



REPORT TO: COUNCIL

DATE: 5 SEPTEMBER 2013

REPORT OF THE: CORPORATE DIRECTOR (s151)
PAUL CRESSWELL

TITLE OF REPORT: RYEDALE INDOOR BOWLS CENTRE – LICENCE TO OCCUPY

WARDS AFFECTED: ALL

EXECUTIVE SUMMARY

1.0 PURPOSE OF REPORT

1.1 This report presents to Members a request for a licence to occupy the Council property formally leased to the Ryedale Indoor Bowls Club to a new organisation the Ryedale Indoor Bowls Centre for the period 6 September to the 26 December 2013.

2.0 RECOMMENDATION

2.1 Officers are not making a recommendation. Members are asked to consider whether to accept the request for a Licence.

3.0 REASON FOR RECOMMENDATION

3.1 Members have already taken a decision at Full Council on 6 September 2012 to sell the RIBC with vacant possession, this report considers use of the building up to the point where a sale could be agreed.

4.0 SIGNIFICANT RISKS

4.1 The perceived risk may be that allowing usage of the building may affect the planned sale of the building. This is mitigated by fact that any licence would be for a set period which would end before the asset can be sold and no occupancy rights would be conferred.

4.2 It is a risk that the temporary tenant cannot financially achieve their business plan projections. This risk is mitigated in part by the receipt of rent in advance. In the event that they defaulted on the rent or utility cost obligations the Council would have the power to revoke the licence at any point during the period of occupation.

5.0 POLICY CONTEXT AND CONSULTATION

5.1 This property is an investment asset of the Council, Bowls provision is not a Council

service. Providing sale of the property could be achieved once legally permitted there are no policy issues around the consideration of a Licence to Occupy.

5.2 No Consultation has been undertaken on this report.

REPORT

6.0 REPORT DETAILS

6.1 At Council on the 6 September 2012 Members resolved:

That Council authorise Officers to negotiate with the Ryedale Indoor Bowls Club to facilitate the sale of the building with vacant possession.

6.2 This took place and vacant possession was secured at the conclusion of the 2012/2013 Bowling Season in April 2013. The Council placed the property on the open market and interest was received from a number of parties.

6.3 At the extraordinary meeting of Council on the 9 May 2013 it was resolved by Council:

This Council recognises the desire for a full size Indoor Bowls facility within Ryedale. Norton on Derwent town council has today submitted a nomination to register the Ryedale Indoor Bowls Club as an Asset of Community Value under the Localism Bill 2011.

In view of this action Full Council agrees to:

- a) *Delay the proposed sale of the site whilst the application for registration of the Club is determined in line with the requirements of the Localism Bill 2011; and*
- b) *Should the nomination to register be successful, work with a steering group made up of users of the club and an appropriately qualified expert to develop a business plan which will lead to a sustainable future for the facility.*

6.4 The Bowls Centre was registered as a Community Asset on the 26 June 2013. An expression of interest to bid for the asset was received from a Community Interest Group and as a result the Council cannot now sell the asset until the 26 December 2013. This moratorium on the sale allows the Community group time to work on their proposal to purchase. Members should be aware that the Community Interest Group do not receive any preferential status in purchasing the asset, just the right to bid and time to prepare their bid.

6.5 Officers have met with representatives of the Ryedale Community and Leisure Club and they have secured consultancy support and are preparing their business case to enable them to raise funds and bid for the asset. The application to occupy under a Licence has been received from the Ryedale Indoor Bowls Centre and is a separate organisation to the Ryedale Community and Leisure Club. Should the Ryedale Community and Leisure Club ultimately purchase the building the plans are that the bowling would continue in the building.

The Proposal

6.6 Below is a summary of the request for a Licence. Officers have received information including a business plan, budget, cash flow, constitution (with elected officers) which can be considered realistic and prudent:

- Rent of £850 per month payable in advance (equivalent to an annual rent of

£10,200)

- Occupation of the whole building
- Payment of utility costs during the period of occupation
- Projections based on 150 members (there were approx 120 previously)
- a new membership offer for “Friends of RIBC” to allow non playing supporters into the centre
- They will arrange necessary liability insurance (the Council insures the building).

6.7 In addition during the period of occupation they should be eligible for full relief from Business Rates. The Council is currently liable in full for the business rates on the building. Occupation by this group between September and December as proposed could save the Council c£4,800.

7.0 IMPLICATIONS

7.1 The following implications have been identified:

- a) Financial
Occupation would generate income to the Authority and save costs of non occupation.
- b) Legal
A Licence would be agreed should Members approve the request.
- c) Other
There are no other significant implications.

Paul Cresswell
Corporate Director (s151)

Author: Paul Cresswell, Corporate Director (s151)
Telephone No: 01653 600666 ext: 214
E-Mail Address: paul.cresswell@ryedale.gov.uk

Background Papers:
None.