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Michael Laing Chief Executive

5th November 2007

Dear Councillor,

I hereby give you Notice that a Special Meeting of the **POLICY AND STRATEGIC DEVELOPMENT COMMITTEE** will be held in the **COUNCIL CHAMBER, CIVIC CENTRE, CROOK** on **TUESDAY 13th NOVEMBER 2007** at **6.00 P.M.**

AGENDA

Page No.

1. Apologies for absence
2. Declarations Of Interest

Members are invited to declare any personal and/or prejudicial interest in matters appearing on the agenda and the nature of their interest.

Members should use either of the following declarations:

Personal Interest – to be used where a Member will be remaining and participating on the debate and any vote:

I have a personal interest in agenda item (...) regarding the report on (...) because I am (...)

Personal and Prejudicial Interest – to be used where a Member will be withdrawing from the room for that item:

I have a personal and prejudicial interest in agenda item (...) regarding the report on (...) because I am (...)

Officers are also invited to declare any interest in any matters appearing on the agenda.

NOTE: Members are requested to complete the enclosed declarations form and, after declaring interests verbally, to hand the form in to the Committee Administrator.

3. To consider a report on Capital Programme Schemes.

1 - 12

4. To consider the options available to the Council in relation to various capital assets. 13 - 22

Yours faithfully



Chief Executive

Members of this Committee: Councillors Mrs Burn, Ferguson, Gale, Grogan, Hayton, Henry, Kay, Kingston, Mews, Mowbray, Murphy*, Miss Ord, Perkins, Mrs Pinkney, Mrs Seabury*, Stonehouse and Zair.

*ex-officio, non-voting capacity.

Chair: Councillor Stonehouse

Deputy Chair: Councillor Kay

TO: All other Members of the Council for information
Management Team

DECLARATIONS OF INTEREST FORM

NAME AND DATE OF COMMITTEE	AGENDA ITEM NUMBER	NATURE OF INTEREST AND REASONS	PRINT NAME	SIGNATURE

SPECIAL POLICY AND STRATEGIC DEVELOPMENT COMMITTEE

13 NOVEMBER 2007

Report of the Strategic Director for Resource Management
CAPITAL PROGRAMME SCHEMES

purpose of the report

1. To seek Member approval for individual capital schemes.

background

2. Members will be aware that at Council on 5th September 2007 the following sums were added to the capital programme.
 - Youth and sport provision £0.3m – intended to be spent on sport and recreation provision across the District.
 - Community capital £0.5m– intended to be spent in small scale projects in localities to improve physical appearance/well being.
 - Small village enhancement £0.6m– intended to improve the physical appearance of small villages, following community consultation.
 - Community transport £0.2m– intended to enable improved transport links/ schemes to be established or extended.
3. All Members were invited to submit projects for consideration and Annex A shows all schemes received to date on a ward by ward basis. Annex B shows all schemes compared to available funding. This is summarised below.

Funding source	Number of projects received	Total value of projects £000	Funding available £000	Difference £000
Youth provision	7	300	300	0
Community capital	16	786-924	500	(286-424)
Small village enhancement	23	407	600	193
Community transport	1	100	200	100

4. As can be seen, most schemes put forward by Members can be afforded. However, it is important that proposed schemes represent a coherent programme which supports the achievement of corporate objectives.

proposed method of approval

5. It is proposed that the following principles be used in agreeing individual schemes:

- Projects which exceed £60,000 be subject to more detailed scrutiny to ensure financial and non-financial sustainability
- Projects which are less than £60,000 be agreed subject to:
 - a) Projects supporting corporate objectives.
 - b) Projects forming an overall coherent programme.
 - c) Any ongoing revenue costs not falling upon the Council.
 - d) All sections of the community benefit from the programme.
 - e) Likely planning approval being given. This is an important issue to be fully considered.
 - f) Projects delivering, where possible , value for money eg projects support genuine community need

scheme proposals

6. Annex C shows schemes less than £60,000 which are proposed for approval on a ward by ward basis. The table below shows the overall funding position of these schemes:

Funding source	Number of projects received	Total value of projects	Funding available	Difference
Youth provision	6	50	300	250
Community capital	10	219	500	271
Small village enhancement	23	407	600	193
Community transport	0	0	0	0

