

## CHESHIRE EAST COUNCIL

### CABINET MEMBER FOR REGENERATION COUNCILLOR DON STOCKTON

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**Report of:** Interim Executive Director of Place

**Subject/Title:** Weston Community Centre, Macclesfield

**Date of Meeting:** 2<sup>nd</sup> September 2016

**Portfolio Holder:** Regeneration

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#### 1.0 Report Summary

- 1.1 An approval is required to transfer Weston Community Centre as shown edged red on the attached plan as part of the Local Service Delivery - Transfer and Devolutions to Town and Parish Councils process. This approval is by virtue of The Local Government (Parishes and Parish Councils) (England) Regulations 2008.

#### 2.0 Decision Requested

- 2.1 To dispose by way of a freehold transfer Weston Community Centre to Macclesfield Town Council for a nominal value, on the terms stated in 3.4 and other terms to be agreed by the Assets Manager in consultation with the Portfolio Holder and Director of Legal Services.
- 2.2 To authorise the Director of Legal Services to enter into and sign all necessary documents to give effect to those agreements reached.

#### 3.0 Reasons for Recommendations

- 3.1 Macclesfield Town Council was created in April 2015 as a result of Reorganisation of Community Governance (Macclesfield) Order 2015 (see attached).
- 3.2 The Cheshire East Council Reorganisation of Community Governance (Macclesfield) Order 2015 confirmed that Macclesfield Town Council was to be formed. Schedule 2, Article 11 of this order identified a number of properties including seven Allotments, Weston Community Centre and two Public Conveniences. The Allotments have been considered within a separate report with the public conveniences to be considered in a report to follow.
- 3.3 This process for these asset transfers is a separate process by virtue of The Local Government (Parishes and Parish Councils) (England) Regulations 2008 and also falls in line with the Council's general approach to asset transfer and the Cabinet paper dated 12<sup>th</sup> July 2016 which sets out the framework for disposal of assets by the Council.

- 3.4 Cheshire East Council (CEC) is committed to delivering services tailored to its individual communities. Weston Community Centre is a community building which caters for the different aspects of the community within Macclesfield.
- 3.5 Macclesfield Town Council will ensure that this asset is sustainable and will work with the local community to provide the right services, in the right places, at the right times.
- 3.6 Macclesfield Town Council would take on full accountability for all aspect of the transfer including all running costs and existing bookings.

#### **4.0 Wards Affected**

- 4.1 Macclesfield West and Ivy

#### **5.0 Local Ward Members**

- 5.1 Cllr Alift Harewod & Cllr Nicholas Mannion

Local Ward members have been consulted.

#### **6.0 Policy Implications including - Climate change - Health**

- 6.1 The transfer is in line with the Councils policy of Local Service Delivery - Transfer and Devolutions to Town and Parish Councils.

#### **7.0 Financial Implications**

- 7.1 The impact of the transfer to Macclesfield Town Council would only have a marginal financial impact on CEC budget in 16-17 as there are currently minimal operational costs for this asset.

#### **8.0 Legal Implications (Authorised by the Director of Legal Services)**

- 8.1 The Localism Act 2011 introduced the General Power of Competence which allows the Council to do anything an individual can do provided it is not prohibited by other legislation. These powers have replaced the previous wellbeing powers, however, the use of these powers must be in support of a reasonable and accountable decision made in line with public law principles.
- 8.2 The Council has the power to dispose of land pursuant to S123 of the Local Government Act 1972 subject to it being at the best consideration that can reasonably be obtained.
- 8.3 The General Disposal Consent 2003 authorises the disposal of land for 7 years or more at less than best consideration if the undervalue is £2 million or less, as in this case, and subject to those powers being exercised in line with public law principles.

- 8.4 The Council has a fiduciary duty at all times to the taxpayers and must fulfil this duty in a way which is accountable to local people.
- 8.5 The Council also has to be mindful of The European Commission's State Aid rules which set out that when disposing of land at less than best consideration the Council is providing a subsidy to the occupier of the land which may distort the market. In such cases both Councils must ensure that the nature and the amount of the subsidy complies with State Aid rules either by coming under one of the General Block Exemptions or under the De Minimis rule which permits aid up to approximately £155,000 (€200,000) over a 3 year period.

## **9.0 Employment implications**

Cheshire East Council employs one part time member of staff in Weston Community Centre as a general assistant. Confirmation is required from Macclesfield Town Council but it is expected that this role will transfer to Macclesfield Town Council under the Transfer of Undertakings ( Protection of Employment ) Regulations 2006 ( and as amended in 2014) Information and informal consultation has taken place. Further formal consultation will take place if this transfer is confirmed. In the event that the role does not transfer, the individual would be at risk of redundancy and there would be a financial and reputational risk.

## **10.0 Risk Management**

- 10.1 Cheshire East Council is not proposing to carry out any further improvements to Weston Community Centre as this building is deemed not to be a priority due to budgetary implications. There is a risk that Macclesfield Town Council will be unwilling to enter into the proposed freehold transfer unless CEC deal with these issues first.
- 10.2 There is a risk that an agreement between the Council and Macclesfield Town Council with regard to the transfer of the employee is not reached following the formal consultation.

## **11.0 Background Information**

- 11.1 Macclesfield Town Council was created in April 2015 as a result of the Reorganisation of Community Governance (Macclesfield) Order 2015.
- 11.2 Cheshire East Council is committed to delivering services tailored to its individual communities and has a borough wide ambition to create a network that service the local needs of residents by the people who understand their communities best.

11.3 In some cases this means moving more to local ownership (which is inline with the original transfer policy) so that the asset can be better utilised and managed for the good of the community.

## **12.0 Access to Information**

The background papers relating to this report can be inspected by contacting the report writer:

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