

23 February 2015

Agenda Item: 7a

## **REPORT OF SERVICE DIRECTOR TRANSPORT, PROPERTY & ENVIRONMENT**

### **DUKERIES LEISURE CENTRE, NEW OLLERTON - SITE TRANSFER**

#### **Purpose of the Report**

1. To seek approval to the transfer of the site of The Dukeries Leisure Centre, New Ollerton to Newark and Sherwood District Council on terms detailed in this report.

#### **Information and Advice**

2. The Dukeries Leisure Centre at New Ollerton is located in the middle of The Dukeries Complex. It is surrounded by The Dukeries Academy but, as it does not form part of the school, was excluded from the recent Academy Conversion transfer.
3. The Leisure Centre is operated and funded by Newark and Sherwood District Council (NSDC). It is not, nor has it ever been, the subject of any "joint use" arrangements. The building does, however, sit on land owned by the County Council.
4. Several years ago, the Leisure Centre was comprehensively redeveloped using funding entirely supplied by NSDC. Operation of the Leisure Centre has, throughout, been entirely at the cost of NSDC.
5. NSDC propose to place the Leisure Centre in to the control of a leisure Trust to safeguard the long term operational future of the Leisure Centre. This proposal has highlighted the anomaly which exists whereby the Centre (funded and operated by NSDC) sits on land which is owned by the County Council. This anomaly would prevent the proper transfer of the Centre's operation to the Trust.
6. It is proposed to resolve that anomaly by transferring the freehold interest of the Leisure Centre to NSDC for the nominal consideration of £1. The proposed transfer would contain a Right of Pre-Emption allowing the County Council to re-acquire the site (also for a nominal consideration of £1) in the event that the property ceased to be used as a leisure centre (or similar public recreational facility), or for cultural uses (for example, dance or arts use) and ancillary and retail uses which are entirely ancillary to the main uses of recreational and cultural purposes (e.g. vending machines, café etc.). In that event the County Council would have the right to acquire the leisure centre from the District Council for the sum of £1 after first giving the District Council 6 months' notice in writing that it wished to exercise the Right of Pre-Emption.
7. The transfer at £1 represents a sale at less than best value, as defined by s123 Local Government Act 1972. The full value of the site, having regard to its location is

assessed as being in the region of £35,000. Paragraph 20.3.6.1 of the Council's Financial Regulations provide that, where only one party is interested or is to be invited to submit a signed contract, the Service Director, Transport, Property and Environment, in consultation with the Chairman of Finance and Property Committee shall take a decision after discussing the circumstances with the Group Manager for Legal Services and the Section 151 Officer.

8. The circumstances which permit the Authority to depart from the requirement to achieve best value are contained in the General Consent Order [The Local Government Act 1972: General Disposal Consent (England 2003)]. The Order lays down no specific process, but simply requires that the following matters are considered:-

- 8.a.i. 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;

- 8.a.i.1. The promotion or improvement of economic well-being;

- 8.a.i.2. The promotion or improvement of social well-being;

- 8.a.i.3. The promotion or improvement of environmental well-being; and

- 8.a.ii. 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).

9. It is considered that this proposal satisfies Paragraph 8.a.ii above and no concerns have been raised about the transaction out of the consultation referred to at Paragraph 7 above.
10. The proposed freehold transfer would also contain the grant of suitable access/servicing rights through the surrounding Dukeries Complex in order to facilitate proper use of the leisure centre. Suitable rights have been reserved out of the lease to the Academy following conversion, so the County Council are in a position to grant such rights. Each party will bear its own costs in connection with the Transfer.
11. The rationalisation of interests which this transfer will bring will facilitate the incorporation of the Centre in to the leisure Trust proposed by NSDC.
12. This proposal was approved by the Policy and Finance Committee of NSDC at its meeting on 4<sup>th</sup> December 2014.

### **Other Options Considered**

13. This is the only sensible and realistic rationalisation that would realise the aspiration to have the operation of the Leisure Centre in to a leisure Trust.

### **Reason/s for Recommendation/s**

14. To rationalise the property interests as between the County Council and NSDC in respect of The Dukeries Leisure Centre.

## **Statutory and Policy Implications**

15. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, the NHS Constitution (Public Health only), the public sector equality duty, safeguarding of children and vulnerable adults, service users, sustainability and the environment and ways of working and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

## **RECOMMENDATION/S**

- 1) That the transfer of the freehold interest in the site of The Dukeries Leisure Centre, New Ollerton to Newark and Sherwood District Council be approved, on terms detailed in this report.

**Jas Hundal**

**Service Director – Transport, Property & Environment**

**For any enquiries about this report please contact: Ian Brearley 0115 9774840**

## **Constitutional Comments (EP 09.01.2015)**

16. Provided that the Group Manager for Legal and Democratic Services and the S151 Officer approve this transaction in accordance with the Council's Financial Regulations, the recommendation falls within the remit of the Finance and Property Committee by virtue of its terms of reference.

## **Financial Comments (TR 20.01.2015)**

17. The S151 Officer approves this transaction.

## **Background Papers and Published Documents**

18. None

## **Electoral Division(s) and Member(s) Affected**

19. Ward(s): Ollerton  
Member(s): Councillor Mike Pringle

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Properties affected: 02688 - Dukeries Leisure Centre