

Bonnyrigg Leisure Centre Update Report

Report by John Blair, Director, Corporate Resources

1 Purpose of Report

This paper is to advise Council on the current position and recommends further actions with regard to the former Bonnyrigg Leisure Centre building taking into account title issues, current policies and feedback from the community.

2 Background

2.1.1 Council at its meeting on 23 February 2010 agreed to;

- The inclusion of the facilities then available at **Bonnyrigg Leisure Centre**, and other outlying buildings be relocated to the New Lasswade High School Centre when it opened; and
- Authorised the **closure and disposal** of these outlying buildings (which included Bonnyrigg Leisure Centre), once the new Lasswade High School Centre opened.

2.1.2 A subsequent report to Council dated 28 June 2011 on selection of preferred bidders for Lasswade High School Campus included a provision of £302,000 for the demolition of all the outlying buildings.

2.1.2 Any action whether disposal (including sale or lease) or demolition of the former Bonnyrigg Leisure Centre building would require the consent of the National Playing Fields Association or its successors, Fields in Trust. This is in accordance with the terms of the George V Park Trust agreement which covers the whole park and the buildings within it.

2.1.3 As part of that process formal consent will be sought from Fields in Trust, in accordance with the restrictions within the title. These restrictions include the provision that:-

- Any **change of use** to the building would also require the National Playing Fields Association or its successor's approval. It is understood that this would include initial proposals to return the space occupied by the Leisure Centre to use as parkland
- as Trustees for the park, the Council are not to dispose or transfer any part of the park without the consent of the National Playing Fields Association ; and if granted, The Council are bound to report to the National Playing Fields Association or their successors, the terms of any proposals

received and obtain and follow their instructions regarding disposal of the subjects.

- In the event that any part of the park is sold the proceeds are to be used to acquire a new recreation ground and relevant buildings.
- That no society or person can charge for admission to any part of the subjects let to them without the consent of the National Playing Fields Association or its successors.

- 2.1.5 These restrictions are onerous to the extent that they require that the Council engage with the National Playing Fields Association's successors the Fields in Trust with regard to any future decision in respect of the building.
- 2.1.6 Fields in Trust have indicated that they consider that the community be given the opportunity to develop and propose a combined community use for the building.
- 2.1.7 Community consultation and positive engagement are key features of the Council's policies on Future Models of Service Delivery. This policy and supporting policies focus on effective community engagement and are supportive of Community Co-production and Capacity Building with the aim of seeking to encourage and support communities to become self reliant and resilient in the provision of services locally.
- 2.1.8 Through its Neighbourhood Planning process the Council and its Community Planning Partners are effectively engaging with communities to establish local priorities and provide a basis for collective action planning. The Bonnyrigg Neighbourhood Plan process is due to commence in August 2013.
- 2.2.1 Following closure of the Bonnyrigg Leisure Centre and transfer of activities to the new Lasswade Centre Hub from July 2013, community concern has been expressed with regard to demolition of the building.
- 2.2.2 Furthermore proposals have been received from the 'Bonnyrigg and Sherwood Development Trust/ Midlothian Fitness Academy' and the 'Bonnyrigg Centre Initiative'.
- 2.2.3 Both proposals seek to make use of and retain the whole building, and both seek further time to develop their proposals into effective fully consulted business plans.
- 2.3.1 The Council have two options with regard to the future of the former Bonnyrigg Leisure Centre building;
- a) Seek consent from the Fields in Trust to demolish the building ; or
 - b) Delay any decision to demolish and further engage and involve with the Fields in Trust to develop a criteria to consider the future of the building which might include alternative uses for the building.

At the same time this would allow all interested parties until 29 November 2013 to submit, a fully costed, consulted, viable business plan which does not require significant financial contribution from the Council. This would enable the Council to robustly review and subsequently decide on the buildings future taking into account the community's views and long term sustainability.

3 Report Implications

3.1 Resource

Delaying a decision of the future of the building will incur unplanned revenue expenditure. Excluding boarding up the costs which are estimated to be in the region of £13,000, ongoing revenue costs until end of October 2013 will be in the region of £2100 per month, at which point unoccupied rate relief expires and the costs increase to £7,000 per month. It is estimated that the cost of mothballing the building for an initial 12 months will equate to approximately £82,000. This would include boarding up the building and provision of nightly security visits.

3.2 Risk

There are a number of risks associated with the two options outlined above.

3.2.1 *Reputation Risk and Policy Risk*

Seeking to proceed with the immediate demolition of the building without taking cognisance of the Bonnyrigg and Lasswade/Poltonhall Neighbourhood Planning engagement process would be counter to the Council's stated position of listening to its communities. Given the level of volunteer effort which proposals have received to date, refusal by the Council to take account of these requests would have a detrimental impact on the credibility of the Council's Co-production and Community Capacity Building agenda.

There is a risk that the Council, in not agreeing to extend the timescale for the development of full and detailed business plans with the backing of effective and robust community consultation, will be accused of acting unreasonably and applying unrealistic timescales on communities and voluntary groups.

These risks can be mitigated by agreeing to delay any decision on the future of the building for a minimum period of a further three or four months, subject to progressing the community engagement and consultation process and receipt of fully detailed business plan proposals from the community.

There remains a risk that criticism could be made regarding the quality of the Neighbourhood Planning process by condensing the Neighbourhood plan priority setting within the minimum timescale.

