

BOROUGH OF KETTERING

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Report Originator	Guy Holloway Head of Corporate and Cultural Services	<i>Fwd Plan Ref No: A15/035</i>	
Wards Affected	Barton	16 th March 2016	
Title	BARTON SEAGRAVE VILLAGE HALL/COMMUNITY CENTRE		

Portfolio Holder: Councillor Jan Smith

1. PURPOSE OF REPORT

To clarify the Council's intentions in relation to the future ownership of the Community Centre that will be built in Barton Seagrave.

2. INFORMATION

- 2.1 The development company Redrow will be constructing a Community Centre at the Polwell Lane housing development in Barton Seagrave. The Community Centre will be built as part of developers' Section 106 commitments.
- 2.2 The Community Centre is due for completion prior to the end of October 2016. This date could potentially be extended with the Council's permission if it is deemed beneficial to do so.
- 2.3 Regarding future ownership of the Community Centre, the Section 106 Agreement relating to the development states: "*On completion the Community Centre shall immediately be transferred to the Council or such party as the Council may reasonably nominate in the sum of £1.*"
- 2.4 There are a number of options available to the Council relating to the future ownership of the asset. These options range from: the Council transferring the asset to a suitable community based organisation, such as the Parish Council; the Council retaining the asset itself, and either managing it directly or contracting another body to run it; or retaining ownership of the asset, but lease it on a full repairing insuring lease to a suitable community based organisation.
- 2.5 Having considered the options, past experience and indeed the operational implications, it is considered to be in the best interests of both the Council and the local community for ownership and indeed management of the asset to be as close to the community it serves as possible. This therefore favours a transfer of the asset to an organisation, such as the local Parish Council.

3. CONSULTATION AND CUSTOMER IMPACT

- 3.1 Kettering Borough Council wrote to Barton Seagrave Parish Council in January 2016 seeking its views on the ownership of the Community Centre. The Parish Council considered the matter at their meeting on the 3rd February 2016.

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Following the meeting the Clerk wrote to Kettering Borough Council, indicating that the Parish Council would like to take ownership of the Community Centre. The intention is that the Parish Council would decide how the facility will be run and managed.

4. POLICY IMPLICATIONS

- 4.1 The Council has previously transferred community assets arising from Section 106 agreements to local community organisations and parish councils. For example, the Community Centre at Mawsley. The exact process followed has however depended on the wording of the Section 106 agreements and any potential tax implications at the time.

5. FINANCIAL RESOURCE IMPLICATIONS

- 5.1 There are potentially tax implications for Kettering Borough Council if it takes ownership of the asset and then looks to dispose of it. It would therefore be sensible financially, and indeed more practical operationally, to grant the developer permission to transfer the asset directly to Barton Seagrave Parish Council.
- 5.2 The exact liability in respect of stamp duty land tax is being explored, but it is believed at this point that stamp duty land tax will not be an issue. If that position changes, a further discussion will need to take place with the Parish Council.

6. HUMAN RESOURCE IMPLICATIONS

None at this stage.

7. LEGAL IMPLICATIONS

- 7.1 The legal implications associated with the approach outlined in the report will apply mainly to Barton Seagrave Parish Council and Redrow. The asset transfer would be between those two parties. It would be prudent however for Kettering Borough Council to monitor the process to ensure that it is running smoothly and that the Section 106 obligations are properly discharged. This would nevertheless be something that the Council's Planning Officers would pay close attention to.

8. RECOMMENDATION

That Members agree to grant permission for Redrow Developments to transfer the Community Centre directly to Barton Seagrave Parish Council on completion of the build as allowed for in the Section 106 agreement.

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Background Papers:

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