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#### REFUNDING SRB MONIES TO FIRTHMOOR COMMUNITY ASSOCIATION

# Responsible Cabinet Member(s) - Councillor Bill Dixon, Community and Public Protection Portfolio

Responsible Director(s) - Cliff Brown, Director of Community Services

## **Purpose of Report**

1. To consider refunding SRB monies of £56,268 to Firthmoor Community Association so they can utilise these funds for the provision of a Multi Use Games Area (MUGA).

## **Information and Analysis**

2. In 2001, Firthmoor Partnership (representing the Community Association), as a non-executive body, requested the Council to purchase the lease for the former Firthmoor Public House site using SRB resources. The purpose of the purchase was to enable the land to be utilised for the provision of a MUGA. In August 2001, (Min C85/Aug/01 refers), Cabinet approved the acquisition of the leasehold interest of the site on behalf of the Firthmoor Partnership and the acceptance of the surrender of the ground lease of the site involving the following costs:-

| Lease acquisition | 18,500 |
|-------------------|--------|
| Legal Fees        | 250    |
| Professional fees | 2,743  |
| Demolition        | 34,775 |
| Total             | 56,268 |

- 3. Since the acquisition, the former pub site has been identified in the Darlington Urban Capacity Study as being suitable and available for social housing development. As such, the Community Association were asked to consider relocating the MUGA to an alternative site to enable development of the site. They have agreed to this so that the land can be redeveloped for social housing. A Housing Association are now interested in developing the site and are seeking Housing Corporation funding to develop it, although it will not be known whether this is to go ahead until next year.
- 4. However, ONE North East have advised that if the land is not used in accordance with the objectives in the SRB delivery plan for which it was purchased from the Council then it is a requirement that the funding be refunded to the Community Association. This would mean that the Community Association would be due £56,268 from the capital receipt.

5. To facilitate the use of the former pub site, the Community Association agreed to resite the MUGA in part of the car park/landscaped area at the side of the Maidendale House. This was a better site from their point of view but redevelopment of the car park did add to the cost of the project. The Community Association have been actively pursing funding bids to raise the estimated cost of £125,000 to provide a MUGA and are keen that this project commences prior to the year end as they may loose some SRB match funding. An added complication is that in seeking external funding to meet the gap in funding, funders like to know what funding is already in place and without the refunded monies the Community Association are unable to provide accurate information. This is acting as a further hindrance to delivering this project.

## **Financial Implications**

6. The additional capital resources of £56,268 required can be accommodated within the existing capital programme. However, Members will appreciate that should the capital receipt not come to fruition, this will reduce the available capital funding in future years.

#### **Outcome of Consultation**

7. No consultation has been undertaken with regards this matter.

# **Legal Implications**

8. This report has been considered by the Borough Solicitor for legal implications in accordance with the Council's approved procedures. There are no issues which the Borough Solicitor considers need to be brought to the specific attention of Members, other than those highlighted in the report.

## Section 17 of the Crime and Disorder Act 1998

9. The contents of this report have been considered in the context of the requirements placed on the Council by Section 17 of the Crime and Disorder Act 1998, namely, the duty on the Council to exercise its functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area. It is not considered that the contents of this report have any such effect.

## **Council Policy Framework**

10. The issues contained within this report do not represent change to Council policy or the Council's policy framework

#### **Decision Deadline**

11. For the purpose of the 'call-in' procedure this does not represent an urgent matter

## Conclusion

12. One way to facilitate the MUGA project, having regard to the Community Association's willingness to relocate the site, would be to release the £56,268 in advance of any development of the former pub site taking place. There would, however, be a risk that the planned Housing Association project does not receive Housing Corporation approval. However, the project by Three Rivers is for family housing which meets the Council's priority need for affordable housing and the regeneration of the area and should therefore stand a good chance of success.

## Recommendation

13. It is recommended that Cabinet release £56,268 to Firthmoor Community Association in advance of the sale of the land.

#### Reasons

14. The recommendation is supported to enable the MUGA project to proceed.

# Cliff Brown Director of Community Services

# **Background Papers**

No Background papers were used in the preparation of this report.

Sharon Brown: Ext 2685

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