

Report to: Cabinet

Date: 2 July 2018

Title: Devolution of Open Spaces to Town and Parish Councils

Report of: Tim Whelan, Interim Director of Service Delivery

Cabinet member: Councillor Tony Nicholson

Ward(s): All Lewes Wards, All Newhaven Wards

Purpose of report: To request approval from Cabinet on the recommendations made by the Devolution Committee on 7 June 2018.

Decision type: Non-Key

Officer recommendation(s): (1) To note the state of progress in relation to those Newhaven sites outlined in paragraph 2.1 of this report, devolution of which has already been approved by Cabinet.

(2) That Cabinet approves the transfer of those sites outlined in para 2.4 and 2.7 of this report and authorises the Director of Service Delivery to take all steps necessary to finalise those transfers.

(2) That Cabinet approves the recommendation to vary the standard form of overage provision to allow certain developments to take place at Eastside Recreation Ground, Newhaven as outlined at para 2.3 of this report.

(3) That Cabinet approves the recommendation to devolve Meeching Down, Newhaven, to Newhaven Town Council and authorises the Director of Service Delivery to take all steps necessary to finalise those transfers.

Reasons for recommendations: To note the progress made on devolution of open spaces and and to agree the next steps to further progress.

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1 Introduction

1.1 Special expenses charges for open spaces and recreation areas have been a key driver generating discussions on the devolution of open space assets with

Town and Parish Councils. The Special Expense charge is an annual addition to the Lewes District council tax to cover the costs that the Council incurs to manage and maintain parks, open spaces, recreation areas and other 'green' sites which it owns.

- 1.2 The amount of Special Expenses charges varies between towns and parish areas and is dependent on the budgeted cost of the sites located in each of these areas.
- 1.3 When a Town or Parish Council takes on a devolved asset, it will include the running and administration costs within its own precept (budget). This means that as LDC is no longer the owner of the asset, Special Expenses no longer applies and the charge will end.
- 1.4 To enable land transfers, there is a considerable amount of background work involving Legal Services, Property & Facilities, Finance, and Parks which must take place prior to the finalising of agreements between the parties.
- 1.5 A template form of transfer has been agreed with the parties, which includes provision for 'overage' which allows the seller to share in certain increases in the value of the property after it has been sold. This provision has been included, along with other restrictions in relation to the use of the site, in order to preserve the current usage of the site.
- 1.6 On 18th April, meetings were held with Lewes Town Council (LTC) and then with Newhaven Town Council (NTC) to discuss progress to date and determine the next steps. The meetings were constructive and addressed any misconceptions and questions regarding the devolution of open spaces.

2 Proposal

Newhaven Town Council

- 2.1 The first "wave" of transfers currently being progressed are:
 - (a) Eastside Recreation Ground, subject to Cabinet approval of the recommendation outlined in para 2.3 below.
 - (b) Avis Road Recreation Ground, subject to a licence from East Sussex County Council in relation to access over the site.
 - (c) Drove Park Recreation Ground, subject to agreeing a right of way over Avis Way Industrial Estate.
 - (d) Lewes Road Recreation Ground, subject to an agreed way forward on the contamination issues on the site and resolution of third party interests.
 - (e) Valley Road Recreation Ground, subject to completion of the purchase of a strip of land not in the Council's ownership to tidy up the title and

complete the land array.

- 2.2 As stated at paragraph 1.5 the template transfer document includes provision for overage in the event that planning permission is granted for certain types of development. NTC propose to replace the changing rooms at East Side Rec and potentially construct new changing rooms and/or a new crèche/day nursery/day centre.
- 2.3 It has been agreed that this use will not trigger the payment of overage on the basis that it will secure the promotion or improvement of the economic, social or environmental well-being of the local area, and on the basis that the increase in value of the land will not exceed certain limits. It is also agreed that a maximum of 25% of the ground area of the property can be used as a crèche/day nursery/day centre to make it clear that the primary use is open space/recreation ground. It is therefore recommended that Cabinet approves the recommendation to vary the standard form of overage provision to allow certain developments to take place at Eastside Recreation Ground.
- 2.4 It was agreed at a Devolution Committee meeting dated 27 January 2015 that certain other sites are suitable for negotiation and this list includes Castle Hill, Newhaven. The minutes of that meeting were agreed by Cabinet on 12 February 2015. NTC has decided that it would like Castle Hill and Meeching Down (as discussed at paragraph 2.5 below) to take priority over the remaining sites waiting to be devolved and for work on their transfer to be undertaken next, once the first phase of devolution has been achieved.
- 2.5 It was not originally proposed that Meeching Down Open Space was to be transferred to NTC, however, it is now proposed that the transfer will take place as part of the devolution process. It is therefore recommended that Cabinet approves the devolution of Meeching Down to NTC (see Appendix A for the plan of the area to be devolved).

