

WAVERLEY BOROUGH COUNCIL

EXECUTIVE – 7 FEBRUARY 2017

Title:

HASLEMERE BOWLING CLUB - REQUEST FOR SURRENDER OF EXISTING AND GRANT OF NEW LEASE

[Portfolio Holders: Cllrs Tom Martin and Kevin Deanus]

[Wards Affected: Haslemere East and Grayswood]

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

An annexe to this report contains exempt information by virtue of which the public is likely to be excluded during the item to which the report relates, as specified in Paragraph 3 of 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:

Haslemere Bowling Club has approached the Council for consent to surrender their existing lease of the Pavillion land and to take a new long lease of both the Pavilion land and the Bowling Green itself.

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

The proposal contained within this report supports the Corporate priority of Value for Money. It also supports the corporate priority of Community Wellbeing by providing a leisure and recreational facility.

Financial Implications:

The proposal for the bowling club to take responsibility for the whole site reduces the Council's committed expenditure (green maintenance provided by Glendale) by more than the lost income (from green rental). During the five year hand over period the irrigation system maintenance commitment is also reduced by 50%, and completely there after.

Legal Implications:

Haslemere Bowling Club currently has a lease of the pavilion for a term of 75 years from 1st May 1994 (lease dated 3rd April 1996 "Original Lease"). It does not have a formal lease of the bowling green. However, the Bowling Club may have a protected tenancy if it has been in exclusive occupation paying a "rent" for an appropriate period of time.

Waverley BC holds a freehold interest in both the pavilion and the bowling green and therefore can grant a lease of both to the Bowling Club. A Deed of Surrender will need to be completed and a new lease granted.

Prior to granting the new lease to the Bowling Club consent from Fields in Trust will need to be obtained in accordance with the terms of the Deed of Dedication dated 17th April 2015.

Introduction

1. Haslemere Bowling Club currently 'lease' the land from us on which their Pavilion building sits at a 'rent' and they 'hire' through Leisure, the bowling green for an annual fee, both of which are detailed in the (Exempt) Annexe.
2. The Pavilion is maintained by the Bowling Club. The Bowling green and it's surrounding hedges are maintained by way of a contract between Waverley BC and Glendale. The irrigation system is also maintained by the Council. In total, the maintenance costs incurred by Waverley BC exceed the revenue received, resulting in an annual net shortfall, as set out in the Exempt Annexe.
3. Under the current financial predictions that the Council faces, pressure will be put on budgets and whilst these cannot yet be quantified, is likely all non-discretionary services and the operation of them will have to be reviewed. So in order to minimise shortfalls such as this, the Green fee charges to the Bowling Club would have to be increase annually until Waverley is in a cost neutral position. This is further detailed in the Exempt Annexe.
4. This is something the Bowling Club are aware of and as such, they wish to have more certainty and control over their annual outgoings. In order to facilitate this, the Club wishes to take a new lease to cover the whole of the Bowling Green area and also to take over the Green maintenance themselves by appointing their own contractor. This arrangement is considered to be beneficial to Waverley in that it will ensure that the management and maintenance of the green and the majority of its associated costs will be passed to the Bowling Club under a proper tenancy arrangement.
5. Outline terms have therefore been agreed for a simultaneous surrender of the existing lease of the Pavilion land, and the grant of a new 30 year lease encompassing the pavilion land and bowling green, at a rent which is detailed in the Exempt Annexe.
6. As the Club does not wish to be exposed to the full cost of repairing and/or replacing the irrigation system, negotiations have concluded with the agreement that Waverley Borough Council will ensure the irrigation system is fully functioning at the start of the lease (anticipated in April 2017) by repairing or replacing parts where necessary. Waverley Borough Council will also contribute towards the cost of replacement of major items (tank, pump, control panel etc.) during the first five years of the lease and details of this are provided in the Exempt Annex.

Conclusion

7. The transaction that consent is being sought for offers financial and management benefits to both Waverley Borough Council and Haslemere Bowling Club and it is proposed to structure a new lease that reflects the way the Club and land is used.

Recommendation

It is recommended that approval be given to the surrender of the current lease to Haslemere Bowling Club and consent to the simultaneous grant of a new lease on the proposed terms.

Background Papers

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

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