



<u>Committee and Date</u>	<u>Item</u>
Cabinet	
5 January 2022	

Community Asset Transfer Rad Valley Scout & Guide HQ

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1. Synopsis

Copthorne Scout & Guide Management Committee have requested a 99-year lease in the form of a Community Asset Transfer of the Rad Valley Community Centre, Copthorne, Shrewsbury. The transfer will enable them to access grant funding to repair the roof.

2. Executive Summary

- 2.1. Through the Community Asset Transfer (CAT) policy the Asset Management team work with the voluntary sector to enable the transfer of suitable land and buildings to community groups and organisations. The policy enables the release of non-core assets - through freehold transfer or leasehold transfer - to communities; reducing revenue and maintenance burdens, and enabling assets to be developed and enhanced by and for the local community.
- 2.2. An application from The Copthorne Scout & Guide HQ Management Committee ("the Organisation") has been made in respect of the Rad Valley Scout & Guide HQ, Rad Valley Road, Copthorne Shrewsbury, for a CAT in excess of 25 years.
- 2.3. The application has been reviewed by the Director of Place who has determined that the application meets the CAT policy and thus contributes to the Council's aims and objectives.
- 2.4. The recommendation is therefore to transfer the asset to the organisation by way of an appropriate transfer.

3. Recommendation

- 3.1. **That the Organisation is granted a 99-year lease as a Community Asset Transfer with delegated authority to the Head of Property & Development to agree the terms of the transfer and complete the lease to ensure compliance with State Aid/Subsidy Control Rules and the Council's legislative obligations.**

REPORT

4. Risk Assessment and Opportunities Appraisal

- 4.1. A CAT panel comprising of Shropshire Council Property and Development officers assessed the Organisation's application. Reviewed with reference to, and in accordance with, the CAT policy, the panel determined that the application meets the requirements of the policy and contributes to the Council's aims and objectives. A summary of the panel's findings and recommendations to the Director of Place is in Appendix A.
- 4.2. The Organisation erected the building on former SABC land. It has provided Scouting and community services from the building since 1974. The Organisation has public support and has demonstrated ongoing demand for local scout and guide membership in the local area.
- 4.3. The Scouting movement has a proven record of helping young people develop and improve key life skills. The organisation is inclusive and community focused; membership is available to all children and young adults aged between 6 and 18, as well as adults.
- 4.4. 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 over 40 years; they have the skills and experience to manage the asset.
- 4.5. The asset transferred to Shropshire Council as part of the 2009 Local Government reorganisation. The lease agreed between the Organisation and SABC cannot be traced, but is likely to have several years unexpired. Any transfer would be on the basis of existing agreements being terminated thus protecting the Council's position for the future.
- 4.6. The building requires investment. The flat roof is in particularly poor state of repair due to age. But without security of tenure, external funding opportunities for the Organisation are limited. A long

leasehold transfer of 99 years will give that security to the Organisation. Better access to funding will enable the Organisation to better meet community need by increasing quality and quantity of provision, through refurbishing and upgrading the building.

- 4.7. The freehold ownership will remain with the Council to ensure long-term community use and benefit.
- 4.8. As the Organisation is likely to have a protected tenancy, if the CAT is not progressed, the Council will need to negotiate another form of lease to clarify responsibilities.

5. Financial Implications

- 5.1. The organisation already operates and maintains the building, therefore a transfer of the asset has no revenue cost or saving financial impact to the Council.
- 5.2. The transfer will increase opportunities for the Organisation to access external funds (some of which are unavailable to Shropshire Council) to improve the asset.
- 5.3. The Planning Authority have confirmed the site could be suitable for alternative uses, including residential or commercial use. The Council would be foregoing a potential capital receipt in allowing the transfer to take place, but if located, the current lease may preclude a capital receipt for several years in any event. A capital receipt would only be possible by evicting the Organisation who have provided a valuable community service since 1974.
- 5.4. 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.
- 5.5. The proposed transfer will be structured so it complies with State Aid/Subsidy Control rules under an appropriate exemption as a sport and multi-functional recreational development

6. Climate Change Appraisal

- 6.1. Government grants may be available to upgrade the heating, lighting and insulation of the building to reduce carbon emissions and energy costs and to fit solar panels to help further reduce energy costs. The purchaser will be encouraged to work with the Energy Savings Trust, the Shropshire Climate Action Partnership or other sources of trusted advice to identify potential improvements and explore potential funding opportunities.

7. Background

- 7.1. Contributing to the Council priority of *sustainable places and communities*, The CAT policy meets the following Asset Management Strategy objectives:

- Treating all assets strategically and corporately
- Empowering communities to thrive

- 7.2 The policy aligns with the following organisational principles:

- Put Shropshire back into the community
- Focus on outcomes for customers
- Make decisions based on current data and intelligence
- Provide value for money
- Continuously improve performance
- Empower effective collaborations for positive change

8. Additional Information

- 8.1. None.

9. Conclusions

- 9.1. A lease needs to be put in place to reflect the Organisation's occupation.
- 9.2. A Community Asset Transfer is considered an appropriate leasing arrangement given the nature of the Organisation and its alignment with CAT policy and corporate aims and objectives.
- 9.3. The CAT policy provides a framework and guidance to assess which transfers are viable and implement their transfer. The proposed transfer has been determined as viable.
- 9.4. The policy requires that before implementation, viable asset transfers of more than 12 years are approved by Cabinet.

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 Dean Carroll – Portfolio Holder for Corporate and Commercial Support

Local Member

Appendices

Appendix A – Indicative location plan of site

Appendix B – Director Report