

Gloucester City Council

Meeting:	Cabinet	Date:	17 July 2024
Subject:	Proposed Community Asset Transfer of the Social Club at Tuffley Park		
Report Of:	Cabinet Member for Resources		
Wards Affected:	Podsmead		
Key Decision:	No	Budget/Policy Framework:	No
Contact Officer:	Melloney Smith Asset Management Officer		
	Email: Melloney.smith@gloucester.gov.uk	Tel: 396849	
Appendices:	1. Community Asset Transfer Policy 2. Application Summaries (EXEMPT)		

EXEMPTIONS

The public are likely to be excluded from the meeting during consideration of appendix 2 of this report as it contains exempt information as defined in paragraph (3) of schedule 12A to the Local Government Act 1972 (as amended). All sections of this appendix 2 are considered confidential and commercially sensitive.

1.0 Purpose of Report

1.1 To consider the applications to take on the lease of the social club at Tuffley Park by way of a Community Asset Transfer.

2.0 Recommendations

2.1 Overview and Scrutiny Committee is asked to consider the information in the report and make any recommendations to Cabinet.

2.2 Cabinet is asked to **RESOLVE** that:

- (1) applicant 3, One Church, be chosen as the successful bidder;
- (2) authority be delegated to the Asset Manager to agree the terms of the lease.

3.0 Background and Key Issues

3.1 Gloucester City Council adopted a Community Asset Transfer policy on (see appendix 1)

3.2 The Council retook possession of the building in August 2023 after the previous tenant got into financial difficulties.

- 3.3 The building was considered suitable for a Community Asset Transfer due its nature and its location.
- 3.4 Open days were held at the property for interested parties and they were asked to submit a Stage One application.
- 3.5 Nine applications were received and a group comprising Cabinet Member for Performance and Resources, the Member for Podsmead, Community Wellbeing Officer and Investment Manager consider all applications and came up with a shortlist of three.
- 3.6 The shortlisted applicants were asked to submit further information as per stage 2 of the policy and for situations where there is more than one applicant.
- 3.7 The three applications were evaluated by the above group and a preferred applicant was agreed. All applications were of a good quality and varied with their offerings. See appendix 2 for a summary of each application (EXEMPT).

4.0 Social Value Considerations

- 4.1 The preferred applicant offers a purely community based option to include benefiting the surrounding community.

5.0 Environmental Implications

- 5.1 As part of their application the proposed applicant has put forward information on energy conservation and encouraging green travel to the facility.

6.0 Alternative Options Considered

- 6.1 The property could be let on the open market for a commercial use. This may produce more rental income but may not provide a community facility. A commercial use may also not work well with the community sports changing facilities and the adjoining sports fields. A commercial use may cause a nuisance to the nearby residential properties.
- 6.2 The property could be sold on the open market. This would result in a capital receipt but would mean the loss of the opportunity to provide a community use. If the building was sold there would still be a need for a changing rooms facilities and car parking which would restrict the amount of land that could be sold with the building.

7.0 Reasons for Recommendations

- 7.1 It is recommended that applicant 3, the One Church, is confirmed as the successful party as they offer the widest offering to the community. They have a proven record of delivering projects already in the area and are financially secure.

8.0 Future Work and Conclusions

- 8.1 The property requires works to the roof to make it watertight and also for statutory tests undertaken to ensure the building is compliant on handover. It is estimated that this will cost approximately £50000.

- 8.2 One Legal will be instructed to draw up the lease.
- 8.3 Asset Management will agree with the successful applicant measures and targets as per the Policy in monitoring the community use and to ensure the building remains as benefit to the community.

9.0 Financial Implications

- 9.1 The rental of the property would provide an annual income of £10000 per annum to the Council.
- 9.2 The works required to the property to make it lettable will cost approximately £50000. This is already budgeted for in the year 24/25

(Finance were consulted in the preparation of this report)

10.0 Legal Implications

- 10.1 The Council has a legal obligation to obtain best consideration when disposing of land. "Best consideration" refers to monetary value and the social or educational impact cannot be taken into account when assessing best consideration. In order to ensure best consideration, regard should be had to advice in respect of the method of marketing to ensure that the statutory requirement is met.

However, the Local Government Act 1972 General Disposal Consent (England) 2003 permits a local authority to dispose of land for less than market value without specific Secretary of State consent where:

- a) the local authority considers that the purpose for which the land is to be disposed is likely to contribute to the achievement of any one or more of the following objects in respect of the whole or any part of its area, or of all or any persons resident or present in its area;
- i) the promotion or improvement of economic well-being;
 - ii) the promotion or improvement of social well-being;
 - iii) the promotion or improvement of environmental well-being; and
- b) the difference between the unrestricted value of the land to be disposed of and the consideration for the disposal does not exceed £2,000,000 (two million pounds).

As the land will be used for community purposes then it is likely that one or more of the above criteria will be met.

- 10.2 If the land has the benefit of covenants (either restrictive or positive), legal advice should be sought on how to protect their enforceability on disposal of the land.
- 10.3 The property is within an area of public open space. Section 123 (2A) of the Local Government Act 1972 provides that before disposal of public open space by way of lease, the Council must first advertise such proposed disposal in a local newspaper for two consecutive weeks and to consider any objections.

(One Legal have been consulted in the preparation of this report.)

11.0 Risk & Opportunity Management Implications

11.1 There are no adverse risks associated with proposed course of action.

12.0 People Impact Assessment (PIA) and Safeguarding:

12.1 The PIA Screening Stage was completed and did not identify any potential or actual negative impact; therefore, a full PIA was not required.

13.0 Community Safety Implications

13.1 None

14.0 Staffing & Trade Union Implications

14.1 None

Background Documents: None