Lewes Town Council

- 2.6 The transfer of ownership of Landport Bottom to LTC (who currently owns a 50% share) will take place imminently. As LTC are joint owners, it is proposed that the land is transferred without an overage provision. This transfer and the non-inclusion of an overage clause in this case will be subject to Lead Member approval, which is currently being progressed.
- 2.7 It was agreed at a Devolution Committee meeting dated 27 January 2015 that certain other sites are suitable for negotiation and this list includes Timberyard Play Area, The Paddock Play area (including WCs) and Bell Lane. The minutes of that meeting were agreed by Cabinet on 12 February 2015. LDC has proposed that these sites are taken forward for an early devolution and LTC's decision is awaited.

Other Devolution Projects

- 2.8 LDC is in early discussions with East Chiltington Parish Council in relation to the

potential devolution of Hollycroft, East Chiltonton.

Additionally, Peacehaven Town Council have indicated that they would like to commence the devolution process and officers are working on a list of sites to be transferred.

3 Financial appraisal

- 3.1 When an asset is devolved, the cost of ownership passes from this Council to the local Town or Parish Council.
- 3.2 The table below indicates the total charged in 2018/2019 as Special Expenses for each of the sites included in the first wave of transfers to NTC. The total charged includes the estimated cost of work carried out by LDC's Grounds Maintenance contractor and an allocation of other direct costs (eg repairs to fencing and tree works) as well as a share of LDC's own management and overhead costs. The total amount charged as Special Expenses for these sites equates to a Band D council tax amount of £13.28 for council taxpayers in Newhaven.
- 3.3 It is proposed to pass Special Expenses charges collected in 2018/2019 by LDC from local taxpayers to NTC at the time that the sites are devolved, net of any costs incurred in the year to date, to NTC. Special Expenses charges would no longer apply from 1 April 2019 as the Council would no longer be responsible for the sites. Any costs incurred by NTC after that date would be met from its own local precept.
- 3.4 For completeness of reporting, the table also shows the current Balance Sheet value of each site. It is essential to note that the sites are held as a 'community asset' and the valuation is its 'historic cost' used for accounting purposes only. This is not the current value of the site in either its existing or any alternative use. When the site is devolved, its value will be removed from the Balance Sheet but, under the local government accounting framework, this technical accounting 'loss' will have no impact on the Council's revenue budgets in the year.

| Site | Total charged as Special Expenses 2018/19 £ | Balance Sheet value £ |
|------------------------------|------------------------------------------------|--------------------------|
| Eastside Rec and allotments | 32,560 | 85,000 |
| Avis Road Recreation Ground | 7,920 | 20,000 |
| Drove Park Recreation Ground | 1,450 | 30,000 |
| Lewes Road Recreation Ground | 0 | n/a |
| Valley Road Play Area | 4,630 | 15,500 |
| Meeching Down | 9,680 | n/a |
| Castle Hill Nature Reserve | 1,410 | n/a |
| Total | £57,650 | £150,500 |

4 Legal implications

4.1 There are no additional legal implications arising as a result of this report.

5 Risk management implications

5.1 Should it not be possible to agree terms, the matter will be reported to the next meeting of Devolution Committee for a recommendation to Cabinet at a future date.

6 Equality analysis

6.1 I have carried out an initial Equality Assessment and there are no equality implications as a result of this report, as the land will be transferred on an existing use basis and the report relates to a change of ownership only.

7 Appendices

- Appendix A: Plan of Meeching Down
- Appendix B: Minute extract from Devolution Committee on the 7 June 2018

8 Background papers

- None