

Single Member Cabinet Decision

**Executive
Forward Plan
Reference**

E3608

Fairfield House and 27 Burleigh Gardens – New Lease

Decision maker/s	Councillor Paul Roper - Cabinet Member for Economic and Cultural Sustainable Development Councillor Alison Born - Cabinet Member for Adult Services
The Issue	The purpose of this decision is to regularise the current arrangements and to provide Fairfield House Bath CIC with the opportunity to further develop a business plan and to apply for grant funding, under the terms of a short-term lease to expire on 28.09.2028.
Decision Date	1st April 2025
The decision	<p>The Cabinet Member agrees to:</p> <p>Delegate to the Head of Corporate Estates & Development authority to:</p> <ol style="list-style-type: none">1. The granting of a new lease to 28.09.2028, which will be outside of the security of tenure provisions set out in the Landlord and Tenant Act 1954 at an annual rent of £1,200 per annum.2. The lease will be predominantly on the basis of the Tenant taking on the responsibilities for the property with a costs transition by way of grants from the Council. Revenue costs to the Council to 31.03.2024 were £54,200 with anticipated for the current financial year to be £47,300 pa, with a similar level for running/revenue costs to the end of the lease. The ultimate aim is for the Tenant to assume full responsibility for the property and to be ready to do so by 28.09.2028 without any council grants or other assistance from the Council.3. There are no current delegations or resolutions to allow these transfers to take place at less than best consideration; best consideration being based on market values. This report, therefore, seeks to give such authorisation to the Head of Corporate Estates & Development [in consultation with the Monitoring Officer and s.151 Officer].4. During this next lease period the tenant intends to further develop plans to apply for a further Community Asset Transfer (CAT) for a new longer lease [25 years]. The Tenant will during the lease period arrange and develop stand-alone funding, business and any partnership plans in consultation with the Council. The Tenant under the CAT will become responsible for all aspects of the property, including repairs, utilities etc. The lease would enable them to apply for external funding for repairs and other works, subject to any listed building consents.

	<p>5. It is noted that the Tenant has not managed to obtain funding and develop plans for taking ownership of the property under a longer-term lease and CAT in the last granted lease. This current lease should be regarded as the last opportunity.</p> <p>6. An independent valuation confirms that the property is a valuable asset which could be utilised for other council services and programmes including realising capital for other capital requirements/services or paying down debt.</p>
Rationale for decision	Fairfield House Bath CIC currently occupy buildings and land comprising Fairfield House and 27 Burleigh Gardens. This decision regularises current arrangements. The Tenant has committed to developing a business case during the next lease period, with a view to securing a community asset transfer [CAT]. Any future CAT transfer would be subject to assessment against council policy, financial and legal frameworks.
Financial and budget implications	<p>There is not considered to be any material implications or changes on resources as the status quo is being maintained and transition to a low or nil cost to the Council by 28.09.2028. The Council is currently responsible for property costs and will transfer to the Tenant in the new lease with some support via council grants.</p> <p>The Council would, if the property were vacant, be foregoing an estimated rental income of £76,800 pa in respect of Fairfield House and £16,8000 pa in respect of 27 Burleigh Gardens [or capital receipt of £1,300,000 for the whole].</p>
Issues considered	Social Inclusion; Sustainability (Climate Emergency); Property; Equality, Community Asset Transfer Policy
Consultation undertaken	Cabinet colleagues; Section 151 Finance Officer; Chief Operating Officer; Monitoring Officer
How consultation was carried out	E mail. Internal meetings and through the drafting of formal reports.
Other options considered	<p>Other options are currently limited due to the occupation/proposal. A primary option would be an outright sale of the property on the open market. However, this property is a valued local community facility, and it is therefore considered that a community asset transfer is the preferred option. This is subject to a robust business case being submitted which is compatible with council policy, financial and legal frameworks and compliance with the proposed timetable.</p> <p>The grant of the new lease enables the community to retain a facility and community centre resource for the short term with a view to the Tenant working up to and planning a sustainable operation, to transfer to a longer-term lease opportunity by way of Community Asset Transfer, with the default position of other options, particularly retirement of any council debt or meeting any capital requirements by way of disposal if no CAT is capable of delivery at end of this lease.</p>
Declaration of interest by Cabinet	None.

Member(s) for decision:	
Any conflict of interest declared by anyone who is consulted by a Member taking the decision:	None.

Name and Signature of Decision Maker/s	<p>Councillor Paul Roper - [Cabinet Member for Economic and Cultural Sustainable Development]</p> <p>Councillor Alison Born - [Cabinet Member for Adult Services]</p>
Date of Signature	01/04/2025

Subject to Call-in until 5 Working days have elapsed following publication of the decision