

---

# Devolution of Moorside Community Centre – Supporting Information

---

## 1. Introduction/Background

- 1.1 The Moorside Community Centre is located on Urquhart Road, Thatcham RG19 4RE and was transferred to West Berkshire Council (WBC) from Redrow Homes in October 2004 as part of the section 106 agreement related to the Kennet Heath housing development.
- 1.2 Historically the building has been both used as a traditional community centre on the ground floor, managed through Thatcham Youth and occupied on the first floor by WBC Education Service and used as a pupil referral unit (PRU).
- 1.3 As part of a review of the PRU service, the first floor was vacated in September 2017 and responsibility for the building was transferred from WBC Education Service to WBC Property Services.
- 1.4 An application was received by WBC from Thatcham Town Council (TTC) for the transfer of the freehold ownership of Moorside Community Centre and the adjacent playing field (see appendix D – site & location plan). This application has been considered by the WBC Devolution Officer Group and recommendation is now brought to the Executive.

## 2. Supporting Information

- 2.1 Moorside Community Centre offers 757 sq.m. (8146 sq. ft.) of accommodation over two floors (see appendix E – floor plans). The ground floor layout is suited to traditional community centre activities with general hall and sports hall accommodation as well as changing/toilet and storage space. The first floor is more cellular in layout with the space more suited to classroom or office use.
- 2.2 The community building also has an area of hard surface car parking, playground, multi use games area (MUGA) and adjacent 3.8 acre playing field. The playing field is used for formal football fixtures and. See appendix D – Site & Location Plan.
- 2.3 Spurcroft Primary School currently relies upon the playing field as part of its statutory responsibility to deliver physical education as part of its curriculum. The devolution of this space to TTC will require this facility to be retained for Spurcroft Primary School use.
- 2.4 There is established site management of all of the community activities on the ground floor through Thatcham Youth, with the first floor remaining vacant. WBC has some use of a small area on the ground floor to deliver music sessions as part of the I-College education provision.

- 2.5 There is an anticipated future requirement of the Education Service for temporary accommodation, during the construction of a replacement PRU building on the Badgers Hill site in Calcot. It is anticipated that the first floor of Moorside be used for this purpose and that this be agreed as part of the transfer to TTC.
- 2.6 The use of the building is restricted to that of community use and the land transfer to WBC states, *‘not to use the property except as a Youth and Community Centre and Pupil Referred Unit or for other public or community purposes associated with the functions of local government’*.
- 2.7 Currently WBC has responsibility for the budget management of the building and the historic annual revenue costs totalling £34,000 can be summarised as:
- |     |                               |        |
|-----|-------------------------------|--------|
| (1) | Rates                         | £9,000 |
| (2) | Planned maintenance/servicing | £8,000 |
| (3) | Cleaning                      | £9,000 |
| (4) | Energy & water                | £8,000 |
- 2.8 Community hire of the ground floor space generates annual income for WBC of approximately £9,000.
- 2.9 Due to the reduced occupation of the building, an expenditure budget of £20,000 has been set for financial year 2018/19 with expected income for 18/19 of £10,000.
- 2.10 WBC Property Services has received a new condition survey of the building offering a prioritised schedule of both revenue and capital maintenance works over a ten year period from 2018. This presents a total planned maintenance requirement of £195,000.

TTC expressed particular interest in the maintenance costs in the current year and next year. Years one and two (2018 and 2019) present the following:

	<b>totals</b>	<b>yr1 2018</b>	<b>yr2 2019</b>
<b>Total estimated 10 year cost:</b>	<b>£31,315</b>	£10,120	£21,195
<b>as % of total:</b>	<b>100.0%</b>	32.3%	67.7%
<b>Total estimated <u>capital</u> cost:</b>	<b>£7,650</b>	<b>£2,775</b>	<b>£4,875</b>
<b>as % of total:</b>	<b>24.4%</b>	36.3%	63.7%
<b>Total estimated <u>revenue</u> cost:</b>	<b>£23,665</b>	<b>£7,345</b>	£16,320
<b>as % of total:</b>	<b>75.6%</b>	31.0%	69.0%

- 2.11 It is proposed that West Berkshire Council offer financial contribution to Thatcham Town Council to enable the town council upon completion of the transfer of Moorside, to carry out the works listed for 2018 revenue costs of £7,345 and capital costs for both 2018 of £2,775 and 2019 of £4,875. This offers a total contribution of £14,995.

A schedule of the associated condition works forms part of the Heads of Terms of the transfer.

There is difficulty in offering a contribution for revenue based costs for future years. Discussion between WBC and TTC officers has suggested the potential for a bid from TTC to the Community Solutions pot to a maximum bid of £12,000 to assist with the costs of the first full year of revenue based works for 2019.

