



Decision Report

ISLE OF WIGHT COUNCIL

DECISION UNDER DELEGATED POWERS

06 MARCH 2024

Title **REW VALLEY SPORTS CENTRE, VENTNOR - GRANT OF A NEW 125 YEAR LEASE TO THE ISLAND COMMUNITY (FREE) SCHOOL**

Report of **DEPUTY LEADER CABINET MEMBER FOR HOUSING AND FINANCE**

Executive Summary

1. This paper sets out a potential future use for the Rew Valley Sports Centre and playing fields, Ventnor, which has been occupied by the Island Free School since 1 September 2014 when the Council's discretionary budget ceased.

Recommendation

2. It is recommended that Option (1) is adopted:

That the Deputy Leader and Cabinet Member for Housing and Finance approve the proposed new lease terms to the Island Community School.

Background

3. The Rew Valley Sports Centre and playing fields (RVSC), shown hatched on the attached plan (Appendix 1), was until 2011 used as a sports facility for the former Ventnor Middle School as well as the community, and was funded by the council's education budget.
4. In 2011, the former Ventnor Middle School was demolished and redeveloped to provide the new St Francis Primary School, which is currently run by Diocese of Chichester Academy Trust (DCAT)
5. The RVSC was offered to the dioceses at the time of the school's redevelopment, as a sports facility for use in conjunction with the new St Francis Primary School, however the Dioceses confirmed that finances precluded them from doing so. Since that time, St Francis Primary School has been using the RVSC as required, through a rental agreement.

6. Council funds from its discretionary budgets were identified to continue to run the sports centre until 31 March 2014, in the hope that a third party could be found to manage the facility by that date. The cost of running the facility was in the region of £50,000 per annum.
7. In February 2014, the council received an expression of interest from The Island Community School, which included the proposal to redevelop the former St Margaret's Primary School site located opposite the St Francis Primary School, to use the RVSC in conjunction with the new community school, whilst continuing to offer it to St Francis Primary School and the community. The Island Community School is the only body which came forward during this time with a strong interest to run the RVSC facility.
8. It remained that if an alternative provider could not be found after the 1 September 2014, the RVSC would have had to close. It should also be noted that the Island Community School at the time had the option to construct its own sports facility on the community school site, but clearly this did not make economic sense if, as a result, the RVSC then closed.
9. The lease terms proposed for the new lease at RVSC and playing fields are as follows:
 - a) A 125-year lease.
 - b) A peppercorn rent is proposed.
 - c) Tenant to insure and to keep the property clean and tidy and make good any damage and deterioration.
 - d) A restriction to sports, fundraising, recreational and community use linked to education only.
 - e) The tenant will have the right to break the lease at years 25, 50, 75 and 100.
 - f) An obligation to incorporate a community use agreement within the lease, or as a separate document if required, which will require the Island Community School to offer the facility to the community whenever it is available, at a fair and reasonable cost.
10. The tenant will contribute £2,000 plus VAT towards the council's legal and surveyor's fees in reaching this agreement.

Corporate Priorities and Strategic Context

11. The recommendation in this report directly links to the Corporate Plan 2021-25 priority, which is to work with local communities to maintain and ensure appropriate local school provision.

Responding to climate change and enhancing the biosphere

12. A climate and sustainable development impact assessment has been undertaken and is detailed below. This demonstrates the impacts of the proposed decision to the environmental and socio-economic conditions of the Island. The wheel is made up of two different distinct sections. The outer wheel focuses on socio-economic factors, which could impact communities across the Island. The inner wheel focuses on the delivery of net zero emissions to meet the councils 2030 target. There are 17 outer socio-economic segments and 6 inner environmental segments, and these

are scored from 1 (long-lasting or severe negative impact) to 5 (long-lasting or extensive positive impact). Overall, the assessment demonstrates no long-lasting or severe negative impacts if the proposed option is approved.



Economic Recovery and Reducing Poverty

13. As set out within the corporate plan this report demonstrates the council's commitment to work with local communities to maintain and ensure appropriate local school provision, providing the best possible outcomes for children on the Island.

Impact on Young People and Future Generations

14. The decisions the Council makes now not only affect current residents, but may have long term impacts, both positive and negative, on young people and future generations. These impacts may not immediately be apparent or may not emerge for a number of years or decades. Impacts will be interrelated across the various domains of young people's lives from housing, employment or training, health and the environment.

Consultation and Engagement

15. The local member is supportive of this proposal, as is Ventnor Town Council. The Catholic Diocese of Portsmouth, the Church of England Dioceses of Portsmouth and Winchester, St Francis Primary School and the DfE have been consulted throughout this process and are fully aware of the proposed terms.

Financial / Budget Implications

16. As noted above, should this proposed lease not be authorised there will be no council funding to enable this facility to continue to operate, meaning a loss of community facility.

