

Marrams Bowls Club Options	
Executive Summary	<p>This report outlines three options for the future of the Marrams Club House site in Cromer, a Council owned asset currently occupied by the Marrams Bowls Club. The building is in poor condition, with significant roof deterioration and water ingress, and requires substantial investment to remain a usable asset.</p> <p>Consultation has taken place with stakeholders including The Club which supports Option 2 in principle but has previously opposed redevelopment proposals. The report recommends that Cabinet does not proceed with Option 1 or Option 3. It recommends that Option 2 to dispose of the Bowls Club and Putting Greens is taken forwards subject to conditions, and officers are instructed to agree complete the disposal.</p>
Options considered	<ul style="list-style-type: none"> • Option 1: Renew the lease and undertake roof upgrade works. • Option 2: Transfer the freehold to the Marrams Bowls Club inclusive of the Putting Greens. • Option 3: Demolition of existing buildings and redevelopment.
Consultation(s)	<p>Colin Brown - Leisure and localities Services Manager Bowls Club Tenant Putting Greens Licensee Local members</p>
Recommendations	<p>That Cabinet resolves to:</p> <p>Provide approval for officers to proceed with Option 2 to transfer the freehold of the Property, known as the Marrams Bowls Club and Marrams Putting Greens, to the Marrams Bowls Club.</p> <p>Delegate authority to the Asset Strategy Manager or the Assistant Director for Finance and Assets to agree to the final terms of the transfer.</p>
Reasons for recommendations	<p>1) Not to proceed with Option 1 - due to the level of investment required to undertake the repairs and the continued liability the Council would hold for the buildings.</p>

	<p>2) Option 2 is recommended because it provides a sustainable long-term solution that supports continued community use of the Bowls Club while addressing the constraints of the site and reducing the Council's future maintenance liabilities.</p> <p>A freehold transfer can be lawfully progressed under Section 123 of the Local Government Act 1972, as the proposal meets the requirements of the General Disposal Consent (England) 2003, enabling disposal at less than best consideration where it demonstrably promotes community wellbeing. The Bowls Club's established health, social and economic benefits provide a clear basis for relying on this exemption.</p> <p>Progression of the transfer would remain subject to legal due diligence, the inclusion of appropriate safeguards such as pre-emption rights and restrictive covenants, and confirmation that the Bowls Club is willing and able to proceed with the transfer.</p> <p>3) Redevelopment - This option has not been considered further due to the capital investment required and the Bowls Club not being supportive of proposed development.</p>
Background papers	<u>Cabinet Report 29 June 2023</u>

Wards affected	Cromer Town
Cabinet member(s)	Cllr Lucy Shires
Contact Officer	Milo Creasey – Surveyor – <u>Milo.creasey@north-norfolk.gov.uk</u> Renata Garfoot – Estates and Asset Strategy Manager – <u>Renata.garfoot@north-norfolk.gov.uk</u>

Links to key documents:	
Corporate Plan:	The proposals are linked to the following Corporate Plan priorities; <ul style="list-style-type: none"> • A strong, responsible and accountable Council • Investing in our local economy and infrastructure

Medium Term Financial Strategy (MTFS)	These proposals are linked to the MTFS in that any income generated from this building and costs incurred due to maintenance liabilities have budgetary impact in the medium and long term.
Council Policies & Strategies	The proposals in this report are linked to the Asset Management Plan 2018 and fully support the policies in that plan. Net Zero Strategy and Action Plan.

Corporate Governance:	
Is this a key decision	Yes
Has the public interest test been applied	<p>The Exempt Appendix contains information which relates to exempt information as defined in paragraph 3, Part 1 of Schedule 12A (as amended) of the Local Government Act 1972. This paragraph relates to:</p> <p style="text-align: center;">Para 3. Information relating to the financial or business affairs of any particular person (including the authority holding that information)</p> <p>The public interest in maintaining the exemption outweighs the public interest in disclosure for the following reasons:</p> <p>The information is commercially sensitive, containing financially sensitive information and matters relating to leases. Releasing this information would be likely to prejudice the Council and a third party in negotiations and achieving best outcomes in the interests of Council Taxpayers.</p>
Details of any previous decision(s) on this matter	Cabinet Report July 2023

1. Purpose of the report

- 1.1. To present Cabinet with three options for the future of the Marrams Bowls Club and wider in Cromer, and to seek a decision on the preferred approach.

