playingfields.
- 3.5 It is considered that the representatives of the Netherthird Community Development Group have the necessary skills/support to undertake these projects and the granting of the two leases should enable the Group to raise the necessary finance which is required to fund the costs associated with the proposed projects which are currently estimated to be in the region of £120,000 in respect of the Community Garden and £370,000 in respect of the Synthetic Football Pitch development. It is acknowledged that should the situation arise whereby potential funders are not prepared to support the projects unless the Group has ownership of the land an application for the transfer of land ownership will be submitted by the Group.
- 3.6 The proposed projects will be conditional upon the Netherthird Community Development Group obtaining planning permission and all other statutory consents associated with their development proposals.

4. FINANCIAL IMPLICATIONS

- 4.1 All development costs associated with the proposed projects will be met by the Netherthird Community Development Group who will also be responsible for all running / operating costs which may arise once the works are complete including those associated with the existing Changing Pavilion. This will include all costs associated with the payment of rates, Scottish Water charges, electricity/gas, internal/external maintenance, grounds maintenance, insurance premiums, janitorial supplies, etc.
- 4.2 In recognition of the expenditure which will be incurred by the Netherthird Community Development Group to construct a new facilities, it is proposed that the ground rent in respect of the Community Garden and Playingfields including the Changing Pavilion be fixed at £1 per annum, if asked, for the first 10 years of the lease with the rent being subject to review at the end of year 10 and every 5 years thereafter in accordance with the Council's Concessionary Rental Policy notwithstanding that the facilities will be used for ancillary commercial purposes which are considered necessary to subsidise the running costs associated with the non commercial parts of the projects. It will be a condition of the leases that all income receivable from any commercial activities will be reinvested in the projects. The rent review clause will exclude any allowance for tenants improvements.
- 4.3 Both leases will be subject to the Netherthird Community Development Group raising all necessary finance which will be required to fund the proposed developments

5. LEGAL IMPLICATIONS

- 5.1 The proposed occupancy of the two areas of land and the Changing Pavilion by the Netherthird Community Development Group will be regulated by entering into two formal lease agreements.

6 POLICY IMPLICATIONS

- 6.1 The proposed lease is in accordance with the Council's Concessionary Rental Policy subject to Cabinet agreeing to amend the Policy in this instance to allow the granting of a concessionary rental which allows the proposed facilities to be used for ancillary commercial purposes which is deemed necessary to subsidise the running costs associated with the non commercial parts of the building. In accordance with the current Policy Organisations wishing to use premises/sites for commercial purposes are not eligible to receive a concessionary rental.
- 6.2 Approval of the Group's proposals will contribute towards meeting the aims and aspirations of the "Delivering Community Regeneration" Action Plan.

7. ASSET MANAGEMENT IMPLICATIONS

- 7.1 The proposal to lease these subjects to the Netherthird Community Development Group meets the Council's policy objectives in respect of Asset Management.

8. PROPOSED LEASE TERMS AND CONDITION

- 8.1 The principal terms and conditions which will apply to the proposed leases are as follows:-
- 8.2 The subject of let will comprise an unmaintained grassed area and access track extending to 1.029 hectares (2.54 acres) or thereby situated at the rear of Netherthird Primary School, Craigens Road, Cumnock and the Craigens Road Playing fields, Cumnock extending to 2.369 hectares (5.85 acres) or thereby together with the associated Changing Pavilion and Multi Use Games Arena. Both areas are identified on the plan annexed to this Report. Netherthird Community Development Group will be permitted to create a Community Garden, Eco-friendly building and a 11-a-side synthetic football pitch upon the subjects of let subject to obtaining all statutory consents which may be required in connection with these proposed developments.
- 8.3 Both leases will commence on a date mutually acceptable to both parties and will be for a period of 30 years.
- 8.4 The rent in respect of both leases will be £1 per annum, if asked, for the first 10 years of the lease with the rent being subject to review in accordance with the Council's concessionary rental policy at the end of year 10 and every 5 years thereafter on the understanding that the use of the building for ancillary commercial purposes will be permissible. The rent review clause will exclude any allowance for tenants improvements.
- 8.5 Both areas of land including the existing Changing Pavilion and Multi Use Games Area will be let on a full repairing basis with the Development Group being responsible for all repairs, maintenance including grounds maintenance, insurance and all other issues/costs associated with the Development Group's occupancy of the subjects and

facilities erected thereon. The Council will insure the structure of the existing Changing Pavilion with the insurance premium being recharged to the Group.

- 8.6 Each party will meet their own legal fees and outlays associated with the granting of these leases.
- 8.7 Both leases will be conditional upon the Netherthird Community Development Group raising the necessary finance to fund the proposed developments and entry to the land will not be granted until the Group provides evidence to the satisfaction of the Council that the required funding has been either confirmed or obtained.
- 8.9 The Netherthird Community Development Group will be responsible for obtaining all statutory consents associated with their development proposals and for complying with all conditions which may be attached to these consents.
- 8.10 The Solicitor to the Council will include all other conditions which may be deemed necessary to safeguard the interest of the Council

9 RECOMMENDATION

- 9.1 That the Cabinet:-
- (i) Agrees to declare surplus the land extending to 1.029 hectares (2.54 acres) or thereby situated at the rear of Netherthird Primary School, Craigens Road, Cumnock together with the land comprising Craigens Road Playingfields and Changing Pavilion extending to 2.369 hectares (5.85 acres) or thereby.
 - (ii) Agrees to amend the Concessionary Rental Policy in this instance only to allow the subjects of let to be used for ancillary commercial purposes and;
 - (iii) Approves the proposal to lease the two areas of land and Changing Pavilion identified in (i) above to the Netherthird Community Development Group for the formation of a Community Garden and associated building and for the development of an 11-a-side synthetic football pitch in accordance with the terms and conditions identified within this Report and instructs the Solicitor to the Council to conclude matters on behalf of the Council.