3.2.2 *Legal Risk*

The Bonnyrigg Leisure Centre lies within George V Park, which is held in trust by the Council on behalf of the National Playing Fields

Association, now Fields in Trust. The nature of the trust agreement would require that the Council obtain the agreement of the Fields in Trust regarding the future of the building. Fields in Trust have indicated they would prefer the Council allow a 12 month period for alternative community based options to be developed and considered. There is therefore a risk that if a request to demolish the building is made now without allowing for a consultation period Fields in Trust would refuse to grant consent effectively preventing the Council from acting.

By engaging with Fields in Trust and proposing more limited timescale it is hoped that Fields in Trust's opposition to any proposed outcome will be removed and consent for subsequent proposed actions might be forthcoming.

There is a risk of delay in the internal decision making processes and the granting of consent by Fields in Trust. By progressing engagement with Fields in Trust and agreeing proposed assessment processes, and timescales for decision making it is hoped that any delay will be minimised, with consequential reduction in financial risk to the Council.

Financial Risk

The retaining of the building carries a financial risk. Whilst the initial retention cost of holding the building for a six month period cannot be avoided given the legal requirements to obtain consent of Fields in Trust, engaging in a process of consultation with the community in conjunction with the Fields in Trust will mitigate the risk that the Council having to continue to have to fund this property for an extended open ended period. By seeking to ensure that the building is either transferred in a sustainable way to a third party who takes on all future liabilities, or gaining consent for its demolition the Councils' ongoing liability can be minimised within specified and agreed timescales.

3.2.3 Structural building Risk

No detailed structural surveys have been undertaken by the Council. There is therefore a slight risk that there may be unidentified structural issues with the building. Whilst this is not thought to be the case, if structural surveys are undertaken which reveal issues with the structure of the building this would impact on any decisions with regard to the future of the building and be material to any consents, required from Fields in Trust and proposals from interested parties.

3.3 Single Midlothian Plan and Business Transformation

Themes addressed in this report:

- ☐ Community safety
- ☐ Adult health, care and housing
- ☐ Getting it right for every Midlothian child
- ☐ Improving opportunities in Midlothian
- ☒ Sustainable growth
- ☒ Business transformation and Best Value
- ☐ None of the above

3.4 Impact on Performance and Outcomes

The effective transfer (which in this case is likely to be by way of lease given the title restrictions) of an asset can deliver improved community capacity, enhancing community resilience and independence.

3.5 Adopting a Preventative Approach

Agreeing to delay a decision of the future of the building and considering the transfer of the asset ownership can:-

- Support Community Planning priorities and therefore assist local communities to become more resilient;
- Improve opportunities for investment into local communities and community assets, through access to external funding not available to local authorities;
- Provide an opportunity for safeguarding local facilities and the delivery of social economic and environmental benefits at a local level.
- Encouraging the engagement with parents/volunteers in the community will help build and develop community resilience.

3.6 Involving Communities and Other Stakeholders

Allowing interested parties to come forward with ideas and proposals for consideration would ensure positive engagement with communities.

3.7 Ensuring Equalities

Reference is made to the EQIA accompanying the report on Community Asset Transfer policy to Council on 25 June 2013. Further assessments will be made in respect of community proposals should Council agree to delay decisions on the future of the building.

3.8 Supporting Sustainable Development

The effective transfer of an asset (by way of long lease or freehold transfer) can deliver improved community capacity enhancing community resilience and independence.

3.9 IT Issues

There are no IT issues arising as a consequence of this report.

4 Summary

The Council has adopted a model which relies on community engagement and co-operation, and seeks to develop resilience and capacity in communities in order that the Council can focus its efforts towards supporting those groups most in need. The future of the Bonnyrigg Leisure Centre particularly if sustainably transferred into community control has the potential to achieve these goals at a local level to the mutual benefit of the community and the Council.

5 Recommendations

Council are asked to:

- Note the legal title restrictions imposed by the Trust Agreement in respect of the George V Park and the consequential impact this has on future decisions with regard to the former Leisure Centre Building.
- Agree to extend the timescales until a final decision with regard to the future of the Bonnyrigg Leisure Centre building is made until December Council;
- Agree a supplementary estimate of £41,000 to fund the cost associated with the building for a period of 6 months.
- To note that it is expected that within that timescale the Neighbourhood Planning Engagement and Consultation process will indicate the emerging priorities.
- That bidders be given until the 29th of November to submit fully robust consulted and sustainable business plans for consideration against policy and land title and community consultation priorities criteria.

7 August 2013

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Background Papers:

Declaration Box

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Title of Report: *Bonnyrigg Leisure Centre, Community Asset Transfer Update Report*

Meeting Presented to:

Author of Report:

I confirm that I have undertaken the following actions before submitting this report to the Council Secretariat (Check boxes to confirm):-

- ☐ *All resource implications have been addressed. Any financial and HR implications have been approved by the Head of Finance and Human Resources.*
- ☐ *All risk implications have been addressed.*
- ☐ *All other report implications have been addressed.*
- ☐ *My Director has endorsed the report for submission to the Council Secretariat.*

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Likewise, please advise the Council Secretariat if any report for Midlothian Council has an education interest. The Religious Representatives are currently entitled to attend meetings of the Council in a non-voting observer capacity, but with the right to speak (but not vote) on any education matter under consideration, subject always to observing the authority of the Chair.