7. This shows that there are sums available for the larger projects to be considered.

Geographical spread of proposed schemes

8. The table below shows the financial allocation of proposed schemes across the main areas of the District.

Area	£000 of schemes
Bishop Auckland	212
Crook/W'ton/Tow Law	234
Dales	228

financial implications

9. The proposals are affordable within the total capital resources agreed by Members previously. A further report will be produced which examines the larger projects.

legal implications

10. There are no legal implications arising from this report.

hr implications

11. The main HR implication relates to the Council's internal capacity to deliver this programme of projects. There is a need to ensure adequate resource exists to carry out the relevant tendering exercises, commission the works and ensure satisfactory delivery of individual projects. In practice this means individual projects will be delivered over a period of months. This is considered to be the best way to manage this risk.

RECOMMENDED that Members agree the report and Annex C.

Officer responsible for the report

Gary Ridley
Strategic Director for Resource
Management
Ext 227

Author of the report

Gary Ridley
Strategic Director for Resource
Management
Ext 227

2007/08 capital spending additions

ANNEX A

Ward	Scheme	Cost £000	Comment	Corporate objective	Funding
Escomb	Fencing / village hall imps.	34	Fencing at St Pauls church, Witton Park cemetary £18k, village hall boiler and decoration £16k	Environment	Small village enhancement
Escomb	George Pit Building	140 -228	Community capital - £140k cost of improving existing building, £228k cost of new building	well being	Community Capital
Escomb	Visitor centre	100	Community capital – centre on site of car park at Escomb church	well being	Community Capital
Coundon	Community bus	100	Community transport – to compliment existing fleet of vehicles	well being/ enviroment	Community Transport
Coundon	Tees Walk	50 -100	Community capital – to include DDA improvements / extension to existing building	well being	Community Capital
Coundon	Road improvement	4	Community capital	Environment	Community Capital
Coundon	St James' church Jubilee Garden on Woodhouse	5	Small village enhancement – dda improvements	well being	Small village enhancement
Woodhouse Close	Close	40	Community capital	Environment	Community Capital
Woodhouse Close	AYCC	10	security/lighting	Environment/crime	Community Capital
St John's Chapel	Pavilion	5	Small village enhancement – majority of costs of scheme to be met form external funding	Environment	Small village enhancement
St John's Chapel	Street improvements	60	Small village enhancement –total cost is £120k of which 50% already in place from the County council	Environment	Small village enhancement
St John's Chapel	West gate playground	5	Youth provision – total scheme cost is £15k, of which £10k in place	Health	youth
Stanhope	Toilets in Rookhope	50	Small village enhancement	well being	Small village enhancement
Stanhope	Seating near cemetery Stanhope Tarmac cemetery	0.5	Small village enhancement	Environment	Small village enhancement
Stanhope	footpath	15	Small village enhancement	Environment	Small village enhancement
Stanhope	DDA into Frosterley town hall Renew Rookhope Cemetary	30	Small village enhancement	well being	Small village enhancement
Stanhope	fence	3	Small village enhancement	Environment	Small village enhancement
Stanhope	Castle close grounds	3.5	Small village enhancement	Environment	Small village enhancement
Stanhope	Cowgarth hill	6	Small village enhancement – improvements to road near garages	Environment	Small village enhancement
Tow Law and Stanley	Tow Law football club stand	19	Youth provision	Health	youth
Tow Law and Stanley	Stanley speed bumps	4	Small village enhancement	Environment	Small village enhancement
Tow Law and Stanley	Extension to Tow Law recreation ground	37	Community capital	Health	Community Capital