2. Introduction & Background

The Marrams Bowls Club occupies a Council-owned property located on Runtun Road, Cromer. The Club is managed by a group of Trustees and operates as a traditional members' Club, having been in continuous operation since 1936. The lease is a protected business tenancy which expired in December 2020 and is currently holding over under the same terms.

- 2.1. The Club is one of two bowls clubs in Cromer. The sport of bowls contributes positively to public health by encouraging physical activity, supporting mental wellbeing, and fostering social inclusion.
- 2.2. The building is in poor condition, with significant issues including roof deterioration and water ingress. It is anticipated that full replacement of the roof will be necessary to fully resolve the issues. Temporary repairs have been carried out in the past but are no longer considered viable as a long-term solution.
- 2.3. Cabinet previously considered a report in July 2023 outlining options for the Property expressing a preference for redevelopment and requested further information on planning constraints, footfall data and potential concession opportunities; however, no progress was made as agreement on the proposed development could not be reached with the Club.
- 2.4. Engagement with the Bowls Club has taken place over several years, resulting in the following key outcomes:
 - 2.4.1. The club were consulted on redevelopment plans in 2023 however they were not supportive of the proposals so the redevelopment option proposed was not taken forwards.
 - 2.4.2. Terms have been agreed in principle for the renewal of the Bowls Club's lease, in line with Option 1 as detailed in the exempt appendix.
 - 2.4.3. The Club has however previously indicated a preference to acquire the freehold of the site for a nominal sum. This would enable them to assume responsibility for building maintenance and enhance their eligibility for external funding opportunities to improve the facilities.
 - 2.4.4. More recent consultation has identified the terms by which a Freehold disposal of the Bowls Club and wider Putting Green site may progress.

