

Item: 8

Asset Management Sub-committee: 28 March 2019.

Papay Community Association.

Joint Report by Executive Director of Corporate Services and Executive Director of Education, Leisure and Housing.

1. Purpose of Report

To consider request from Papay Community Association to lease an area of land at Papa Westray Primary School, to enable development of a new play park facility.

2. Recommendations

The Sub-committee is invited to note:

2.1.

That Papay Community Association proposes to upgrade the existing play park facility at Papa Westray Primary School, at a total estimated cost of £30,000.

2.2.

That Papay Community Association has requested a 20-year lease of the site at Papa Westray Primary School.

2.3.

That Papay Community Association will be responsible for all maintenance costs during the lease.

It is recommended:

2.4.

That Papay Community Association be offered a lease of land at Papa Westray Primary School, for a period of 20 years, at a nominal rent of £1 per annum, on terms and conditions determined by the Solicitor to the Council, subject to Papay Community Association obtaining full funding for the proposed project.

3. Proposed Community Park Development

3.1.

Papay Community Association proposes to redevelop the existing play area at Papa Westray Primary School as indicated in the site plan attached as Appendix 1 and design proposal attached as Appendix 2 to this report. The proposed upgrade of existing facilities will greatly enhance the play opportunities and community benefit in the area and the proposal fits with the objectives of the Council's Play Area Strategy.

3.2.

The project value is budgeted at £30,000 and an application for financial support from the Council's Community Development Fund was approved in February 2019.

3.3.

The Association will deliver the proposed project. It is anticipated that there will be no increase on revenue costs following completion of the development.

3.4.

The Papay Community Association will be responsible for all ongoing maintenance costs for the new community play park during the lease.

4. Request to Lease

4.1.

Papay Community Association requests to lease an area of land at Papa Westray Primary School for the purposes of developing a new community play park. The Association requests a lease of 20 years.

4.2.

The Council has deemed the majority of the existing equipment at the facility unsafe for use due to corrosion issues and therefore removed this equipment due to health and safety requirements. Papay Community Association wish to upgrade and develop the community park on the island. The project will improve the sustainability of the area's facilities for the years ahead through increasing the community and visitor offering.

4.3.

Although a market rental valuation of the play park has not been obtained, it is likely to be less than £300 per annum. The proposed lease at £1 per annum is not on commercial terms but rather recognition of the wider benefits to the community from the Association's plans to develop the new community play park.

4.4.

Council policy is that where a lease is agreed on soft terms the relevant service provides financial support to offset the lost rental income. In this case rental income would go to the Education, Leisure and Housing Service, and will be cost neutral.

4.5.

That, in order to secure inwards investment in this important community facility, the request to lease the site for the proposed community play park for 20 years be approved.

4.6.

That, should the recommendation in this report is approved, Papay Community Association be asked to secure all the appropriate funding they require prior to lease commencement.

5. Links to Council Plan

The proposals in this report support and contribute to improved outcomes for communities as outlined in the Council Plan strategic priority of Quality of Life - to work with partners to provide opportunities to make Orkney an attractive location of young people to live, work and study. In addition, this priority concerns everyday matters which contribute to quality of life.

6. Links to Local Outcomes Improvement Plan

The proposals in this report support and contribute to improved outcomes for communities as outlined in the Local Outcomes Improvement Plan priority of Living Well.

7. Financial Implications

7.1.

A formal valuation of the play park site has not been requested but it is understood to be low value based on existing use.

7.2.

Any lease for a nominal or peppercorn rate of £1 per annum is considered to be soft terms.

7.3.

On the basis that responsibility for operation and ongoing maintenance of the play park site is to transfer from the Council to the Community Association, and given its close proximity to the Papay Westray Primary School, there will be a need to evidence this for the duration of the lease agreement including, for example, the provision of appropriate insurance cover and on-site signage to this effect.

8. Legal Aspects

8.1.

Section 74 of the Local Government (Scotland) Act 1973 (as amended) provides that the Council cannot normally dispose of land (which includes leasing land) for less than the best consideration that can reasonably be obtained unless the best consideration is less than £10,000 or the proposed consideration is more than 75% of the best consideration. If neither exception applies the Council must follow the appraisal procedure set out in the Disposal of Land by Local Authorities (Scotland) Regulations 2010. However, it is noted from section 4.3 above that, although an open market rental valuation has not been obtained, it is considered likely that it would be less than £300 per annum in which case the cumulative rent would fall below the £10,000 threshold and the appraisal procedure would not be required.

