

## ABERDEEN CITY COUNCIL

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<b>COMMITTEE</b>	Finance and Resources
<b>DATE</b>	13 March 2024
<b>EXEMPT</b>	No
<b>CONFIDENTIAL</b>	No
<b>REPORT TITLE</b>	Lease of Sports Pitch at Cloverhill
<b>REPORT NUMBER</b>	RES/24/073
<b>DIRECTOR</b>	Steven Whyte
<b>CHIEF OFFICER</b>	Stephen Booth
<b>REPORT AUTHOR</b>	Cate Armstrong
<b>TERMS OF REFERENCE</b>	4.1 and 4.4

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### 1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to advise Committee of the Terms for the proposed lease of the 3G Sports Pitch at Cloverhill.

### 2. RECOMMENDATION(S)

That Committee:-

- 2.1 Approve the proposal for the Council to enter into a long term ground lease of the subjects.
- 2.2 Instruct the Chief Officer – Governance to conclude the appropriate legal agreements incorporating various qualifications as are necessary to protect the Council's interest.

### 3. CURRENT SITUATION

- 3.1 The Council purchased 22.54 HA of land at Cloverhill, Ellon Road, Aberdeen. This was purchased as a development site which had planning consent for 536 residential units, 3 retail units, a community hall and a 3G sports pitch. See Appendix 1. The property was purchased on the 12<sup>th</sup> January 2022.
- 3.2 The development was purchased as a design and build contract; effectively at the date of purchase, the site benefitted from full planning consent and agreements were in place in terms of the developer's obligations, construction contracts etc.
- 3.3 As part of the purchase agreement the Council was tied into a number of third party undertakings one of which was that within 3 years of the Development Commencement Date the Council would 'make reasonable endeavour' to enter into an agreement with Bridge of Don Thistle Junior Football Club for the

provision of a 3G sports pitch with associated facilities within the development. Bridge of Don Thistle would be offered a long ground lease at a nominal rent for the use of the pitch and provide access for public use. See Appendix 2 for an indicative layout plan.

- 3.4 The 3G pitch forms part of Phase 4A of the development, and completion is expected to be in October 2025. In order to comply with the terms as set out in the offer we have progressed the discussions with Bridge of Don Thistle to agree a 125-year ground lease, for an annual rent of £1.00.
- 3.5 As part of the Tenant's obligations Bridge of Don Thistle have agreed to deliver, at their own cost, a suitable permanent changing facility for the sports pitch. This will include appropriate changing rooms, shower facilities, storage space and toilet facilities.
- 3.6 Bridge of Don Thistle agree to allow public use of the facilities as required by the Section 75 planning agreement, and will allow Aberdeen City Council use for Sports Development activities, of the facilities between 9.00 – 16:30 hours during the School term time. There will also be availability during the school vacation periods for Council led or supported coaching programmes. Timetables and any cost associated with this use will be subject regular review to the mutual satisfaction of both parties.
- 3.7 The full details of the agreement are provided in the Heads of Terms shown in Appendix 3.

#### **4. FINANCIAL IMPLICATIONS**

- 4.1 The construction of the 3G sports pitch was provided as part of the purchase of the larger residential development. By approving the 125 year lease to Bridge of Don Thistle, the football club will take on the responsibility for providing the changing facilities for the subjects and the ongoing maintenance works for the facility.

#### **5. LEGAL IMPLICATIONS**

- 5.1 Subjects of this nature, not required for operational purposes, would generally be placed on the market to allow other sports clubs or organisations to express their interest; however in view of the circumstance under which the subjects have come into the Council's ownership we are obliged to make reasonable endeavors to reach an agreement with Bridge of Don Thistle and given the Tenants obligations around providing the Changing Facility at their own cost and their commitment to provide access for public use and to support the Council's programmes we are satisfied that the proposal represents best value to ACC.

## 6. ENVIRONMENTAL IMPLICATIONS

6.1 There are no direct environmental implications arising from the recommendations of this report.

## 7. RISK

Category	Risks	Primary Controls/Control Actions to achieve Target Risk Level	*Target Risk Level (L, M or H)  *taking into account controls/control actions	*Does Target Risk Level Match Appetite Set?
<b>Strategic Risk</b>	No significant risks identified			
<b>Compliance</b>	Requirement to meet best value	The Council must ensure that the tenant provides the noted access to the public / council throughout the duration of the lease		<b>Yes</b>
<b>Operational</b>	No significant risks identified			<b>Yes</b>
<b>Financial</b>	Requirement to meet best value	Ensuring the provision of the permanent changing facilities along with the on-going public access and access for Council sports programmes at no additional cost to the Council is on-going.	L	<b>Yes</b>
<b>Reputational</b>	The Council may be criticised for not have put the subjects on the open market for lease.	The Council was bound by the legal agreement between itself and the sellers of the development to honour the arrangement negotiated prior to the purchase	L	<b>Yes</b>
<b>Environment / Climate</b>	No significant risks identified		L	<b>Yes</b>

## 8. OUTCOMES

<u><a href="#">COUNCIL DELIVERY PLAN 2023-2024</a></u>	
Impact of Report	
<p><b>Aberdeen City Council Policy Statement</b></p> <p><u><a href="#">Working in Partnership for Aberdeen</a></u></p>	<p>The proposals within this report support the delivery of the following aspects of the policy statement:-</p> <ul style="list-style-type: none"> <li>• Seeking to improve quality of life</li> </ul>

	<ul style="list-style-type: none"> <li>• Making a better place for people to live, work, raise a family and visit.</li> </ul>
<a href="#"><u>Local Outcome Improvement Plan</u></a>	
Prosperous People Stretch Outcomes	<p><i>The proposals within this report support the delivery of some or all Children &amp; Young People Stretch Outcomes 4 to 7 in the LOIP as the paper seeks approval for the grant of a lease for a new sports facility where sports activities will be available to the general public which will provide direct and indirect support to a number of the improvement projects within the LOIP.</i></p> <p>Increasing children’s knowledge and understanding of their own physical and mental wellbeing.</p> <p>By meeting the health and emotional wellbeing needs of our care experienced children and young people they will have the same levels of attainment in education and positive destinations as their peers by 2026.</p> <p>95% of children living in our priority neighbourhoods (Quintiles 1 &amp; 2) will sustain a positive destination upon leaving school by 2026.</p> <p>83.5% fewer young people (under 18) charged with an offence by 2026.</p> <p>100% of our children with Additional Support Needs/disabilities will experience a positive destination.</p> <p>Healthy life expectancy (time lived in good health) is five years longer by 2026</p>

## 9. IMPACT ASSESSMENTS

Assessment	Outcome
<b>Integrated Impact Assessment</b>	<i>New Integrated Impact Assessment has been completed</i>
<b>Data Protection Impact Assessment</b>	Not required
<b>Other</b>	n/a

## 10. BACKGROUND PAPERS

None

## 11. APPENDICES

- 11.1 Appendix 1 – Cloverhill Site Plan
- Appendix 2 – Indicative Layout Plan
- Appendix 3 – Lease Heads of Terms

## 12. REPORT AUTHOR CONTACT DETAILS

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