

Meeting of:	Cabinet
Date of Meeting:	Monday, 30 November 2020
Relevant Scrutiny Committee:	Healthy Living and Social Care
Report Title:	New Lease for Penarth Athletic Club – External Changing Rooms
Purpose of Report:	To seek approval to grant a new lease to the Penarth Athletic Club for former external changing rooms.
Report Owner:	Cabinet Member for Leisure, Arts and Culture
Responsible Officer:	Miles Punter - Director of Environment and Housing Services
Elected Member and Officer Consultation:	<p>Matt Sewell - Accountant Neighbourhood Services</p> <p>Lorna Cross - Operational Manager - Property</p> <p>Committee Reports - Legal</p> <p>Cabinet Member for Leisure, Arts and Culture</p>
Policy Framework:	This a matter for Executive decision by Cabinet
<p>Executive Summary:</p> <ul style="list-style-type: none"> • This report seeks Cabinet approval to grant a new 5-year lease to Penarth Athletic Club for unused former external changing rooms that the club have refurbished into a new fitness facility for Club members. • The Club has refurbished the building, creating a new fitness facility though has only recently realised they do not have a lease in place for this building. This report seeks to regularise this position, recognising the significant work undertaken to a building previously thought to only be suitable for demolition. • The Penarth Athletic Club is currently working with the Council in connection with the single use sports site programme that has seen the successful transfer of Bowls facilities to a self-management model. 	

Recommendations

1. That authority is granted to the Director of Environment and Housing services, consultation with the Head of Finance/Section 151 Officer and the Cabinet member for Leisure, Arts and Culture to agree terms and conditions for a 5 year lease for the former external changing rooms to Penarth Athletic Club at Penarth Athletic Field to enable the facility to be under-leased to the Penarth Rugby Club to be used by club members only as a fitness room.
2. That the Head of Legal and Democratic Services be authorised to prepare, complete and execute the required legal documentation for the new lease arrangement.

Reasons for Recommendations

1. To allow the Penarth Athletic Club to bring a redundant building back into use at no cost to the Council to be used exclusively by Penarth Rugby Club as a fitness facility.
2. To legally formalise an appropriate lease arrangement.

1. Background

- 1.1 An application has been received from Penarth Athletic Club to lease the former external changing rooms at the site that were decommissioned a number of years ago. Penarth Rugby Club, who are part of the Athletic Club (as are the Cricket Club), have undertaken a refurbishment of the area, with the assistance of grant aid, to restore the rooms to a usable condition providing a new fitness facility for members of the Club. The Club were under the impression that their existing lease covered these premises when carrying out the refurbishment but have subsequently discovered this is not the case.

2. Key Issues for Consideration

- 2.1 The facilities, prior to the refurbishment, were a liability to the Council and were likely to require demolishing, at a cost to the Council. The Athletic Club already has a lease for much of the area where the changing rooms are located. Appendix A shows the location of the external changing rooms (shaded in red) and the area currently leased to the Athletic Club. As the grant for the refurbishment was given directly to Penarth Rugby Club an underlease may be required to comply with the grant conditions.
- 2.2 The Athletic Club are also aware of the Council's long term aim of single use Sport sites and prior to the pandemic a number of favourable meetings had been held as the Club looked at a self-managing model it is aware that it will need to adopt in the future. The provision of on-site fitness facility will assist with adapting to this change in the future.

- 2.3** It is therefore proposed to offer a 5-year lease for the former external changing rooms, on a full repair and maintain basis, to allow the club to develop a fitness facility for members. The length of the proposed lease will then allow all leases at this site to be renewed at the same time.

3. How do proposals evidence the Five Ways of Working and contribute to our Well-being Objectives?

- 3.1** The proposals contained in this report are consistent with the Council's aim of the self-management model proposed for single use sports grounds across the Vale of Glamorgan. The proposed lease will assist in supporting a self-sustaining model that is already showing benefits in other sporting contexts, notably Bowling Greens. These benefits have included a higher quality of provision in the majority of cases and clubhouses being used for more activities as clubs look to increase revenue.
- 3.2** The proposals in this report contribute to the Council's partnership working which in turn contributes to overall Corporate Well-being objective of an Active and Healthy Vale.
- 3.3** Through the Council's transformational change programme, Reshaping Services, we have sought to ensure priority services are maintained at a time of budgetary constraints. By identifying new ways of working, these proposals build on existing work undertaken through Reshaping Services and ensure that the Council can continue to work towards the delivery of our Well-being Objectives.
- 3.4** The proposals in this report are also consistent with the new Corporate Plan.

4. Resources and Legal Considerations

Financial

- 4.1** The proposed new lease will be agreed with the Club, recognising the investment they have made to this structure.

Employment

- 4.2** No additional jobs will be created as a result of re-establishing use of this area.

Legal (Including Equalities)

- 4.3** The term for the new lease is recommended to be five years from 1st July 2020. This allows it to tie in with the Cricket club lease allowing discussions and renewals of all existing leases within the Athletic Club at the same time thereby reducing the administration and any costs associated.
- 4.4** The Council has the power under s.123 of the Local Government Act 1972 to dispose of property in any manner it wishes, including the granting of a lease. The only

constraint is that the disposal must be for the best consideration reasonably obtained if the lease term is over 7 years and unless certain conditions are met. As stated, the proposed lease in this matter is 5 years and it will be contracted out of the Landlord and Tenant Act 1954.

5. Background Papers

None.

Appendix A



Pavilion

Existing Lease

L Twrs

Old Changing Rooms

Cricket Ground