

North Tyneside Council

Report to Cabinet

24 June 2019

ITEM 5(e)
**Innisfree Allotments
(East), Longbenton**

Portfolio(s): Finance and Resources

**Cabinet Member(s): Councillor Ray
Glendon**

Report from Service Area: **Commissioning and Asset Management**

Responsible Officer: **Mark Longstaff, Head of Commissioning and Asset Management** (Tel: 0191 643 8089)

Ward affected: **Longbenton**

PART 1

1.1 Executive Summary

This report provides Cabinet with information on a request for an additional interest in respect of the eastern section of Innisfree Allotments, by a Community Interest Company known as Justice Prince. The allotments have been occupied by the organisation since 2007 under a lease and are now known locally as the Oxford Community Garden.

Justice Prince supports the most disadvantaged and excluded sectors of the Longbenton and wider community, through working with those suffering the greatest hardship and disadvantage. It has developed the allotments into a thriving garden hub offering a host of activities to a cross section of the community.

The report details the request from Justice Prince, and asks Cabinet to determine the appropriate way forward in the circumstances. The options available to Cabinet are set out at section 1.6 of this report. In the event that Cabinet wishes to either grant a long lease on the site, or to dispose of the freehold of the site, Cabinet is asked to declare the allotments surplus to the Authority's requirements and to authorise officers to complete the legal formalities to transfer the appropriate legal interest to Justice Prince. As these are statutory allotments. This will include making an application to the Secretary of State for Housing, Communities and Local Government for consent to their disposal.

1.2 Recommendation

It is recommended that Cabinet:

- i. considers the contents of this report and determines which option, as set out at Section 1.6 of this report, it wishes to pursue;

- ii. in the event that Cabinet decides to pursue Option i) or Option ii), declares the Innisfree Allotments (East) surplus to the Authority's requirements;
- iii. authorises the Head of Law and Governance to complete the grant of an appropriate legal interest, as set out in Option i) or Option ii), in the allotments to Justice Prince, subject to the main terms and conditions outlined in Section 1.5 of this report and in accordance with all relevant legal requirements; and,
- iv. authorises the Head of Commissioning and Asset Management to deal with all ancillary matters arising that are consistent with the preceding recommendations.

1.3 Forward plan

Twenty eight days notice of this report has been given and it first appeared on the Forward Plan that was published on 23 May 2019.

1.4 Council plan and policy framework

The report is relevant to the following priorities set out in the Our North Tyneside Plan- 2018 to 2020:

Our People Will:

Be more independent, volunteer and do more for themselves and their communities.

1.5 Information

1.5.1 Background

Justice Prince is a small Community Interest Company (CIC) based at the Oxford Centre in Longbenton. The organisation supports the most disadvantaged and excluded sectors of the Longbenton and wider community. In 2007, the organisation took a lease over part of the Authority-owned Innisfree Allotment (East) site in Longbenton to develop it into a community garden. This part of the allotment site (shown by dark outline on the appendix plan to this report) had fallen into dereliction and was unused by the local community.

It is now known as the Oxford Community Garden, and since taking it over Justice Prince has been successful in gaining support for the project from a wide range of private, public and third sector organisations. It has developed into a thriving garden hub offering a host of community activities to a cross section of the community. It has helped those living chaotic lives, and those suffering the greatest hardship and disadvantage, into training and employment. The site also offers training facilities to the multi award winning Working Roots training programme. Fresh produce grown at the garden is offered to the community at affordable prices through a weekly pop up shop during the growing season. The community benefit of this use is recognised by the Council.

Justice Prince would now like to add to the facilities on offer at the site by providing a modular building, with kitchen and toilet facilities, as a community space, from where they can continue to sell produce on a more regular basis, subject to obtaining planning permission. It is also proposed that it will provide space from which they can deliver a resident gardening service, leading to further training and employment opportunities.

The organisation is therefore interested in securing a greater interest in the site, as this will give them the ability to access a number of grant funding opportunities. Grant or loan funding would require they hold an adequate legal interest this could be on the basis of a leasehold interest, if the remaining term is of sufficient length, or a freehold interest; Justice Prince has indicated that its preference would be to take ownership of the site. They would like to do this for a nominal consideration because of the nature of the project and how it benefits the local community.