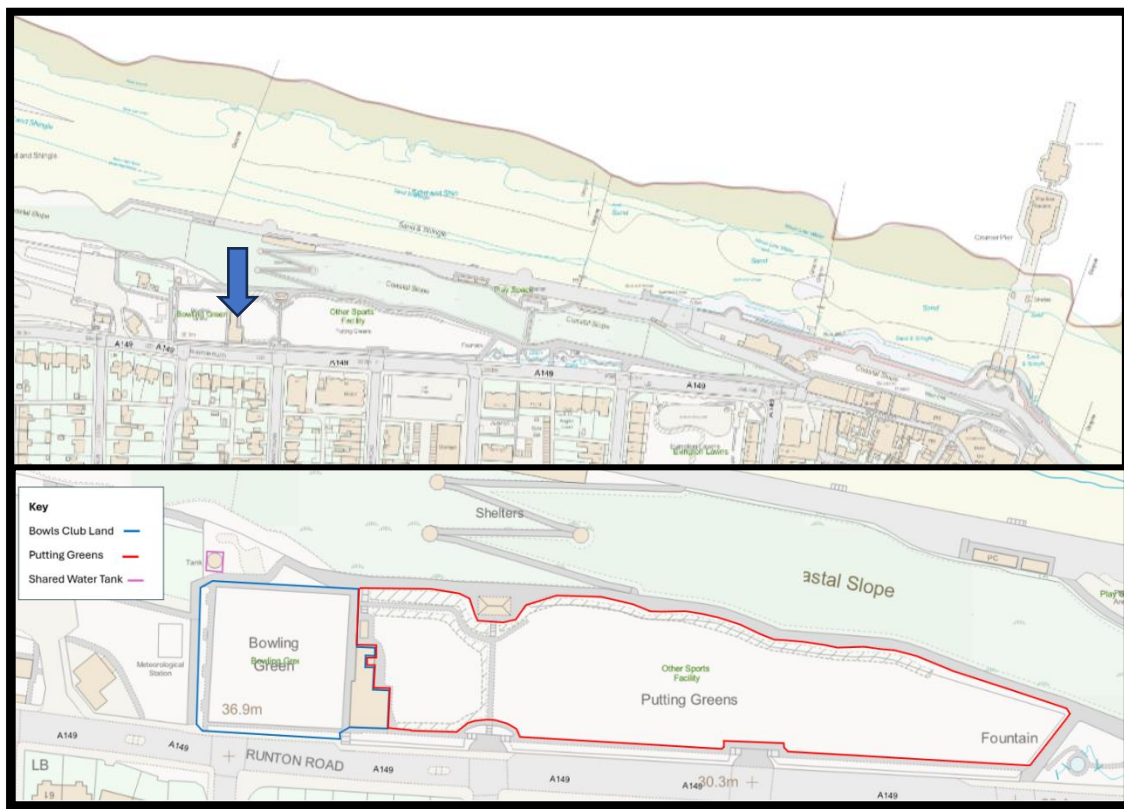
2.5. Bowls Club Overview

- 2.5.1. The Bowls Club continues to demonstrate strong and sustained community use, supported by an active membership of 73 individuals. Across the year, members participated around 76 official club matches, in addition they play internal nonofficial matches and indoor short mat bowls programme delivered

from October to March. This level of participation reflects a well-used facility that provides year-round opportunities for physical activity, social interaction and community involvement.

2.5.2. The Club plays a valuable role in supporting the health and wellbeing of its members and wider participants. Regular involvement in bowls offers low-impact physical exercise suitable for a wide age range, helping to promote mobility, coordination and general fitness. Beyond physical health, the club provides important social benefits, supporting mental wellbeing through friendly competition, and socialising.

2.5.3. The club contributes positively to local tourism and the visitor economy. Over the year, it welcomed 305 bowlers from other clubs across the country for friendly matches and members of the public who pay to play (131 last year), demonstrating its appeal as a visitor-accessible facility. Many of these players are accompanied by non-playing friends and family adding to overall footfall. Collectively, these visiting players and spectators support the local economy through spending on hospitality, retail and accommodation, reinforcing the club's wider economic value to the area.



Location indicated by blue arrow. Marrams Bowls Club and Putting Green extent shown on bottom plan

3. Options

3.1. This section sets out the range of options considered for the future of the site, outlining their implications, benefits, and requirements.

3.2. **Option 1** - Renew Lease and Undertake Roof Upgrade Works

- 3.2.1. Retain the current use of the site by the Bowls Club.
- 3.2.2. Undertake essential roof upgrades at costs outlined in the exempt appendix. These upgrades do not address wider improvements to the building which is generally in a poor state.
- 3.2.3. Roof upgrade with an improved insulation would have the added benefit of improving the energy performance of the site
- 3.2.4. Maintains community amenity but limits income potential.
- 3.2.5. Further details are outlined in the exempt appendix

3.3. **Option 2** - Freehold Transfer to Marrams Bowls Club

- 3.3.1. Transfer ownership of the asset to the Bowls Club, allowing continued community use and the wellbeing benefits it provides.
- 3.3.2. The purchaser will receive a lump sum payment as part of the transaction, which will contribute towards the cost of building renovations. This payment is aligned with the capital budget previously allocated by the Council for roof repairs. If the Council were to retain the building, it would remain liable for these roof repairs, with the associated costs expected to exceed the value of the proposed lump sum payment
- 3.3.3. Allows the Club to seek funding to improve facilities to meet their needs, improve the asset and seek to attract more users.
- 3.3.4. Removes Council's maintenance liability and associated costs.
- 3.3.5. Inclusion of the Putting Greens within the transfer is necessary because the putting green kiosk forms part of the Bowls Club building, and the two facilities share utility supplies that would be difficult and costly to separate if the Putting Greens were excluded. Including the Putting Greens also provides the Bowls Club with an income stream that can support ongoing maintenance of the property. Further operational dependencies relating to the Putting Greens are set out in the Exempt Appendix.
- 3.3.6. A freehold transfer prevents future commercial or strategic use of the site for the Council.
- 3.3.7. Any transfer should be subject to the Council retaining a pre-emption right to reacquire the site in the event that the Club seeks to dispose of the property or the property becomes disused. In addition, a restrictive covenant should be imposed on the land to limit its use to a bowls club, putting greens, and community space. An overage provision may also be included to ensure the

Council benefits from any future uplift in value if the site is sold. Transfer conditions will be subject to legal advice.