Tow Law and Stanley	Stanley village hall extension	100	Community capital	Environment	Small village enhancement
Tow Law and Stanley	Stanley-planters	24	Small village enhancement	Environment	Small village enhancement
Tow Law and Stanley	Stanley play facility	59	Small village enhancement	Environment	Small village enhancement
Henknowle	Environmental improvements to play areas	10	Community capital – to be carried out be Groundwork	Environment	Community Capital
Willington central	SLAM	250	Youth provision	Health	youth
Willington central	Parkside	5	Youth provision	Health	youth
Howden	Various	12	Small village enhancement	well being	Small village enhancement
Howden	Hargill Haven centre Roddymoor hut	15	Small village enhancement – general improvements to building	well being	Small village enhancement
Crook North	renewal/fencing/play area	100	Community capital	well being	Community Capital
Crook North	Bank Foot Community Centre	14	Community capital	well being	Community Capital
Crook North	Roddymoorplanters	3.5	Small village enhancement	Environment	Small village enhancement
Crook south	Boxing ring	3	Youth provision	Health	youth
Wolsingham	Toilets	50	Community capital	well being	Community Capital
West Auckland	St Helens Church Floodlighting	20	Community capital	crime	Community Capital
West Auckland	Disabled toilets at memorial hall	23	Community capital nb the council does not own this building	well being	Community Capital
Bishop Auckland	4 clocks improvements	67	Community capital – 2 new doors £20k, £12k energy efficiency, £25k disabled toilets,£2k electric supply, £8k access	well being	Community Capital
Bishop Auckland	Toronto –Chapel Street road improvement	20	Small village enhancement	Environment	Small village enhancement
Dene Valley	Various	21	Community capital –fencing £9k/ turf £10, seating £1k, garages	Health	Community Capital
Dene Valley	Activity trail	5	Youth provision	Health	youth
Dene Valley	Environ Improvemest Home Dene Community Centre	20	Boulders etc	Environment	Small village enhancement
Hunwick	upgrade Hunwick Cricket club electric	16	Small village enhancement	well being	Small village enhancement
Hunwick	shutters	13	Youth provision	Health	youth
Hunwick	Bitchburn	5	Allotment imps- Small village enhancement	Environment	Small village enhancement
Hunwick	Bitchburn seating and bins	2	Small village enhancement	Environment	Small village enhancement
Hunwick	Valley Terrace – tarmac car park	14	Small village enhancement	Environment	Small village enhancement

ANNEX B

Ward	Scheme	Cost £000	Comment	Corporate Objective	Funding
Escomb	George Pit Building	140-228	Community capital - £140k cost of improving existing building, £228k cost of new building	well being	Community capita
Escomb	Visitor centre	100	Community capital – centre on site of car park at Escomb church	well being	Community capita
Coundon	Tees Walk	50-100	Community capital – to include DDA improvements / extension to existing building	well being	Community capita
Coundon	Road improvement	4		environment	Community capita
Woodhouse Close	Jubilee Garden on Woodhouse Close	40		environment	Community capita
Woodhouse Close	AYCC	10	security/lighting	environment/ crime	Community capita
Tow Law and Stanley	Extension to Tow Law recreation ground	37		health	Community capita
Tow Law and Stanley	Stanley village hall extension	100		environment	Community capita
Henknowle	Environmental improvements to play area	10	Community capital – to be carried out by Groundwork. This building is leased by local trustees from the Coal Board.	environment	Community capita
Crook North	Roddymoor hut renewal/fencing/play area	100	Need their approval for any works	well being	Community capita
Crook North	Bank Foot Community Centre	14		well being	Community capita
Wolsingham	Toilets	50		well being	Community capita
West Auckland	St Helens Church Floodlighting	20	To improve security	crime	Community capita
West Auckland	Disabled toilets at memorial hall	23	nb the council does not own this building	well being	Community capita
Bishop Auckland	4 clocks improvements	67	2 new doors £20k, £12k energy efficiency, £25k disabled toilets, £2k electric supply, £8k access	well being	Community capita
Dene Valley	Various	21	fencing £9k/ turf £10, seating £1k, garages	health	Community capita
Coundon	Community bus	100	Community transport – to complement existing fleet of vehicles	well being/ environment	Community transport
Escomb	Fencing /village hall improvement	34	Fencing at St Pauls church, Witton Park cemetery £18k, village hall boiler and decoration £16	environment	Small village enhancement
Coundon	St James' church	5	Small village enhancement – dda improvement	well being	Small village enhancement
St John's Chape	Pavilion	5	Small village enhancement – majority of costs of scheme to be met from external funding	environment	Small village enhancement
St John's Chape	Street improvements	60	Small village enhancement –total cost is £120k of which 50% already in place from County council	environment	Small village enhancement
Stanhope	Toilets in Rookhope	50		well being	Small village enhancement
Stanhope	Seating near cemetery	0.5		environment	Small village enhancement
Stanhope	Stanhope Tarmac cemetery footpath	15		environment	Small village enhancement
Stanhope	DDA into Frosterley town hall	30		well being	Small village enhancement

