

**TITLE OF REPORT: Grant of Lease - Marley Hill Community Centre,  
Church Street, Marley Hill**

**REPORT OF: Mike Barker, Strategic Director, Corporate Services and Governance**

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### **Purpose of the Report**

1. To seek approval to the trust property known as Marley Hill Community Centre being leased to a voluntary sector organisation pursuant to the Council's Community Asset Transfer Policy.

### **Background**

2. The property known as Marley Hill Community Centre, which is shown edged black on the attached plan, is held by the Council as Trustee and was previously leased to the Trustees of Marley Hill and District Community Association (the Association). The lease was taken on the basis of an annual financial grant from the Council which, due to budget constraints, could not be sustained. The Association therefore requested that the Council accepted a surrender of the lease.
3. The property is subject to a Trust Deed dated 28 May 1968 which states that the objects of the Trust is for the property to be held for recreational purposes for the benefit of the inhabitants of the area of Whickham. The Council as Trustee must therefore ensure that any decisions made in relation to the Trust property meet this requirement.
4. As the property was not required by the Council for provision of Council services an alternative user had to be identified. Provisional agreement has been reached with Tyneside Vineyard a local Christian church charity, which is in a position to manage the building to reflect the best interests of the Trust and its beneficiaries.
5. As the property is held in trust the consent of the Charity Commission and the Coal Industry Social Welfare Organisation (CISWO) is also required.
6. Approval to the letting has been sought from the CISWO who has indicated that subject to sight of the lease it will be willing to give its consent but only to a lease for a term of 25 years. The consent of the Charity Commission will be sought once the Council as Trustee has the formal approval of CISWO.

### **Proposal**

7. It is proposed that a new lease be granted to Tyneside Vineyard pursuant to the Community Asset Transfer Policy which is considered to be in the best interests of the Trust.

## Recommendations

8. It is recommended that in the Council's capacity as Trustee Cabinet grant a new lease to the Tyneside Vineyard pursuant to the Community Asset Transfer Policy, subject to the necessary consents being obtained.

For the following reasons:

- (i) To manage the Trust's assets in line with the objects of the Trust and in line with the Corporate Asset Strategy and Management Plan.
- (ii) To ensure delivery of the cost savings to the Trust identified in the Community Centre Review as approved at Cabinet on 26 February 2013 (Minute No C224).

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## APPENDIX 1

### Policy Context

1. The proposal supports the overall objects of the Trust and creates capacity through volunteering and community cohesion. The proposal also supports the Council's approach to Making Gateshead a Place Where Everyone Thrives.

### Background

2. The property known as Marley Hill Community Centre is shown edged black on the attached plan and is currently held by the Council as Trustee.
3. The property was identified as a transitional property under the Community Centre Review which was approved by Cabinet at its meeting on 26 February 2013 (Minute No C224). A transitional property is one which is considered to be appropriate for operating independently from the Council as Trustee. In these circumstances, the Council as Trustee would consider the transfer of the asset to a third party pursuant to the Community Asset Transfer policy.
4. As the property is held in trust by the Council, there is an obligation to act in the best interests of the Trust. The property was previously occupied by the Trustees of the Marley Hill and District Community Association (the Association) subject to a 30 year lease from 28 September 2001. However, the lease was taken on the basis of an annual financial grant from the Council which the Council could no longer sustain as a result of budgetary constraints. The Association, therefore, requested that the Council accepted a surrender of the lease as they did not feel able to sustain the level of activity in addition to the maintenance of the property. Agreement was therefore reached, to accept a surrender of the lease which would facilitate the grant of a new lease
5. The Council received an expression of interest in the property from Tyneside Vineyard, a local Christian church registered charity, which is in a position to sustain and broaden the range of activities and services for the local community. It is considered that this is in the best interests of the Trust as it provides a more sustainable model for the community centre. The Lease will require that Tyneside Vineyard acts in accordance with the objects of the Trust in order to ensure the Council as Trustee complies with its obligations under the Trust Deed.
6. The letting is subject to the consent of the Charity Commission and the Coal Industry Social Welfare Organisation as the building is held in trust.

### Consultation

7. In preparing this report, consultations have taken place the Leader and Deputy Leader. The Ward Councillors for Whickham South and Sunniside have also been consulted and have raised no objections to the proposal.

## **Alternative Options**

8. The option of retaining the property has been discounted as following its assessment as a transitional property as part of the Community Centre Review, it fulfilled the criteria for a community asset transfer.

## **Implications of Recommended Option**

### **9. Resources:**

- a) **Financial Implications** - The Strategic Director, Corporate Resources confirms that there are no financial implications arising from the proposed recommendation.
  - b) **Human Resources Implications** - There are no implications arising from this recommendation.
  - c) **Property Implications** – The grant of a new lease of this trust property will result in a reduction in the Council’s property portfolio.
10. **Risk Management Implication** – There are no implications arising from this recommendation.
  11. **Equality and Diversity Implications** - There are no implications arising from this recommendation.
  12. **Crime and Disorder Implications** – There are no implications arising from this recommendation.
  13. **Health Implications** - There are no implications arising from this recommendation.
  14. **Sustainability Implications** - The grant of a new lease pursuant will ensure the future sustainability of a building and fulfil the Council’s obligations in accordance with the Trust.
  15. **Human Rights Implications** - There are no implications arising from this recommendation.
  16. **Area and Ward Implications** - Whickham South and Sunnyside in the Inner West area.
  17. **Background Information** – Minute No. C224 (2013)