

Report to: Executive Board - 17th March 2003

Horspath Road ; Site for Centre of Excellence for Cricket and Rugby

Report of:	Property Manager	WARDS AFFECTED
Report Author:	Martin Lyons	Lye Valley
	Tel No: 01865 252138 E-mail:	
Lead Member Responsible:	Councillors Johnson and Price	
Overview and Scrutiny Committee Responsibility:	Finance and Performance Management	
Key Decision:	No	

SUMMARY AND RECOMMENDATIONS

In 1999 the Council agreed to enter into negotiations to lease this 15.8 ha parcel of agricultural and former allotment land for development of a new Centre of Excellence for Cricket and Rugby. This report details the terms agreed and also outlines proposals for a Joint Use agreement to deliver community Development Sport benefits.

The Executive Board is asked to approve:

- 1) The grant of a Building Agreement and Lease to OCCRE on the terms outlined in paragraph 3. below, and in the confidential annexe, subject to GOSE allotment consent being obtained, and issue of the appropriate detailed planning consents.
- 2) The proposed benefits to the City Council to be procured through the Joint Use Agreement, as outlined in paragraph 4.1 below.
- 3) Agreement to rent being waived for the 2 year period of the building agreement and the first 5 years of the Lease term, and to note that the current rent will therefore be foregone.

1. CONFIDENTIALITY

The rental figures relating to this proposed disposal are contained in a separate note on the confidential agenda.

2. BACKGROUND

2.1 Following the report submitted to various Committees in November 1999 and January 2000 under old Standing Order 44(d), negotiations commenced for the grant of a Building Agreement and Lease for the use of 15.8ha. of agricultural and disused allotment land south of Horspath Road as a Centre For Cricket and Rugby Excellence. A plan of the land is appended.

2.2 This report details the outcome of those negotiations and progress in associated matters, and seeks Boards approval to the letting to OCCRE ('the partnership'), in accordance with the Council's Contract Procedure rules, para 17.04. The partnership members are Oxford Brookes University, Oxford Harlequins Rugby Club and Oxford (formerly Headington United) Cricket Club

3. NEGOTIATIONS

3.1 Heads of terms for a Building Agreement and Ground Lease have been provisionally agreed with the partnership as follows:

(i) **Building Agreement** – this will provide for construction of a pavilion, 2 cricket and 4 rugby pitches, and car park to be completed within 24 months, in accordance with plans to be approved by the Council as landowner. (The scheme currently has planning consent in outline, subject to completion of S106 matters). This agreement will be followed by a ;

(ii) **99-Year Lease** with a Joint Use Agreement to be completed to secure use of the facility for "Development Sport" in addition to standard club rugby and cricket. The "Development Sport" incorporates coaching and courses for schools, clubs, and both Universities as well as being a venue for tournaments. The 'value' of this user time to the Council has been deducted from the rental value of this land for recreation use, leaving a residual rent to be paid by the partnership, as detailed in the accompanying confidential report. This rent will then be subject to review at the end of the 10th year of the lease, and every five years thereafter, to the value of the site for the agreed use, and reflecting any agreed changes to the JUA It has been agreed that the rent is to be waived for the first five years, to give a settling in period whilst the whole project comes together and the operation of the facility becomes established.

3.2 The partnership will be responsible for making the one-off statutory compensation payment to the agricultural tenant of the land (to a maximum of £4,800).

The current agricultural rent for this land is £1,110 pa, therefore this income will be foregone during the 2 year period of the building agreement and the first five years of the lease.

3.4

It is proposed that the agreement between the members of the partnership will, in conjunction with the lease, provide that if one member leaves the group, its obligations will be taken over by Oxford Brookes University. If this is not possible, then the lease will determine and the site will be surrendered to the City Council

4. JOINT USE AGREEMENT

4.1 The City Council will obtain rights to use the facility for sports development at this new venue, in addition to use by the teams currently playing for Harlequins, Oxford Cricket Club and Oxford Brookes. It has been agreed with sport development staff that a total of 755 hours per year (290 hours of cricket, 290 hours of rugby union and 175 hours of rugby league) of use of the facility will be made available to the Councils Sports Development organisers working in conjunction with the regional development bodies for the three sports.

4.2 These arrangements will be contained within an agreement cross referenced to the Ground Lease. The agreement will ensure that the sports development objectives continue to be achieved over the period of the Lease, (and will be reviewed at the same time as the rent) whilst the lease itself will impose tight overall control over the permitted use of the land.

4.3 The consortium has also agreed to provide office accommodation for the three sports development officers currently occupying Council accommodation at Bury Knowle House, Headington.

5. PROGRAMME AND FINANCING

5.1 Outline Planning consent has been granted in principle subject to completion of a S106 agreement covering cycle safety measures.

5.2 The main source of funding is from the sale of Oxford Cricket Club land at Barton Road, with additional funding from Oxford Brookes Sports Department and Oxford Harlequins. A lottery "gap" bid of between £250,000-£350,000 will be sought. The current estimated project cost is £2¼m.

5.3 The rent the Council will be foregoing for the proposed use is detailed in the accompanying report on the confidential agenda

5.4 A five-year rent free period would be of help to the Consortium during a period when income from the use of pitches (which will still be establishing), and from bar sales, will not have reached its full potential

6. PREPARING THE SITE

- 6.1 All the allottees were relocated from the former allotment land some time ago. GOSE consent for changing the use of this part of the site has been applied for.
- 6.2 Three months' notice has to be given to the agricultural tenant to vacate the land.

7. RECOMMENDATIONS

- 7.1 It is considered that the above terms represent an appropriate basis for the proposed Building Agreement Lease and Joint Use Agreement.

THIS REPORT HAS BEEN SEEN AND APPROVED BY THE RELEVANT PORTFOLIO HOLDERS, THE DIRECTOR OF FINANCE & CORPORATE SERVICES AND THE LEGAL SERVICES BUSINESS UNIT (STEVE SMITH)

Background papers: None.