Stanhope	Renew Rookhope Cemetary fence	3		environment	Small village enhancemer
Stanhope	Castle close grounds	3.5		environment	Small village enhancemer
Stanhope	Cowgarth hil	6	Small village enhancement – improvements to road near garages	environment	Small village enhancemer
Dene Valley	Environ improvements	20	Boulders etc	environment	Small village enhancemer
Tow Law and Stanley	Stanley speed bumps	4	Small village enhancemer	environment	Small village enhancemer
Tow Law and Stanley	Stanley-planters	24		environment	Small village enhancemer
Tow Law and Stanley	Stanley play facility	59		environment	Small village enhancemer
Howden	Various	12		well being	Small village enhancemer
Howden	Hargill Haven centre	15	Small village enhancement – general improvements to buildir	well being	Small village enhancemer
Crook North	Roddymoorplanters	3.5		environment	Small village enhancemer
Bishop Auckland	Toronto –Chapel Street road improvemer	20	Small village enhancemer	environment	Small village enhancemer
Hunwick	Home Dene Community Centre upgrad	16	Small village enhancemer	well being	Small village enhancemer
Hunwick	Bitchburn	5	Allotment imps- Small village enhancemer	environment	Small village enhancemer
Hunwick	Bitchburn seating and bins	2	Small village enhancemer	environment	Small village enhancemer
Hunwick	Valley Terrace – tarmac car park	14	Small village enhancemer	environment	Small village enhancemer
St John's Chape	West gate playgrounc	5	Youth provision – total scheme cost is £15k, of which £10k in place	health	Youth provisor
Tow Law and Stanley	Tow Law football club stand	19		health	Youth provisor
Willington central	SLAM	250		health	Youth provisor
Willington central	Parkside	5		health	Youth provisor
Crook south	Boxing ring	3		health	Youth provisor
Dene Valley	Activity trail	5		health	Youth provisor
Hunwick	Hunwick Cricket club electric shutters	13		health	Youth provisor

ANNEX C

Ward	Scheme	Cost £000	Comment	Corporate objective	Funding
Coundon	Road improvement	4	Community capital	Environment	Community Capital
Woodhouse Close	Jubilee Garden on Woodhouse Close	40	Community capital	Environment	Community Capital
Woodhouse Close	AYCC	10	security/lighting	Environment /crime	Community Capital
Tow Law and Stanley	Extension to Tow Law recreation ground	37	Community capital	Health	Community Capital
Henknowle	Environmental improvements to play areas Bank Foot Community Centre	10	Community capital – to be carried out be Groundwork	Environment	Community Capital
Crook North	Toilets	14	Community capital	well being	Community Capital
Wolsingham West	St Helens Church	50	Community capital	well being	Community Capital
Auckland	Floodlighting	20	Community capital	crime	Community Capital
West Auckland	Disabled toilets at memorial hall	23	Community capital nb the council does not own this building	well being	Community Capital
Dene Valley	Various	21	Community capital –fencing £9k/ turf £10, seating £1k, garages Fencing at St Pauls church, Witton Park cemetery £18k, village hall boiler and decoration £16k	Health	Community Capital
Escomb	Fencing/village hall improvements	34	Small village enhancement – dda	Environment	Small village enhancement
Coundon	St James' church	5	improvements	well being	Small village enhancement
St John's Chapel	Pavilion	5	Small village enhancement – majority of costs of scheme to be met from external funding	Environment	Small village enhancement
St John's Chapel	Street improvements	60	Small village enhancement –total cost is £120k of which 50% already in place from County council	Environment	Small village enhancement
Stanhope	Toilets in Rookhope	50	Small village enhancement		Small village enhancement
Stanhope	Seating near cemetery	0.5	Small village enhancement	Environment	Small village enhancement

