

APPENDIX P

WAVERLEY BOROUGH COUNCIL EXECUTIVE – 9TH APRIL 2013

Title:

PROPERTY MATTERS

**[Portfolio Holders: Cllrs Mike Band,
Stephen O’Grady and Julia Potts]
[Wards Affected: All]**

Note pursuant to Section 100B(5) of the Local Government Act 1972

Annexes to this report contain exempt information by virtue of which the public is likely to be excluded during the items to which the report relates, as specified in Paragraph 3 of the revised Part I of Schedule 12A to the Local Government Act 1972, namely:-

Information relating to the financial or business affairs of any particular person (including the authority holding that information).

Summary and purpose:

To consider a number of property-related issues in the borough outlined below.

How this report relates to the Council’s Corporate Priorities:

The proposals contained within this report will contribute towards a number of the Council’s corporate priorities:-

- Value for Money – The proposal should bring financial savings to the Council whilst maintaining a high quality provision of sports facilities in the borough. It will also ensure our activities are customer focused whilst providing good value for money.
- Leisure and Lives – Through improving opportunities for all to take part in sport and recreation, and protecting the status of recreation grounds for formal and informal recreation. The provision of high quality and well maintained sports and recreational areas will improve the quality of life for children, young people, adults and the more vulnerable in society.
- Environment – Seek to improve the carbon footprint of sports facilities across the borough, through encouraging better energy usage and improved energy conservation when constructing or developing buildings.

Financial Implications:

Resource implications are set out in the (Exempt) Annexes to this report but specific details are noted below.

- Broadwater Sports Club Limited - While the works will not provide Waverley with increased rental income, they will provide better facilities for the community at no cost to Waverley.
- Badshot Lea Tennis Club - This proposal is cost-neutral because the Council will save an estimated £600 as a result of the Club undertaking maintenance works under the terms of the new lease, with this amount being allocated to the Club in the form of rent-related grant to be deducted from the new rent.

This is advantageous to the Council because it will no longer need to manage the works directly and because an element of risk is transferred away from the Council.

- Tanners Lane Car Park - The proposed extension of the agreement will enable Waverley to continue to provide a car park as a facility for the public on a pay and display basis. The rent due to Surrey County Council and the operating costs will be covered by the income from the car park.

Legal Implications:

- Broadwater Sports Club Limited - Legal negotiations on the proposed lease have been extended. Agreement to an extended lease will only be implemented provided that all other terms and conditions of the lease are agreed.
 - Tanners Lane Car Park and Badshot Lea Tennis Club - Officer time will be involved in preparing the documentation. Each party is to bear its own legal costs.
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1. Introduction

- 1.1 Authorisation is sought for the property-related issues detailed individually below.

2. Lease to Broadwater Sports Club Limited of Land at Broadwater, Guildford Road, Godalming

- 2.1 Broadwater Sports Club Limited (formerly Guildford Rugby Club) has undertaken a major redevelopment of its pavilion. To obtain grants and ensure that its expenditure on the works is fully utilised. It sought to surrender its existing lease and take a new lease of 35 years, the proposal for which was agreed by the Executive on 7th December 2010. Authorisation is now sought to extend the proposed new lease to 50 years.
- 2.2 Negotiations for the new lease have been very long, largely for reasons outside of both parties' control. However, one point has proven particularly difficult. In the original lease, there was a clause by which Waverley would "buy" the pavilion at the end of the lease. The club is seeking to retain this proposal in the new lease but officers are resisting it as it leaves Waverley vulnerable to a future unknown liability.
- 2.3 The club has offered a compromise. It is prepared to agree to the removal of the buyback provision provided that the proposed lease length is extended from 35 years to 50 years. It considers that the lease would then be long enough to cover the costs that it will be putting into new building works for the pavilion.
- 2.4 The present lease to the club was for 56 years from 1974. This lease was presumably to cover the construction of the squash courts that obtained planning permission in 1975. It would appear reasonable for the present lease to mirror the original length of the existing lease given the capital that the club is raising to make the pavilion meet present changing facility

requirements and disabled access. The club is also providing upgraded social and community facilities that will be available to supplement their income. This will assist in future developments of the site.

- 2.5 Broadwater Sports Club is a community club that provides excellent junior and women's rugby as well as hockey and bowls (on land leased from Guildford BC). It has proven to be a good tenant over the years. Extending the proposed lease from 35 to 50 years would appear to be a sensible way to support the club with little disadvantage for Waverley. The site is within the Green Belt and is subject to covenants against development.

3. Badshot Lea Tennis Club Grant of New Lease

- 3.1 Badshot Lea is a small tennis club with two courts and a small pavilion on the edge of Badshot Lea Recreation Ground. The leased area is shown outlined on the plan at Annexe 1a. Authorisation is sought for the renewal of Badshot Lea Tennis Club's lease on modern terms and for a period of 28 years.
- 3.2 The club is holding over on a lease of 28 years from 1984 at a rent of £20 pa. The terms of the existing lease require modernisation in order to ensure that the club meets Waverley's Corporate Priorities by providing tennis facilities for the people of Badshot Lea. It is proposed that the new lease should be in the standard form for sports facilities leases by setting out those areas that the club should maintain throughout the term of the lease but also allowing for a Service Level Agreement that can be modified over the term to meet changing needs. These terms and conditions are set out in the (Exempt) Annexe 2a.
- 3.3 The 30 year term proposed for the lease will be sufficient to allow the club to seek grant aid for improvements to the courts and pavilion during the next few years. These improvements are necessary in order to create a modern facility that will attract a wider number of participants in the sport.

4. Lease from Surrey County Council of Tanners Lane Car Park

- 4.1 Authorisation is sought to enter into a new lease with Surrey County Council of the car park shown outlined on the plan at Annexe 1b. Waverley is holding over on a lease of the above car park that expired on 01/01/2008. Negotiations have been ongoing since that time and have proved extremely difficult to achieve a rental level and certainty of term that Waverley needs. Surrey has, however, recently proposed heads of terms that provide an acceptable compromise. These are set out in the (Exempt) Annexe 2b.
- 4.2 The car park at Tanners Lane is operated on a pay and display basis which brings the Council an annual income that covers the rent payment.
- 4.3 The car park is one of three car parks in the centre of Haslemere. The car park has 46 spaces. The current charges are: up to two hours 50p; and over two hours £3.50. The car park provides an opportunity for motorists who wish to park for long periods during the day in the town centre. This is not encouraged through pricing policy at the main car park used by shoppers.

- 4.4 The car park adds to the town centre parking stock which is under some pressure and acts as an overflow during peak periods. In this respect, it is considered that good use is being made of the land at Tanners Lane as a car park which appears to be serving the town and community well and is good value for money.
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Recommendation

It is recommended that

1. The proposed new lease to Broadwater Sports Club Limited be extended from 35 to 50 years.
 2. A new 30 year lease be granted to Badshot Lea Tennis Club, on the terms and conditions set out in the (Exempt) Annexe 2a, other terms and conditions to be agreed by the Estates and Valuation Manager.
 3. Waverley enters into a new lease with Surrey County Council for the car park in Tanners Lane, shown outlined on the plan at Annexe 1b, on terms and conditions set out in the (Exempt) Annexe 2b, other terms and conditions to be negotiated by the Estates and Valuation Manager.
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Background Papers

There are no background papers (as defined by Section 100D(5) of the Local Government Act 1972) relating to this report.

CONTACT OFFICER:

Name: Ailsa Woodruff

Telephone: 01483 523459

E-mail: ailsa.woodruff@waverley.gov.uk