Alex McPhee
Executive Head of Finance & Corporate Support.

SMcV/PM
 22 June 2011

LIST OF BACKGROUND PAPERS - Nil

Members wishing further information should contact Sam McVie, Estates Manager.

Implementation Officer – Sam McVie, Estates Manager.

EAST AYRSHIRE COUNCIL

Cabinet 29 June 2011

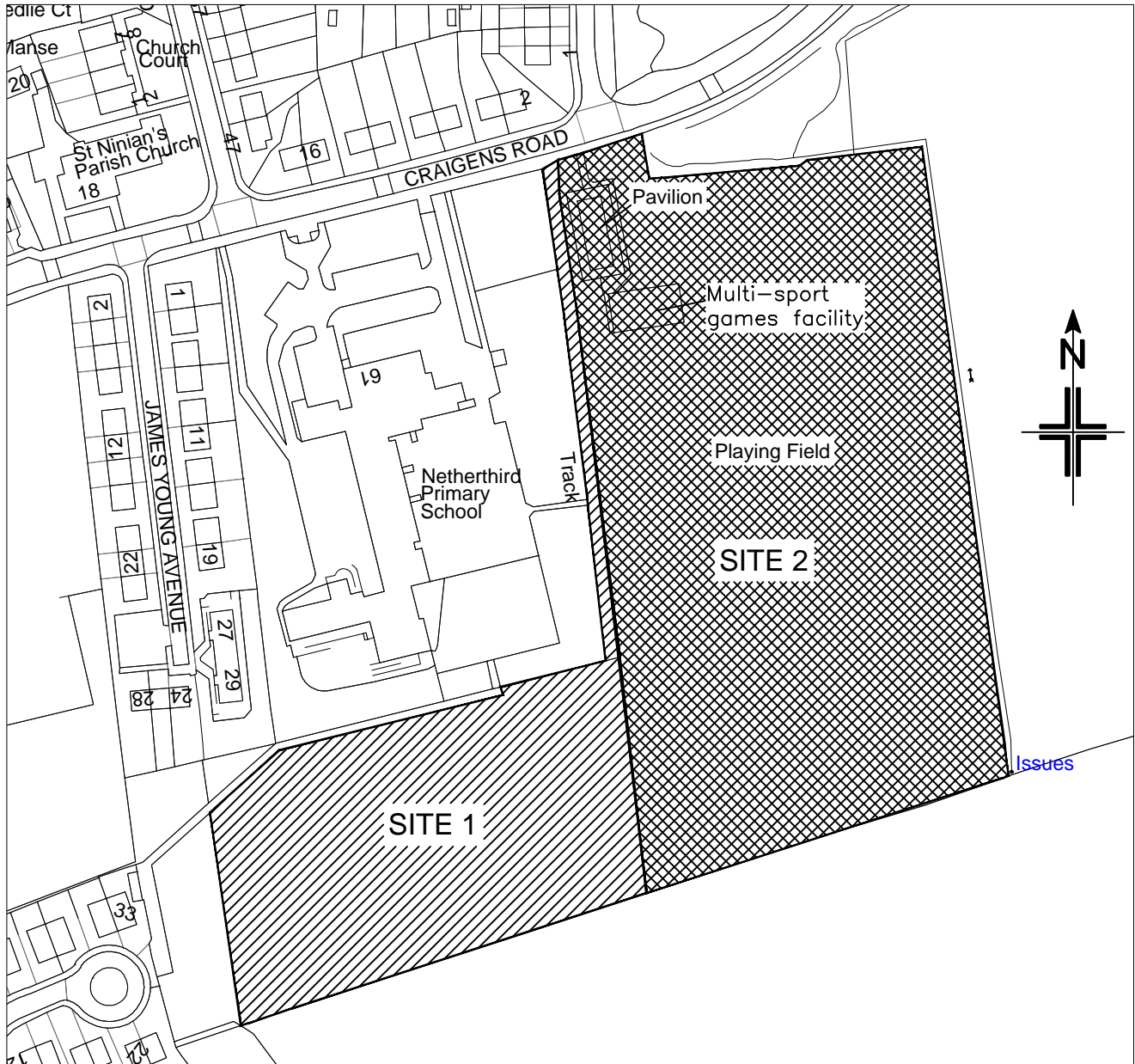
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Amended recommendations

That the Cabinet

- (i) agrees to declare surplus the land extending to 1.029 hectares or thereby situated at the rear of Netherthird Primary School, Craigens Road, Cumnock, shown as site 1 on the plan on page 189;
- (ii) agrees to amend the concessionary rental policy in this instance to allow the subjects of let to be used for ancillary commercial development; and
- (iii) approves the 30 year lease of the area of land identified in 1 above to the Netherlthird Community Development Group, for the purpose of conversion to a Community Garden, on condition that the group evidence that all necessary finance has been assembled and that all statutory consents have been obtained.

CABINET PLAN



SCALE 1:2000 20 0 20 40 60 80 100 METRES



Proposed lease to Netherthird Community Development Group of
 Site 1:- Area shown hatched black 1.029 Hectares or thereby
 Site 2:- Area shown cross-hatched black 2.369 Hectares or thereby,
 comprising Craigens Road Playing Fields and associated changing pavilion and games area.



East Ayrshire
council

LAND SURVEY

Malcolm Rouleston
 Head of Infrastructure Support

TITLE PROPERTY AT CRAIGENS ROAD
 CUMNOCK

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