Stanhope	Stanhope Tarmac cemetery footpath	15	Small village enhancement	Environment	Small village enhancement
Stanhope	DDA into Frosterley town hall	30	Small village enhancement	well being	Small village enhancement
Stanhope	Renew Rookhope Cemetary fence	3	Small village enhancement	Environment	Small village enhancement
Stanhope	Castle close grounds	3.5	Small village enhancement	Environment	Small village enhancement
Stanhope	Cowgarth hill	6	Small village enhancement – improvements to road near garages	Environment	Small village enhancement
Tow Law and Stanley	Stanley speed bumps	4	Small village enhancement	Environment	Small village enhancement
Tow Law and Stanley	Stanley-planters	24	Small village enhancement	Environment	Small village enhancement
Tow Law and Stanley	Stanley play facility	59	Small village enhancement	Environment	Small village enhancement
Howden	Various	12	Small village enhancement	well being	Small village enhancement
Howden	Hargill Haven centre	15	Small village enhancement – general improvements to building	well being	Small village enhancement
Crook North	Roddymoorplanters	3.5	Small village enhancement	Environment	Small village enhancement
Bishop Auckland	Toronto –Chapel Street road improvement	20	Small village enhancement	Environment	Small village enhancement
Dene Valley	Environ improvements Home Dene Community	20	Boulders etc	Environment	Small village enhancement
Hunwick	Centre upgrade	16	Small village enhancement	well being	Small village enhancement
Hunwick	Bitchburn	5	Allotment imps- Small village enhancement	Environment	Small village enhancement
Hunwick	Bitchburn seating and bins Valley Terrace – tarmac	2	Small village enhancement	Environment	Small village enhancement
Hunwick	car park	14	Small village enhancement	Environment	Small village enhancement
St John's Chapel	West gate playground	5	Youth provision – total scheme cost is £15k, of which £10k in place	Health	youth
Tow Law and Stanley	Tow Law football club stand	19	Youth provisor	Health	youth
Willington central	Parkside	5	Youth provisor	Health	youth
Crook south	Boxing ring	3	Youth provisor	Health	youth
Dene Valley	Activity trail	5	Youth provisor	Health	youth

Hunwick	Hunwick Cricket club electric shutters	13 685.5	Youth provisor	Health	youth
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WEAR
VALLEY
DISTRICT COUNCIL

SPECIAL POLICY & STRATEGIC DEVELOPMENT COMMITTEE

13 NOVEMBER 2007

Report of the Strategic Director for Resource Management **CAPITAL ASSETS**

purpose of the report

1. To consider the options available to the Council in relation to various capital assets.

background

2. On 27th June 2007, Committee considered a report on the Quirk Review which promotes the transfer of assets into community management. A policy is currently being developed on the principle of community asset transfers and will be submitted for consideration in due course. However, there are some projects which are ready to go forward and it would be appropriate to consider these transfers at this time.

Car Parking in Bishop Auckland

background

3. Members will be aware of requests to examine the implications of transferring the income generating car parks to the newly-formed Bishop Auckland Town Council. Whilst the Town Council is another public body (and hence not strictly within the terms of “community management”) it is at a much more local level. This report sets out options as to how this may be achieved and other related issues.
4. The car parks in question are:
 - Tenter Street
 - Kingsway
 - Victoria Avenue
 - Belvedere
 - South Street
5. The net income from these car parks is approximately £100,000 per annum to the Council. The car parks at Newgate Street and North Bondgate are not

considered suitable for transfer due to the wider redevelopment issues currently being examined in Bishop Auckland.

6. In relation to the car parks which are suitable for transfer, they are in generally sound order. Should the Town Council take them over they would be responsible for the emptying of the machines and restocking of tickets, and the associated enforcement and administration. Whilst the Town Council does not have experience of this, they could 'buy in' such capacity from the Authority.

options

6. There are several options shown below as to how any transfer could work.

Transferring Ownership

7. The Authority would transfer ownership of the assets, and the revenue income, to the Town Council. The transfer could be at full market value or at a reduced value (even a nil value). If the transfer was for value, the Town Council could pay either a lump sum at the date of transfer or could make stage payments, using the revenue received from running the car parks.

