

Cheltenham Borough Council

Cabinet

Outdoor Recreational Facilities In Pittville Park and Montpellier Gardens

Accountable member	Cabinet Member for Finance Councillor John Rawson
Accountable officer	David Roberts (Head of Asset and Property Management)
Ward(s) affected	Pittville & Lansdown
Key Decision	No
Executive summary	<ul style="list-style-type: none">➤ The recreational facilities in the parks have been let to the Cheltenham Café Co (now the Cheltenham Coffee Co Limited) (CCC) since 1st March 2011 when it was awarded the contract to operate the facilities, and granted leases of the premises, following a formal tender process. Previous to this the Council were operating the cafes.➤ CCC has made a success out of all the cafes, and Central Cross and Montpellier Gardens Cafes are now open throughout the year. The Council and CCC wish to renew the leases and contract that are in place. A term from 1 March 2014 until 4th August 2015 has been agreed.➤ The land is identified as Open Space and has been advertised in accordance with S123(2A) Local Government Act 1972 and it is confirmed that no objections to the disposal were received
Recommendations	That Cabinet approves the Council leasing the land and buildings edged in red on the plans that accompany this report to the Cheltenham Coffee Co. Limited from 1 March 2014 until 4 August 2015 and delegates authority to the Head of Property and Asset Management, in consultation with the Borough Solicitor, to agree the terms of the leases
Financial implications	<p>The closure of café operations would result in the council losing an ongoing revenue stream and incurring unbudgeted repairs and maintenance costs.</p> <p>Contact officer: Nina Philippidis, Accountant nina.philippidis@cheltenham.gov.uk, 01242 264121</p>

Legal implications	<p>Section 123(2A) of the Local Government Act 1972 requires that before local authorities dispose of public open space to advertise its intention to do so by placing notice in the local paper for two consecutive weeks and consider any objections to the proposed disposals. The Notices were placed as set out in paragraph 1.4 and no objections were received.</p> <p>The constitution requires that the decision to dispose of public open space (including leasehold disposals) rest with Cabinet.</p> <p>The current contract with the operator is to be renewed. Due to the value of the proposed contract the decision to renew this contract rests with Grahame Lewis as the Executive Director for the service area. Due to the reasons set out in this report a waiver to the Council's contract procedure rules by the Executive Director will be appropriate.</p> <p>Contact officer: Donna Ruck, donna.ruck@teWKesbury.gov.uk, 01684 272014</p>
Key risks	None as there have not been any objections to the advertisement.
Corporate and community plan Implications	None
Environmental and climate change implications	

1.0 Background

- 1.1 In July 2010 the Council decided that the cafés and tennis courts in both Pittville Park and Montpellier Gardens and the boathouse in Pittville Park, should be managed by an external contractor and that the facilities should be disposed of by way of lease until 28th February 2014.
- 1.2 The Cheltenham Café Co (now the Cheltenham Coffee Company Limited) was selected to run these facilities following a tender process. CCC has been trading successfully and has increased the opening hours and developed the business into a destination of choice for many visitors to the parks. CCC has expressed an interest in continuing to run the recreational facilities.
- 1.3 The Council wishes to continue with the current arrangement until 4 August 2015, which is when the lease for the café at Leisure@ expires, so that the Council can consider the options for the future operation of these facilities.
- 1.4 The land upon which the buildings are sited is Open Space and the appropriate Notice detailing the proposed leasehold disposals pursuant to S123(2A) of the Local Government Act 1972 was placed in the Gloucestershire Echo on 21 December and 28 December. The Notices gave details of the proposed disposals and asked that if there were any objections to send them in writing to the Borough Solicitor by 9am on 15 January 2014. No objections were received.
- 1.5 The current business contract will also need to be renewed and under the Council's constitution any waiver to the contract rules under £100,000 can be approved by the Executive Director. Grahame Lewis, as the Executive Director for the service area has the authority to award the contract. This contract will run simultaneously with the leases.
- 1.6 It is therefore recommended that a new lease is granted to the Cheltenham Café Company for a

term to expire on 4th August 2015

2. Reasons for recommendations

- 2.1 To allow the current contractor to operate the recreational facilities whilst the Council considers the options for the future provision of these facilities.

3. Alternative options considered

- 3.1 Cabinet could decide not to agree to the leasehold disposals contained but this would result not only in closure of the café operations on the 28th February 2014 but would also require the Council to take back the maintenance , repairing and on-cost liability of the buildings.

4. Consultation and feedback

- 4.1 Ward members and senior council officers have been consulted about this proposal and no adverse comments received,

Performance management –monitoring and review

- 4.2 Not Applicable

Report author	Contact officer: Rebecca Conway rebecca.conway@cheltenham.gov.uk, 01242 775148
Appendices	1. Risk Assessment 2. Location Plan
Background information	1. None

Risk Assessment

Appendix 1

The risk				Original risk score (impact x likelihood)			Managing risk				
Risk ref.	Risk description	Risk Owner	Date raised	Impact 1-5	Likelihood 1-6	Score	Control	Action	Deadline	Responsible officer	Transferred to risk register