8.2.

The Council must show that it is securing best value when considering land transactions (section 1, Local Government in Scotland Act 2003).

9. Contact Officers

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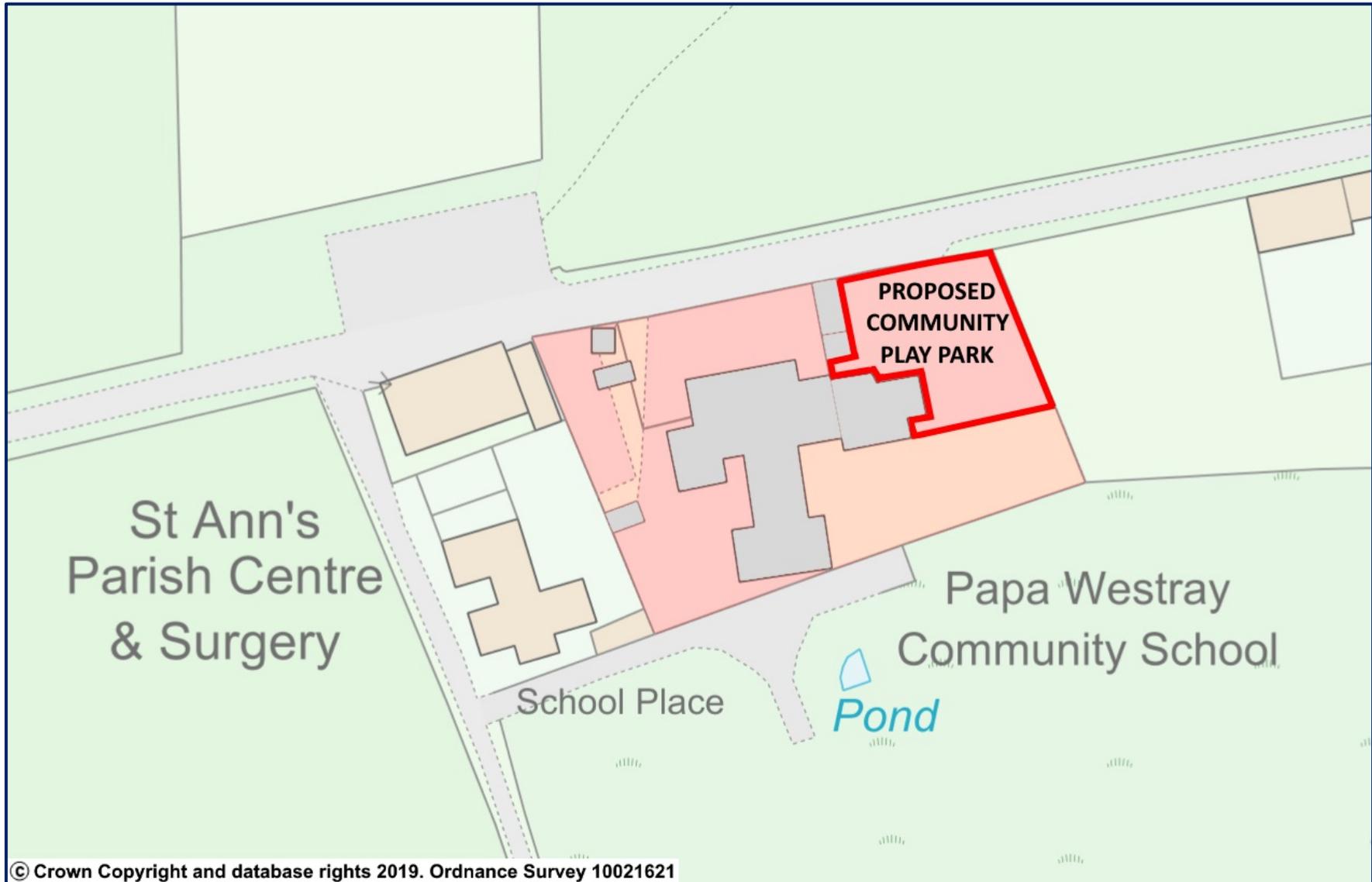
10. Appendices

Appendix 1: Site Plan.

Appendix 2: Proposed Play Park Design.