17. By transferring the operation of the facility to a third party, the council will not be responsible for any costs associated with operating the sports centre. These will all be met by the tenant, unless the tenant breaches any of the terms of the lease at which point the lease may revert back to the council, at no cost to the council other than legal costs to affect the surrender.
18. If the facility does not transfer to a third party the council would be made responsible for holding costs, such as business rates, utilities, security, and maintenance, for which it has no identified budget.
19. As this proposal is for a lease for a peppercorn rent, costs incurred by the council in formalising the agreement cannot be charged to the project. Up to £2,000 plus VAT will be reimbursed to the council by the community school, and therefore any additional fees incurred will need to be met by the council.

Carbon Emissions

20. Disposal of this property will have a positive impact on the council's carbon footprint. This saving was identified in the Carbon Management Plan as being some 72,800 kWh of energy, generating 27 tonnes of CO₂.

Legal Implications

21. The Secretary of State can exercise their powers under Schedule 1 of the Academies Act 2010 to either make a scheme compulsorily transferring school land, or a scheme or direction transferring any existing interest, rights, or liabilities if an agreement is not reached with the Island Community School.
22. The council has the power to dispose of property under section 123 of the local government act 1972, which requires it to achieve "best consideration" in any disposal.
23. Best consideration does not necessarily mean the highest price achievable. It can also be obtained from other additional benefits generated by and for the local community from the disposal, provided that the council observes its fiduciary responsibilities and protects the interests of the community and itself in the transaction.

Equality and Diversity

24. The council, as a public body, is subject to general and specific duties under equality and diversity legislation and as such has a duty to impact assess its service, policies/strategies, and decisions with regards to diversity legislation and the nine protected characteristics (race, gender reassignment, disability, age, sex and sexual orientation, religion or belief, pregnancy and maternity, marriage and civil partnership). It is not thought that there are any direct implications for the council's duties under the terms of Equality Act 2010 arising from the recommendations in this paper.
25. As the Island Community School will be required to offer use of the facility to the community when available via a community use agreement there will be no detrimental equality and diversity issues arising from this proposal, and indeed the

council is ensuring the future of this facility for the community by entering into this lease.

Options

26. The options available to the council are as follows:

- (1) Agree to the proposed new lease terms to the Island Community School.
- (2) Reject the proposed new lease terms to the Island Community School and continue to seek an alternative provider for the facility.
- (3) Retain direct ownership and control of the facility.

Risk Management

27. Under option (1), risk is low, as the Island Community School is well funded to run the RVSC facility in accordance with the lease terms.

28. Option (2) would be a high-risk choice, as the council has been seeking an alternative provider for this facility for some years, and the only interested party which has expressed an interest to date is the Island Community School.

If the council refuses this lease, it is highly unlikely that an alternative provider will be found, and even if one were found, it is likely that the provider would seek a new lease on similar terms (at a peppercorn rent) as it is unlikely that a profit could be made from running the facility. Accordingly, there would not be any benefit to the council of taking this route.

29. Option (3) is unattractive to the council as the council has no available funds to support the use of the building if it retains ownership or close it and fund the resulting holding costs. In addition, this option is against the aspirations set out in the corporate plan.

Under this option, if the council does not dispose of surplus assets, it will not be making best use of its portfolio, and it will incur higher revenue costs than necessary by retaining ownership of redundant buildings. These risks can be mitigated by approving the transfer or disposal of surplus buildings.

Evaluation

30. Whilst the council could refuse to grant the proposed new lease to the Island Community School, it would then be left without a sports facility. Accordingly, if the lease to the Island Community School is not granted the facility will close and the council will continue to incur holding costs after that date for which it has no budget.

31. In addition, there would be no benefit to refuse the lease terms currently on offer from the Island Community School in the hope that an alternative provider can be found, as any alternative provider would undoubtedly seek a lease on similar terms of a peppercorn rent, as it is not a profit-making facility. The council would simply incur holding costs in the meantime, which it has no budget to fund.

32. The use of the facility by local community groups will be sustained under the terms of the proposed lease. The pattern of use may however be different to those at present as the Island Community School as the funder of the facility would expect to have first call on its use to suit its purposes. The option to this arrangement would be the closure of the sports facility which would mean it were not available for use at all by the community or the primary school.

Appendices Attached

33. Appendix 1 - Site plan

Background Papers

34. The Possible Disposal of Land at Lowtherville Industrial Estate, Ventnor - decision reference 25 (13/14).

Contact Point: Jade Kennett, Service Manager – Strategic Development, ☎ 821000
e-mail jade.kennett@iow.gov.uk

SHARON BETTS
*Strategic Director of Corporate
Services*

(CLLR) IAN STEPHENS
*Deputy Leader Cabinet Member for Housing and
Finance*