As the site is classed as an area of statutory allotments any transfer by the Authority will require the prior approval of the Secretary of State for Housing, Communities and Local Government. A transfer of this nature will reserve the right to take back the land for the same nominal consideration should the community project cease to exist, or should the site be proposed to be used for a purpose other than that presently authorised.

The proposed main terms and conditions of the transaction are as follows:

Price

A nominal consideration of £1.00.

Use

Grant of a legal interest will include restrictions upon the use of the site to that of a community garden, the sale of produce grown on site together with training associated with horticulture. The use of any building on site will be ancillary to those uses.

Costs

Justice Prince to meet the Authority's reasonable legal costs and surveyors fees.

Other terms

All other terms as are normally incorporated within a legal transfer of this nature.

1.6 Decision options

The following decision options are available for consideration by Cabinet:

- i) To agree to declare the Innisfree Allotments (East) surplus to the Authority's requirements and to the transfer of a leasehold interest to Justice Prince;
- ii) To agree to declare the Innisfree Allotments (East) surplus to the Authority's requirements and to the transfer of the freehold interest to Justice Prince;
- iii) Not to agree to declare the Innisfree Allotments (East) surplus to the Authority's requirements, in which case the freehold interest will remain with the Authority; or
- iv) Not to grant any further interest in the Innisfree Allotments (East) site, and seek an alternative use for that site.

1.7 Reasons for recommended option

Given the long term community benefits associated with the activities undertaken at the allotments, either Option (i) or Option (ii), are considered to be the best way to secure the long term community benefits associated with the activities undertaken at the allotments.

1.8 Appendices

Appendix 1. Plan showing Innisfree Allotments (East) by dark outline.

1.9 Contact officers

Niall Cathie - Strategic Property Manager – tel. (0191) 643 6517

Claire Emmerson, Senior Manager Financial Strategy & Planning tel: (0191) 643 8109

1.10 Background information

The following background papers and research reports have been used in the compilation of this report and are available for inspection at the offices of the author:

- Property ownership records.

PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING

2.1 Finance and other resources

By completing the transfer of the allotments for a nominal consideration the Authority will forgo a rent of £1,560 per annum that is payable under the current letting arrangement. The impact of this will be met within existing budgets.

2.2 Legal

The General Disposal Consent (England) 2003 enables local authorities to sell land at less than best consideration where it is felt that the disposal will contribute to the promotion or improvement of the economic, social or environmental well being of the area. The consent is subject to the provision that the “undervalue” must be less than £2,000,000.

The grant of a legal interest will be completed in compliance with the Authority’s Financial Regulations and applicable legislation if the consent to the disposal is given by the Secretary of State for Housing, Communities and Local Government.

Restrictions imposed in a lease are easier to enforce and more enduring than any imposed in a freehold transfer. Consequently from a legal perspective a leasehold grant is more advisable than a freehold transfer

Justice Prince has registered at Companies House as Company number 6140365. Appropriate enquiries will be made to ensure that the company meets the full criteria of a Community Interest Company before the freehold transfer is completed.

2.3 Consultation/community engagement

The Strategic Property Group, who provide robust governance to all strategic property matters, confirmed its support for the transfer of the an appropriate interest in the allotments to Justice Prince at its meeting held on 7 May 2019. The membership of the group includes the Elected Mayor, Cabinet Members, Chief Executive, Heads of Service and Senior Council Officers.

2.4 Human rights

There are no human rights implications directly arising from this report.

2.5 Equalities and diversity

There are no equality and diversity implications directly arising from this report.

2.6 Risk management

There are no risk management implications arising from this report.

2.7 Crime and disorder

There are no crime and disorder implications arising from this report.

2.8 Environment and sustainability

The allotments will continue to be used for growing fresh produce for the community of Longbeton therefore keeping the production local and sustainable.

Any proposal for an additional building on site will be subject to the normal planning process and will be considered for sustainability.

PART 3 - SIGN OFF

- Chief Executive
- Head of Service
- Mayor/Cabinet Member(s)
- Chief Finance Officer
- Monitoring Officer
- Head of Corporate Strategy and Customer Service