Appendix 1

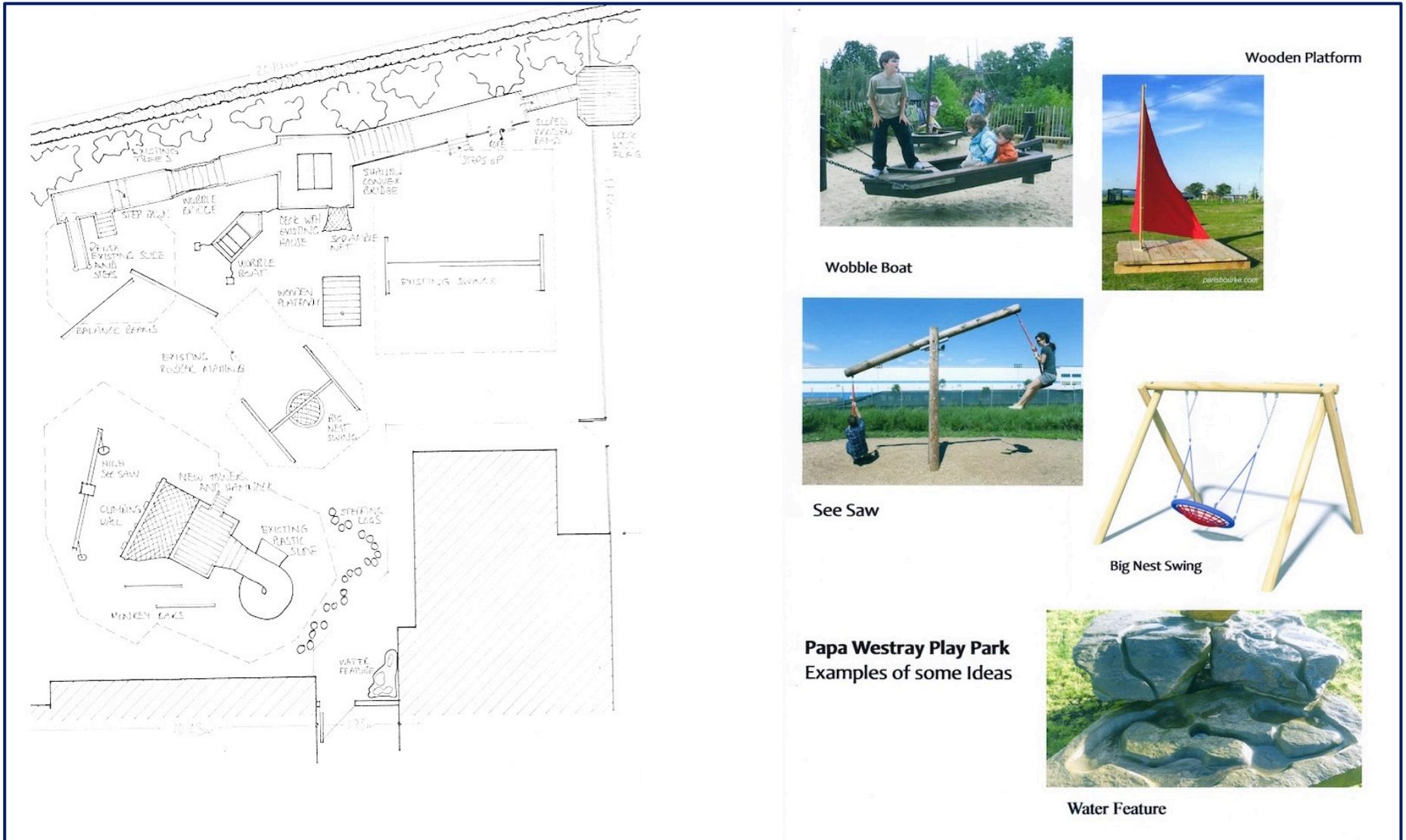
Site Plan of Papa Westray Primary School and Proposed Community Play Park



Not to Scale

Appendix 2

Proposed Community Play Park



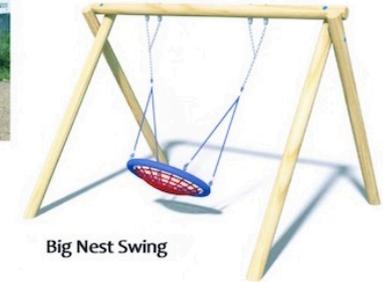
Wobble Boat



Wooden Platform



See Saw



Big Nest Swing

Papa Westray Play Park
Examples of some Ideas



Water Feature

Not to Scale