Management of the Car Parks

8. The Town Council could choose to operate the car parks entirely without assistance from the Authority. Alternative, they could enter into a management arrangement by which they would pay a management fee to the Authority for maintaining the car parks. This could taper off over time which would give the Town Council the opportunity to build capacity to take over management of the car park.

legal implications

9. Under the Road Traffic Regulation Act 1984, the Town Council will need the consent of the County Council, as highways authority, to make and operate a car parking order. The County Council would retain the power to revoke or amend any car parking order.
10. One of the car parks was originally transferred to the District Council from the County Council, subject to a restriction that it remain a car park. The County Council's consent may be needed to transfer that car park to the Town Council.

conclusion

11. Transferring the car parks to the Town Council is within the principle of managing assets as close as possible to the community. It accords with the ideas set out in the Quirk Report and would support the Town Council in the delivery of its future proposals for the town centre. However, the issues surrounding the redevelopment of North Bondgate and the proposals in relation to the Newgate

Centre, may make the transfer of the remaining car parks infeasible at this point in time.

Stanhope Town Hall

background

12. The Stanhope Market Town Programme was based upon a community appraisal and identifies a number of key priorities, one of which is the refurbishment of Stanhope Town Hall. The building is part of the heritage of Stanhope and provides the largest venue of its type in the Dale through the stage and bar located on the first floor. It is a facility that local people are proud of and highly value.
13. The ground floor however is under-utilised and although the internal appearance has improved recently it is still in need of major updating to realise its full potential. There is clear local evidence and a consensus for retaining the first floor as a function room for a variety of community uses and in particular linked to the Eastgate development. Refurbishment of the ground floor could also allow more flexible use of this area and give an opportunity to provide income generation to sustain the building as a whole.
14. CMT have previously agreed to feasibility studies and design work to be carried out with a view to refurbishing the first floor for enhanced community use and converting the ground floor into incubator units for encouraging business start ups.
15. Following Feasibility and demand studies Plan Arch produced a set of plans for the facility that creates business workspace on the ground floor and enhances the community facility on the first. The two uses will each be fully self contained. Planning permission for the refurbishment/conversion is now in place.
16. The main elements of the plans are:-

Ground floor

- 5 business units ranging from 8sqm to 20sqm
- 2 meeting rooms for 20 and 10 people which can also be training
- hot desk room to link with Biz Fizz coach work in developing new business opportunities.

First floor

- DDA lift access
- Enhanced bar and kitchen facilities
- Improved emergency escape
- New toilet facilities
- Improved stage area.

19. The indicative cost of works for the refurbishment and conversion is c£500,000 subject to further refinement of specifications.

alternative proposals

20. There are three proposed ownership/management arrangements that have been put forward for Stanhope Town Hall, each of which will be able to attract differing funding for the development. The details of which are shown in the table 1.

Table 1

Option	Potential Funding	
	Ground Floor	First Floor
WVDC own and manage	DEFRA RDP, (incl Single Prog)	WVDC Capital
WVDC own, Long term lease to community entity	DEFRA RDP (incl Single Prog)	Lottery, Private Charity Funding, WVDC Capital
WVDC Transfer Asset to community entity	DEFRA RDP (incl Single Prog)	Government Community Asset Fund, Lottery, WVDC Capital

financial implications

21. The different ownership/management arrangements for the facility have financial implications for the district council in terms of capital investment and future revenue input. These are:-

OPTION 1 - Wear Valley District Council retains ownership

- a) The Council continues to provide Revenue support to keep the facility open. In the present financial year this figure is £12,000.
- b) The management arrangements have changed over recent years from a local management group to the responsibility now with WVDC.
- c) This option will bring forward the lowest number of potential funders. These being the Single Programme and DEFRA Rural Development Programme (mixture of Single Programme and ERDF). These will potentially fund the conversion of the ground floor to economic use. If the council retain ownership it will be difficult to attract Lottery or other Charitable Funding for the refurbishment of the of the first floor, it will therefore be likely that WVDC's own capital fund will need to be used for this element.
- d) Assuming that Single Programme is used for the ground floor, who will only fund 50% of the economic use, this means that WVDC will need to fund

approximately 75% of the estimated costs of refurbishment/conversion of £500,000.

