



Committee and Date

Cabinet

27 February 2019

Item

Public

**COMMUNITY ASSET TRANSFER:
MUCH WENLOCK YOUTH CENTRE**

Responsible Officer: Mark Barrow, Director of Place

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1.0 Summary

- 1.1 As part of the Council's core objective to strengthen our local towns and villages, the Strategic Asset Management team are working with town and parish councils, as well as the voluntary sector, to enable the transfer of suitable land and buildings to community groups and organisations. The Community Asset Transfer (CAT) policy provides a framework and guidance to assess which transfers are viable and implement their transfer.
- 1.2 The policy contributes to the Council's objectives as set out in the Asset Management Strategy Section 5: *Commission and work in partnership to empower communities*. The policy is to release where appropriate non-core assets, through freehold transfer or leasehold transfer, to communities reducing revenue or maintenance burdens.
- 1.3 A report summarising the assessment of an application made by 1st Much Wenlock Scout Group ("the Organisation") in respect of the Much Wenlock Youth Centre has been considered by the Director of Place, and the recommendation is to transfer the Much Wenlock Youth Centre by way of an appropriate transfer which, in accordance with the CAT policy, is subject to Cabinet approval.

2.0 Recommendations

- 2.1 That, in principle, the Organisation is granted a 99 year lease as a Community Asset Transfer with delegated authority to the Strategic Asset Manager to agree the terms of disposal and complete the lease to ensure compliance with State Aid Rules and the Council's legislative obligations.

REPORT

3.0 Risk Assessment and Opportunities Appraisal

- 3.1 The Organisation is already operating in the building under a tenancy at will, has public support, and has demonstrated ongoing demand for local scout membership.

- 3.2 The asset transfer will reduce the maintenance burden for Shropshire Council, which currently has full repairing and insuring liabilities.
- 3.3 The asset transfer will enable the Organisation to increase capacity and enable more local residents to attend.
- 3.4 The asset transfer will allow the Organisation to secure funding to refurbish and upgrade the facility, to further improve capacity and quality of provision.
- 3.5 The Scouting movement was founded in 1908 and has a proven record of helping young people develop and improve key life skills. The Organisation has been providing Scouting in the Much Wenlock area for over 40 years.
- 3.6 The Organisation has a clear management structure and a range of experiences and professions are represented on the management team. The Organisation has managed their current HQ for 32 years. They have the skills and experience to manage the asset having funded and overseen £85K worth of improvement works at their current leased location.
- 3.7 A leasehold transfer will ensure that Shropshire Council retains the asset for long-term use, and that there is continued community use.

4.0 Equalities and Diversity Issues

- 4.1 Keeping the building in operation and making it available for local groups will mean its accessibility is secured in the future for the community.
- 4.2 Membership of the Organisation is available to all children and young adults aged between 6 and 18, as well as adults therefore the Organisation is fully inclusive and open to the community to contribute to its future success

5.0 Financial Implications

- 5.1 Shropshire Council currently spends around £2,600 p.a. on the asset. Transfer of the asset would result in a comparable annual saving.
- 5.2 The Organisation may be able to access funds unavailable to Shropshire Council to improve the asset.

6.0 Background

- 6.1 The building was used until a youth centre until 2011. Since then it has been vacant, until the Scouts commenced occupation via a tenancy at will in November 2018.
- 6.2 The property was advertised on the CAT register from 05 January 2018 to 03 April 2018.

7.0 Additional Information

- 7.1 The Organisation is currently occupying the property via a tenancy at will.
- 7.2 The proposed transfer will be structured so it complies with State Aid rules under an appropriate exemption as a sport and multi-functional recreational development.
- 7.3 The proposed grant of the lease for a peppercorn is a sum that is less than market value for a lease of the building. The disposal by way of the grant of the lease at a peppercorn rent is covered by the Circular 6/03 Local Government Act 1972 General Disposal Consent 2003. This consent allows for the disposal of a property at less than best consideration where the disposal contributes to the promotion or improvement of one or more of economic, social and environmental wellbeing in the Council's area and where the difference in value is less than £2 million.
- 7.4 The Organisation's activities contribute to meeting the following Council's priorities:
- Resilient Communities: The range of opportunities for leisure, culture and community participation has increased, with low or no funding.
 - Operation of the Council: Corporate support and reduce overheads.

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)

Shropshire Council Community Asset Transfer Policy

CAT Director Approval Report

Cabinet Member (Portfolio Holder)

Cllr Steve Charmley – Portfolio Holder for Corporate and Commercial Support

Local Member

Cllr David Turner

Appendices

Appendix A – Indicative location plan of site

Appendix B – Director Report