

**TELFORD & WREKIN COUNCIL**

**CABINET - 24 JULY 2014**

**AFC TELFORD – AMENDMENTS TO LEGAL AGREEMENTS**

**REPORT OF THE DIRECTOR: DEVELOPMENT, BUSINESS & CUSTOMER SERVICES**

**LEAD CABINET MEMBER – CLLR SHAUN DAVIES**

**(PART A) – SUMMARY REPORT**

**1. SUMMARY OF MAIN PROPOSALS**

- 1.0 To agree to alterations to the legal agreements and or leases relating to the West Stand to allow both lessees (namely AFC Telford & Shropshire College Management Ltd) to utilise the assets held within their leasehold interest as was originally intended.

**2. RECOMMENDATIONS**

- 2.1 That Cabinet delegate authority to the Director: Development, Business & Customer Services in consultation with Cabinet Member: Neighbourhood Services & Employment and Skills, to negotiate and agree the terms for any variation/amendment, surrender and creation of any necessary legal agreements including new leases as may be required pursuant to this report.
- 2.2 That Cabinet delegate authority to the Assistant Director: Law & People Services to seal or sign any documents required to give effect to the recommendations contained in this report.

**3. SUMMARY IMPACT ASSESSMENT**

<b>COMMUNITY IMPACT</b>	Do these proposals contribute to specific Priority Plan objective(s)?	
	No	
	Will the proposals impact on specific groups of people?	
	Yes	AFC Telford and Shropshire College Management Ltd together with the users of the facilities.
<b>TARGET COMPLETION/ DELIVERY DATE</b>	The Council has the power to carry out the recommendations contained within this report subject to obtaining both Tenants agreement. The need for these changes to the legal documentation is set out in this report	
<b>FINANCIAL/ VALUE FOR MONEY IMPACT</b>	Yes	There are no financial implications to the Council as a result of the recommendations within this report. JAC 250614
<b>LEGAL ISSUES</b>	Yes	The Council has the power to carry out the recommendations contained within this report.
<b>OTHER IMPACTS, RISKS &amp; OPPORTUNITIES</b>	No	None
<b>IMPACT ON SPECIFIC WARDS</b>	Yes	The site falls within the College Ward The ward Councillor is Cllr Michael Ion

## **(PART B) – ADDITIONAL INFORMATION**

### **4. INFORMATION**

- 4.1 The Council owns the freehold of part of the site outlined in red on Appendix 1 and is the leaseholder under a 999 year lease of part of the site. The ownership is subject to two long leasehold interests namely with AFC Telford and Shropshire College Management Ltd. The Bucks Head football ground including the West Stand is the home of AFC Telford
- 4.2 New College recently purchased the Whitehouse Hotel and the West Stand to extend the offer within their overall curriculum which provides an excellent resource for the Borough. Students will gain valuable experience working in the hotel and leisure facilities which will form part of their overall learning. This venture is seen nationally as an excellent delivery model and it is clear that it will be a major opportunity for our community.
- 4.3 In respect of the West Stand, amendments are required to the lease arrangements. There is a requirement to make amendments to some of the shared rights of access and some shared use of facilities to allow both parties to run their respective operations. Whilst some of these activities are currently dealt with by way of local agreement they run against, or are not covered in, the existing terms of the lease agreements.
- 4.4 The current leasehold agreements therefore have a number of shortcomings in relation to these required rights of access, use of the facilities, etc, which has resulted in the need for appropriate variations to the existing leasehold interests to ensure that all parties can function alongside each other to deliver their business.
- 4.5 These irregularities first came to light when the AFC lease was renewed in 2010 and while agreed by TWC & AFC Telford, areas used by and assumed to have been in control of the Club were included that had not been included in their previous lease but the issue was that it had already been included in the college lease. This disparity restricts the new lease from being registered at the Land Registry which is an issue for AFC Telford.
- 4.6 The preparation of new documents including but not limited to a Collaboration Agreement to establish respective rights, Deeds of Variation to formally alter existing leases and or Agreements and Deeds of Surrender to give up areas incorrectly leased to each other and if necessary new leases together with other documents/agreements as required, are needed to successfully rectify these anomalies to the benefit of all parties.
- 4.7 A working group will be formed to include representatives from AFC Telford and New College as well as the Cabinet Member for Neighbourhood Services & Employment and Skills, representatives from community groups and Ward Members. The objectives for the group are being developed collectively with partners with the general purpose being to improve the offer from the overall facility for all residents in the Borough. This group will drive forward initiatives and improve the range and quality of the offer for our Community. To show intent and to provide a framework to develop a working partnership a collaboration agreement between the club and the college will be agreed to which will deliver a foundation for a strong partnership to serve the community.
- 4.8 Ensuring the arrangements with the lease and the collaboration agreement are resolved is critical to all parties. The economic and social benefit from the activities New College and AFC Telford provide for our Borough is a major benefit to our community. New College and AFC Telford are very important to Wellington and to the Borough, the significant impact they deliver for our community around economic and social benefits are a major asset for our community. Amending the lease arrangements as referred to in this report and providing the development of a working group as referred to above will provide certainty and clarity to develop further investment in our Borough for the benefit of the whole Borough.

**5. PREVIOUS MINUTES**

5.1 None

**6. BACKGROUND PAPERS**

6.1 None

**Report prepared by James Dunn, Regeneration & Investment Service Delivery Manager.  
Telephone: 01952 384331**