- Direct financial Capital Liability of £375,000
- e) If DEFRA funding is secured to fund the ground floor at 100% of these costs, then the Council will be liable for the refurbishment of the first floor of approximately £250,000.
- Direct financial Capital Liability of £250,000
- f) WVDC would also be fully responsible for any running costs for the facility.
- g) The current running costs of the facility in the 2006 financial year were £16,528 offset by of income £4,116 generated from predominantly room hire and events. The initial implications are that the proposals would generate approximately £5,125 of income from the business workspace (at 100% occupancy assuming £75/m²) an estimated additional £5,000 generated from increased usage of the community facility.
- Annual Revenue liability based on 2006 expenditure and income is therefore £2,287.

OPTION 2 - Long Term lease to third party organisation

- h) This option would open the way for Lottery and other Charitable funding to be secured for the social and community use on the first floor in addition to the Single Programme or DEFRA on the Ground Floor.
- Capital outlay to WVDC using Single Programme approx. £125,000.
 - Capital outlay to WVDC using DEFRA would potentially be NIL.
 - Revenue implications are lease income at agreed amount.

OPTION 3 - Transfer of asset

This option allows for the greatest potential funding. Again Single Programme and DEFRA would be an option to the Ground Floor, and Lottery and Charitable Funding to the first. In addition to these funding opportunities Central Government have introduced a new Community Asset Fund (CAF), available to local authorities who are looking to refurbish and transfer assets to the community and voluntary sector.

- Potential Capital and ongoing Revenue outlay from WVDC is NIL.
- Asset in ownership of another organisation.

Corporate Management Team and the Asset Management Group recommended that Option 3 be progressed.

A funding application to the CAF of £600,000 is being prepared. Weardale Steering Group are in the process of forming a suitable Development Trust and will have a constitution in place which will satisfy the CAF. The Weardale Steering Group also oversee the work of Stanhope Market Towns Programme and the Development Trust would be an appropriate body to manage the Town Hall. It is proposed to negotiate a management agreement with the Enterprise Agency for Wear Valley and Teesdale to operate and manage the building and the business incubator space on behalf of the Trust.

other considerations

22. There are human resource and appropriate health and safety implications with option 1.

crime and disorder implications

23. It may be possible that activities undertaken in the proposed community space could have diversionary activity/benefits.

value for money.

24. It is clear that different options provide different assessment of VFM for the Council.

equality and diversity/access to services

25. The proposed community space may provide enhanced access/opportunities for customers.

consultations

26. Consultations have taken place in the Stanhope Market Towns Health check in 2002 and feasibility work in 2005. Both these documents stressed that the community strongly recommends the retention of Stanhope Town Hall as a community facility.

policy context

27. The Government White Paper: Strong and Prosperous Communities, encourages Councils to empower citizens and communities by "*increasing the opportunities to take on the management and ownership of local assets and facilities*".

conclusion

28. The conversion of the ground floor of Stanhope Town Hall to a business incubator, together with a refurbishment of the first floor to enhance a key valued community facility is an innovative approach to achieving increased utilisation of a WVDC asset. Option 3 (transfer to the Development Trust set up by the Weardale Steering Group) would enable the maximum amount of funding to be

attracted whilst reducing the Council's revenue and capital outlay. Most importantly, option 3 will give the future of this important asset back to the community.

Innovation House

background

29. Innovation House on South Church Enterprise Park was developed by the council to provide office based accommodation for new SME's (small to medium-sized enterprise) and as a focal point for business support services to both occupants and the wider business community. The latter is provided by the Wear Valley and Teesdale Enterprise Agency who, through a Service Level Agreement, provide on-site management of the facility for the Council. The facility was developed with grant contributions from ONE NorthEast and NRF.
30. The Council receive income from rents and levy a service charge on tenants for on-site services. Recently a new extension has been completed and made available to the market.
31. The estimated income/expenditure 2007/08 for the centre is:-

	Expenditure	Income	Net
Phase 1	27675	28725	(1050)
Phase 2	45700	42780	2920

32. The slight loss anticipated for the financial year is due to the recent opening of phase 2 and a higher vacancy rate expected until the centre is fully marketed.

transfer

33. Innovation House provides a valuable service to the business community of the district. Its transfer to the Agency accords with the requirements of the Quirk report and would assist the Enterprise Agency to secure this service to the business community for the foreseeable future.

