Form MO1



Officer Decision Record – Key Decision

Key decisions taken by an officer are subject to the 5-day call in period from circulation to Members, and therefore the decision will be released for implementation following the call-in period and no call in being received.

1. Cabinet date and copy resolution this key decision relates to

Freehold disposal of Kent Street MUGA and Skate Park (the "Site")

Cabinet previously resolved at its meeting of 10 February 2021 that the original cabinet decision of 9 December 2020 be reaffirmed; with the completion of a full, repairing, and insuring lease of the subject Site for a term of 99 years at a peppercorn rent (£1 per annum if demanded) to Corinthians Complex Community Interest Company (CIC).

"DN.89 KENT STREET MUGA AND SKATEBOARD / BMX PARK AT 41 KENT STREET, GRIMSBY, DN32 7DJ

Cabinet considered a report from the Deputy Leader and Portfolio Holder for Finance, Resources and Assets following the scrutiny consideration of the call in heard by the Economy Scrutiny Panel on the 12th January in relation to the above. RESOLVED –

1. That the recommendation from the Economy Scrutiny Panel of 12th January 2021 (see section 7) be acknowledged and whilst implementing recommendation 2 below, authority be delegated to officers to engage with the skateboard / BMX community, to explore reasonable options and assisting, supporting and signposting the Group to enable access to any available grant funding for relocating the skateboard / BMX park, with a further report back to Cabinet once options have been fully appraised;

2. That the original cabinet decision of 9th December 2020 with the completion of a full, repairing, and insuring lease of the subject Site for a term of 99 years at a peppercorn rent (£1 per annum if demanded) to Corinthians Complex Community Interest Company (CIC), be reaffirmed;

3. That authority be delegated to the Executive Director of Environment, Economy and Resources in consultation with the Portfolio Holder for Finance, Resources and Assets, authority to:

3.1 reasonably explore all opportunities as outlined in this report with a view to assisting, supporting and signposting the skateboard and BMX communities to enable them to access any available grant funding and for them to become self-sufficient; and

3.2 settle all terms and ensure that all necessary actions are carried out to complete the lease disposal at Recommendation 2.

4. That the Monitoring Officer be authorised to complete and execute all requisite legal documentation in relation to the matters outlined above.

REASONS FOR DECISION - The Scrutiny recommendation (Recommendation 1 above) asks Cabinet to give some assurance that any new provision for a skateboard/ BMX facility will be in place before the skateboarding and BMX community are asked to relocate from the current skateboard/BMX park. Therefore it is recommended Cabinet acknowledges the scrutiny recommendation as well as continues to implement the original recommendation for a transfer, by way of a lease, of the Site. OTHER OPTIONS CONSIDERED – See Cabinet report of the 9th December 2020.

To delay the lease of the Site to the Corinthians Group would result in the potential loss of investment and use of the MUGA site. Should the Corinthians Group have no choice but to withdraw from the potential lease, the facility will be left vacant and continue to deteriorate in condition, resulting in an increase in vandalism, anti-social behaviour and a negative effect to the street scene resulting in rising costs to the Council. This is not considered a viable option.

Unfortunately, Corinthians were unable to progress with the proposal and confirmed that they would be in support of other similar uses being brought forward to the site. As such, the Site was placed on the open market following an instruction to PPH Commercial in July 2022 and various parties showed initial interest. The marketing exercise resulted in one (1) formal offer being received.

A further interest that had been received was subject to a site visit and committee decision before being formalised. Confirmation this intertest would not be progressed was received on the 24 January 2023.

The preferred offer is listed below and is based on a freehold disposal of the entire site, subject to an overage to protect the Council in the event the Site be used for other purposes other than open space/ games area or look to dispose within 15 years from the date of completion.

Offer 1 (preferred)

YMCA Humber

Freehold sale at £30,000 and statement of investment estimated at £322,000; subject to and Overage Agreement

Offer based on a detailed technical review of the existing surfaces, fencing, lighting and changing facilities, along with the cost associated with bringing all of these to an appropriate level for sustained usage. Based on the current condition there is an approximate investment required as detailed below –

Multi-use pitch – \pounds 100,000 investment to achieve an appropriate standard for regular sports team usage.

Hard Court surface - £25,000 for resurfacing to allow community usage.

Floodlighting and fencing - £27,000 to upgrade to be energy efficient

Changing facilities - £20,000 to upgrade to a minimum standard

Skate Park - £150,000 either make good current provision or replace with suitable alternative.

Due to the success of [the above and] our positive engagement with the broader East Marsh community, it is the intention of YMCA Humber to significantly invest in the infrastructure of the Kent Street MUGA to –

Provide community facilities on the hard court and skate park areas.

