Cabinet

11 September 2013

Lamplight Centre, Stanley



Report of Corporate Management Team

Ian Thompson, Corporate Director Regeneration and Economic Development

Councillor Neil Foster, Cabinet Portfolio Holder for Economic Regeneration

Terry Collins, Corporate Director for Neighbourhood Services. Councillor Maria Plews, Cabinet Portfolio Holder for Leisure, Libraries and Lifelong Learning

Purpose

1. The purpose of the report is to seek approval to let the Lamplight Centre, Stanley on a 35 year lease to Stanley Town Council.

Background

- 2. In a report to Cabinet in February 2012 on the Medium Term Financial Plan, members were advised that the Neighbourhood Services grouping was considering a proposal to remove any funding to support the Stanley Lamplight Arts Centre in order to make savings.
- 3. The building was at the time let to Leisureworks on a 35 year lease from 2007, this is part of a wider agreement for the management of Culture and Sport in the former Derwentside area. Durham County Council as landlord retained responsibility for all building repairs.
- 4. Stanley Town Council had expressed an interest in the property and the Corporate Director of Neighbourhood Services was in discussions regarding a potential transfer which would retain the facility as an arts centre with the Town Council funding Leisureworks to manage and operate the facility.
- 5. These negotiations concluded in March 2013 when Stanley Town Council decided it could not reach an agreement with Leisureworks.
- 6. Following local elections Stanley Town Council renewed their interest and requested that any decision to close the centre be delayed until 31 July 2013. This would allow the Town Council to undertake a consultation exercise prior to reaching a decision regarding the future of the building.

7. The MTFP set out a £116,000 saving from the Lamplight Arts Centre as of the 1 April 2012, and the budget was adjusted to reflect this. The on-going costs of continuing to fund the facility during the above negotiations have been met from within cash limits.

Transfer of the Asset

- 8. On the 23 July Stanley Town Council agreed that they would take on the operation of the centre, and that the centre would retain an arts function as well as becoming the Civic Centre for the Council.
- 9. The Council has in principle offered to transfer the property to the Town Council on the basis of a 35 year full repairing and insuring lease at a peppercorn annual rent. Leisureworks will no longer be involved with the running of the centre and a variation to their agreement has been signed and sealed by both parties.
- 10. An urgent decision was required to enable the Town Council to take occupation of the Property on 1 August 2013, and therefore ensure continued use. This was achieved by way of a tenancy-at-will, until legal formalities for a 35 year lease could be completed.
- 11. The Corporate Director of Regeneration and Economic Development exercised his delegated powers to facilitate this temporary tenancy arrangement. However, the granting of a formal 35 year lease requires a decision by Cabinet.

Conclusion

11. The successful transfer represents the ongoing commitment to find alternatives to facility closures and by offering a long term lease at peppercorn rent to the Town Council a community asset can be retained whilst financial targets are achieved.

Recommendations and reasons

12. It is recommended that authority be given to approve the granting of a 35 year lease to Stanley Town Council on the terms set out in the report in order to secure the future of this facility in Stanley.

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Appendix 1: Implications

Finance -

The proposal transfers all financial liability to Stanley Town Council.

Staffing -

Transfer of two DCC staff under TUPE being progressed.

Risk -

The prospective tenant will carry out all risk assessment compliance.

Equality and Diversity / Public Sector Equality Duty-

None

Accommodation -

None

Crime and Disorder -

None

Human Rights -

None

Consultation -

Councillors Joyce Charlton and Olga Milburn have been consulted on the proposal and have not raised any objections.

Procurement -

None

Disability Issues -

None

Legal Implications -

Contained in the report