options

34. There are three alternative ownership/management arrangements for the centre.
- Long term SLA with income secured – the Council would return ownership and through a long-term and financially supported (through dedication of rental income) service level agreement provide the agency with security of tenure and management responsibility.
 - Lease – the Council would retain ownership and grant a formal long-term lease to the Agency.
 - Ownership transfer – ownership would transfer to the Agency.

considerations

35. As Innovation House was developed with grant funding, it is necessary to consult with the funding agencies to determine whether any grant aid would be repayable. The financial implications of transfer, in relation to grant conditions applied by funding agencies, will be the subject to further consideration. The principal of transfer is, however, considered appropriate.

OPEN SPACE/WOODLANDS

background

36. The Council manages a number of informal open spaces including denes/woodlands for community use. These in recent years have either been restored or improved for community use through a mixture of Groundwork West Durham and DCG programmes. These include:-

- Willington North and South Dene
- Crook Beck
- Paradise Tip at Witton Park

37. These areas are currently maintained as part of the Council's overall grounds maintenance budget. The areas lend themselves to community participation/engagement in their future use and development. A Management Committee involving the Council and community representatives already exists at Witton Park. Groundwork West Durham and Darlington, with their complement of community and environmental staff are well placed to facilitate such arrangements, and including community control and management.

transfer

38. Transfer of these areas to Groundwork will help facilitate long-term community involvement in management and secure their long-term community use. This accords with the ideas of the Quirk Report.

considerations

39. Groundwork West Durham manage similar areas throughout the County and have the environmental expertise in-house to undertake the task. As these assets are not income generating they would require payment to undertake this role. This needs to be determined.

40. The assets could be transferred either by :-

- Management agreement
- Lease
- Ownership transfer.

41. The principal of the proposal to transfer such areas accords with the Quirk Report in that it secures and transfers control and management to the community, with such activity being facilitated through the Trust. Details of the terms of transfer and financial implications will be considered further.

transfer of capital assets - legal implications

42. The Council has powers under the Local Government Act 1972 to dispose of land in any manner they wish, including sale of their freehold interest, granting a lease or assigning any unexpired term on a lease, and the granting of easements. The only constraint is that a disposal must be for the best consideration reasonably obtainable, unless the Secretary of State consents to the disposal. The Secretary of State has issued a General Disposal Consent (circular 06/03) which provides a general consent to the disposal of land at an undervalue provided that –
 - (a) the undervalue is not more than £2 million pounds , and
 - (b) the transfer promotes the well-being objectives (environment, economic or social well-being).

The Council would need to get the assets valued by the District Valuer, prior to entering into any agreement to transfer the ownership of assets.

43. The Local Government and Public Involvement in Health Act 2007 contains provisions restricting the disposal of assets by authorities who are subject to local government reorganisation. There is a power under the Act for the minister to make an order requiring consent to disposal to be obtained from a person specified in the order. The Act has only recently received royal assent and no orders (or draft orders) have been produced relating to the disposal of assets. Whilst the Council will be affected by this regime, it is impossible to assess at this stage whether any of the transfers proposed in this report will require consent. In the circumstances, it is suggested that members make decisions on the various transfers outlined above. Should the legal position change and consent be required at the time of disposal, a further report can be brought back to members at that time, if necessary.

conclusion

The capital asset transfers outlined above will promote the Council's objectives in relation to community and economy. They will enable decisions about local facilities to be taken at the lowest possible level, allowing residents a real say in the future of these assets. The transfer of Innovation House will provide a valuable support to the Enterprise Agency, ensuring the future of this vital service for the community. Each of these transfers is within the spirit of the Quirk Report and accord with the Council's policies and objectives. Whilst some of these projects will require further investigation before a final decision is taken on the appropriate way forward, an in principle approval

will give officers and partners the necessary security to engage in meaningful negotiations.

RECOMMENDED

1. It is recommended that Committee approve in principal the transfers outlined above, namely –

- Bishop Auckland Car Parks
- Stanhope Town Hall
- Innovation House
- Willington North and South Dene
- Crook Beck
- Paradise Tip at Witton Park

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