

REPORT FROM: CORPORATE DIRECTOR

TO: EXECUTIVE

DATE: 17th NOVEMBER 2016

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TRANSFER of SERVICES AND FACILITIES

PURPOSE OF REPORT:

To consider further the transfer of Earby Youth Hostel; and to consider a request from the North West Heritage Trust for the transfer to it of the Pendle Heritage Centre.

RECOMMENDATIONS

- (1) That the proposed terms for transfer of Earby Youth Hostel to Earby Town Council and that the Strategic Director in consultation with the Leader and Deputy Leader be authorised to conclude negotiations.
- (2) That the Leader and Deputy Leader together with the Corporate Director be authorised to meet with representatives of the North West Heritage Trust.

REASON FOR RECOMMENDATIONS

To further the Council's programme of transfer of facilities to town and parish councils and other organisations.

Earby Youth Hostel

1. At its last meeting the Executive agreed in principle to discussions being held with the appropriate body with a view to the Youth Hostel maintaining its current use.
2. An initial discussion has now taken place with representatives of Earby Town Council who have indicated that they may be interested in taking ownership of the site with a view to it continuing to operate as an independent Youth Hostel (or some other Tourism-based accommodation venture).
3. In doing so, the Town Council has requested details of the terms on which any transfer of the site will be made. To that end it is proposed that the following terms apply:

- The freehold of the Site [See Plan] will be transferred to Earby Town Council.
 - The consideration for the transfer will be £1.
 - For at least 10 years following the date of the transfer of the site, the Town Council must ensure that it is operated as an Independent Youth Hostel [*or other Tourism Based Accommodation Venture*], which maintains the historic connections of the property with Katharine Bruce Glasier.
 - At any time after the transfer of the freehold, in the event that it is not viable to operate the site as an Independent Youth Hostel or [*other Tourism Based Accommodation Venture*], the freehold of the property shall, in the first instance, be offered back to Pendle Borough Council at a consideration of £1.
4. The Executive is asked to approve these terms and to authorise the Strategic Director in consultation with the Leader and Deputy Leader to conclude the negotiations with the Town Council.

Pendle Heritage Centre

5. The Director of the North West Heritage Trust has requested the Council to consider a community asset transfer of the Pendle Heritage Centre. In support he refers to the creation of a separate Pendle Heritage Centre Trust registered as a Charity (no. 1165835) and limited company (no. 9150342). The Heritage Trust for the North West would continue to hold the property and sublet the buildings to the new Trust.
6. He points to the Council's programme of transfers of facilities, in particular parks and specifically the adjoining Barrowford Park, and to the recent community asset transfers to community groups and organisations.
7. The Executive last considered this in May 2012 and a copy of the report at that time is attached. The Executive agreed the recommendations but things have not moved on since. Particular attention is drawn to Appendix B which contains the Trust's plans at that time and specifically item (g) and the Council's view at the time on transfer of the freehold.
8. Members may feel that in the light of recent developments a further discussion with the Trust would be appropriate. It is suggested that the Leader and Deputy Leader together with the Corporate Director undertake this.

IMPLICATIONS

Policy: The Council's policy is to transfer facilities to parish and town councils and community groups and organisations where appropriate.

Financial: The General Disposal Consent 2003 allows the Council to transfer assets at an undervalue subject to certain conditions including the requirement for Councillors to be informed of the unrestricted and restricted values of the asset being transferred.

In this case the proposal is to transfer the Youth Hostel to the Town Council on the terms outlined above. The current book value of the building in the council's asset register is £177k. Liberata Property Services confirm this is a reasonable estimate of the open market value which they assess as no more than £177k to £200k. However, in this case the property is being transferred with the restriction that it be used

as an Independent Youth Hostel for at least 10 years following transfer and that the Council will have opportunity to take the property back for £1 if the Town Council can no longer operate it as such. Hence, the restricted value of the building will be lower and confirmation of this value will be provided at the meeting.

Legal: In both instances a formal transfer document with appropriate covenants and conditions will need to be drawn up.

Risk Management: None arising directly from the report.

Health and Safety: None arising directly from the report.

Sustainability: None arising directly from the report.

Community Safety: None arising directly from the report.

Equality and Diversity: None arising directly from the report.

APPENDIX

Executive Report of May 24th 2012