- 2.12 The transfer also includes the adjacent playing field which currently is included within WBC Grounds Maintenance contracts as a cost to the council and also receives some income for the bookings received from football fixtures.
- 2.13 The full extent of the impact on the current grounds maintenance contract by withdrawing a number of playground sites through devolution (including Moorside) is subject to negotiations and the reduction in actual activity will be monitored by both the council's grounds maintenance team and the supplier.
- 2.14 Legal implications of the asset transfer by way of devolution:
- (1) The Localism Act 2011 introduced the General Power of Competence, which allows the Council to do anything an individual can do, provided it is not prohibited by other legislation. These powers have replaced the previous wellbeing powers, however, the use of these powers must be in support of a reasonable and accountable decision made in line with public law principles;
  - (2) The Council has the power to dispose of land pursuant to s123 of The Local Government Act 1972 subject to it being at the best consideration that can reasonably be obtained. The Freehold transfer to Thatcham Town Council is a disposal for the purposes of s123 Local Government Act 1972;
  - (3) The General Disposal Consent 2003 authorises the disposal of land for 7 years or more at less than best consideration if the undervalue is £2 million or less, as in this case, and subject to those powers being exercised in line with public law principles;
  - (4) The Council has a fiduciary duty at all times to the taxpayers and must fulfil this duty in a way which is accountable to local people;
  - (5) All disposals must comply with the European Commission's State Aid rules. When disposing of land at less than best consideration the Council is providing a subsidy to the occupier of the land. In such cases the Council must ensure that the nature and the amount of the subsidy complies with State Aid rules. Failure to comply means that the aid is unlawful and may result in the benefit being recovered with interest from the recipient. If the occupier receives less than approximately £155,000 (200,000 Euros) in state aid over a 3 year period then the De Minimis Regulation will apply (small amounts of aid are unlikely to distort competition)

State Aid does not apply in this instance because this is a transaction between statutory bodies where there is no distortion of the market or competition.

- (6) As the land is (or includes) open space then it will be necessary to advertise the potential disposal of the land under the provision of the Local Government Act. If objections to the disposal are made, the objections have to be considered and on the merits of the objections a decision will have to be made as to whether to proceed with the freehold disposal.
- 2.15 In accordance with s123 of The Local Government Act 1972, described in section 2.14 (2) of this report, an independent valuation has been carried out. This valuation is formed on the basis that the transfer is restricted to the continued use of the asset for purposes of community use. For the purposes of best consideration the value of the asset is £300,000 for Moorside Community Centre and £95,000 for the playing field.
- 2.16 This valuation is based on the capitalised value of the assets formed from a rental value for a building of this nature based on transactional data for buildings of a similar nature. The restrictive use of the site does limit the prospective tenants and would impact the opportunity for disposal and prolong the operational cost to WBC.
- 2.17 In accordance with section 2.14 (6) of this report the proposal to transfer the asset to TTC was expressed in public notice published in the Newbury Weekly News on 13<sup>th</sup> and 20<sup>th</sup> December 2018 with supporting documents held over this two week period in WBC Market Street office reception for the public to view. By the closing date no comments had been received from the public on the proposals.

### 3. Options for Consideration

- 3.1 The preferred option is to devolve the freehold of Moorside Community Centre, its associated land (car park, MUGA) and the adjacent playing field to Thatcham Town Council.
- 3.2 An alternative option is for West Berkshire Council to retain the asset and continue to manage its ownership and associated costs and income.

### 4. Proposals

- 4.1 It is proposed to transfer by way of devolution, the freehold of the Moorside Community Centre building, its associated land including car park, playground and muga as well as the adjacent playing field (all edged in red on plan in appendix D)
- 4.2 This proposal will include for the following provisions:
- (1) Spurcroft Primary School retains its current right to access and use the playing field for physical education as part of its delivery of the curriculum;
  - (2) WBC Education Service be offered occupation of the first floor of the building over an agreed short term period at an agreed rent to enable the temporary decant of staff and pupils from the Badgers Hill I-College site during its reconstruction.
  - (3) WBC transfer to TTC on final transfer of the asset a total of £14,995 (£7650 of capital and £7345 of revenue) to cover the in-year revenue maintenance and the capital maintenance for year one (2018) and year two (2019).

- (4) Pre-emption clause be included to ensure that should the premises cease to be viable as a community centre and TTC benefit in the future from any change of use, that the asset will be returned to WBC.

## 5. Conclusion

- 5.1 To enable the best use of the Moorside Centre for the benefit of the local community, it is proposed to transfer the freehold ownership to Thatcham Town Council.

## 6. Consultation and Engagement

- 6.1 There has been good dialogue with representatives of Thatcham Town Council.

---

### Background Papers:

Land Registry – Transfer of Registered Title

---

### Subject to Call-In:

Yes:  No:

The item is due to be referred to Council for final approval	<input type="checkbox"/>
Delays in implementation could have serious financial implications for the Council	<input checked="" type="checkbox"/>
Delays in implementation could compromise the Council's position	<input checked="" type="checkbox"/>
Considered or reviewed by Overview and Scrutiny Management Commission or associated Task Groups within preceding six months	<input type="checkbox"/>
Item is Urgent Key Decision	<input type="checkbox"/>
Report is to note only	<input type="checkbox"/>

---

### Wards affected:

Thatcham South & Crookham

---

### Strategic Aims and Priorities Supported:

The proposals will help achieve the following Council Strategy aims:

- HQL – Maintain a high quality of life within our communities**
- MEC – Become an even more effective Council**

The proposals contained in this report will help to achieve the following Council Strategy priorities:

- HQL1 – Support communities to do more to help themselves**
- MEC1 – Become an even more effective Council**

---

### Officer details:

Name: Richard Turner  
Job Title: Property Services Manager  
Tel No: 01635 503653  
E-mail Address: [richard.turner@westberks.gov.uk](mailto:richard.turner@westberks.gov.uk)