Continue developing and expanding our youth provision to support the physical wellbeing of children and young people within the East Marsh and wider area. Develop an exceptional quality multi-use pitch area for local sports clubs to hire.

2. Subject and details of the matter (to include reasons for the decision)

Approval to complete the freehold disposal of the subject Site to the preferred bidder for the price of £30,000, subject to an Overage Agreement, which demonstrates the

'best price reasonably obtainable' following a period of exposure on the open market. The sale is unconditional, and proof of funds have been obtained in support of the purchase.

3. Decision being taken

That the Executive Director Place and Resources, in consultation with the Portfolio Holder for Finance, Resources and Assets, settle all terms and ensure that all necessary actions are carried out to complete the freehold disposal.

That the Assistant Director Law and Governance (Monitoring Officer) be authorised to complete and execute all requisite legal documentation in relation to the matters outlined above.

4. Is it an Urgent Decision? If yes, specify the reasons for urgency. <u>Urgent</u> <u>decisions will require sign off by the relevant scrutiny chair(s) as not subject</u> <u>to call in.</u>

No.

5. Anticipated outcome(s)/benefits

That the freehold of the Site be sold resulting in a capital receipt and the Site being improved and brought back in to full use for the benefit of the local Community. This will also improve the street scene in this area of the Borough.

6. Details of any alternative options considered and rejected by the officer when making the decision (this should be similar to original cabinet decision)

To do nothing would see the Site continue to be under-utilised and the condition of the Site deteriorate and be subject to Anti-Social Behaviour (ASB). The repair and maintenance obligations and cost would rest with the Council. This would result in a negative impact to the community and street scene. This is not a viable option.

All opportunities for the Site have been considered. A long-term lease has been considered previously, which unfortunately was unable to progress. However, given the type and location of the Site, the Council does not require the retention of an element of control. There are no conditions set out as part of the proposed freehold transfer of the Site and the basis of the preferred offer and proposed use will mitigate

any risks to the Council of the Site not being used. Further safeguards will be placed on the disposal for a period of time should the use change within that period.

7. Background documents considered (web links to be included and copies of documents provided for publishing)

Cabinet Report - <u>https://democracy.nelincs.gov.uk/wp-content/uploads/2020/06/9.-</u> Kent-Street-MUGA-and-Stakeboard-BMX-Park.pdf

Decision Notice - <u>https://democracy.nelincs.gov.uk/wp-</u> content/uploads/2020/06/Decision-Notice-10th-February-2021-PDF-158KB.pdf

8. Does the taking of the decision include consideration of Exempt information? If yes, specify the relevant paragraph of Schedule 12A and the reasons

N/A

9. Details of any conflict of interest declared by any Cabinet Member who was consulted by the officer which relates to the decision (in respect of any declared conflict of interest, please provide a note of dispensation granted by the Council's Chief Executive)

N/A

10. Monitoring Officer Comments (Monitoring Officer or nominee)

The decision is consistent with the will of Cabinet and the recommended delegations. It also demonstrates the 'best price reasonably obtainable' as outlined. Legal Services will support as appropriate.

11. Section 151 Officer Comments (Deputy S151 Officer or nominee)

The freehold disposal of this site would generate a capital receipt to the Council, which it would be able to re-invest into the Council's Capital Investment Programme. On disposal, all operational costs and ongoing repair and maintenance obligations will transfer to YMCA Humber, who also plan to significantly invest in the infrastructure of the Kent Street MUGA bringing it back into full use for the benefit of the local Community.

12. Human Resource Comments (Head of People and Culture or nominee)

There are no direct HR implications.

13. Risk Assessment (in accordance with the Report Writing Guide)

The risk to the Council in progressing with a freehold disposal to the preferred bidder is considered minimal. The Council has been assured that funds are in place to acquire the Site.

Future risks will be passed to and remain with the purchaser in respect to the Site and the operational costs and the obligation of repair and maintenance to an acceptable standard to ensure ongoing use, as well as investment opportunities.

There are no identifiable environmental sustainability implications because it is the intention that the condition of the Site will be improved and thereafter maintained based on an operational use. The investment and usage will be a positive reflection to the street scene and will remove the financial commitments of the Council.

14. Has the Cabinet Tracker been updated with details of this decision?

N/A

15. Decision Maker:

Name: Sharon Wroot

Title: Executive Director, Place and Resources

Signed: REDACTED

Dated: 01.03.23

16. Consultation carried out with the Portfolio Holder:

Name: Cllr Stephen Harness

Title: Portfolio Holder for Finance, Resources and Assets Dated: 1st March 2023

Signed: REDACTED

Appendix One