3.3.8 This option would see the asset transferred through community asset transfer for a nominal sum due to the social/wellbeing benefits the club provides.

- Promotion or Improvement of Economic Well Being

The Club generates ongoing economic activity by attracting visiting teams and spectators from across the country, many of whom make use of Cromer's hospitality, retail and accommodation businesses. This contributes directly to the local visitor economy.

The Putting Greens, which form part of the operational site, provide the Club and occupying business with an income stream that helps sustain the facility. Continued operation therefore supports the long-term financial viability of a locally valued sporting asset.

By sustaining a community run sports facility with strong year-round usage, the Club contributes to the economic vitality of the town, helping maintain footfall and spending associated with both residents and visiting players

- Promotion or Improvement of Social Well Being

The Club delivers significant social value by providing regular, year round opportunities for social interaction, community participation and inter club engagement, supporting 73 active members and hosting 76 official matches annually.

Participation in bowls offers accessible physical activity, supporting mobility, coordination and general fitness across a broad age range, while also providing structure, routine and companionship, key contributors to improved mental wellbeing.

The Club provides a welcoming and inclusive community setting that reduces social isolation and strengthens community cohesion.

3.3.9 This proposal aligns with Cabinets aspirations to keep assets local considering the imminent local government reorganisation.

3.3.10 Further details are outlined in the Exempt Appendix.

3.4 Option 3 – Redevelopment of the site (Full or Partial)

3.4.7 Previous redevelopment proposals were brought before Cabinet but were not taken forward, as the Bowls Club were not supportive of the proposed redevelopment due to loss of space. The proposals included the introduction of commercial concession units alongside a reduced Clubhouse footprint. The intention was to generate income to help subsidise redevelopment costs.

3.4.8 Although the anticipated rental income from the proposal has remained unchanged, construction costs associated with redevelopment have increased significantly due to inflation. Officers consider that the scale of capital

investment now required, set against a relatively fixed rental income, results in a limited return on investment. As such, the redevelopment is no longer considered financially viable.

3.4.9 Further information provided in the exempt appendix.

4 Corporate Priorities

4.3 The recommended option will support each of the following corporate priorities:

4.3.7 Boosting Business Sustainability and Growth – Potential opportunities for the Club to develop and grow supporting the local economy.

4.3.8 Financial Sustainability and Growth – Reduced maintenance liability for the Council.

4.3.9 Quality of Life – Retention and improvement of community asset and of bowls club members and users.

5 Financial and Resource Implications

5.3 Option 1 - Upfront capital costs with a low rental income as outline in the exempt appendix. Officer resource required to process the lease renewal and complete the roof upgrade works.

5.4 Option 2

5.4.7 An independent valuation has been obtained to demonstrate that the disposal complies with the requirements of the Local Government Act 1972 general disposal consent (England) 2003, specifically that the undervalue does not exceed £2m.

5.4.8 While the Council would forgo rental income from the Bowls Club and Putting Greens, this is offset by the release from ongoing repair and maintenance obligations, which currently outweigh the income received.

5.4.9 The purchaser will receive a lump sum contribution towards building repairs, equal to the capital budget originally allocated for its repair obligations.

5.4.10 Officer and legal resources will be required to complete the freehold transaction; however, once concluded, this will release capacity to focus on other priority work.

5.5 Option 3 – This option is not considered financially viable with the club remaining at the site.

5.6 Further information provided in the exempt appendix

Comments from the S151 Officer:

The S151 Officer (or member of the Finance team on their behalf) will complete this section.

The recommended disposal option preserves amenity use of the facility and contributes to the visitor economy. The forgone rental income is far outweighed by the capital contributions the Council or its successor may have to make to preserve these buildings. Moreover, pre-emption rights mitigate any loss of future land value.

6 Legal Implications

- 6.3 The Council is currently bound by contractual obligations in respect of occupiers at the site, in accordance with the terms of their agreements.
- 6.4 Options 1-3 have legal implications, and each requires legal work to be carried out to progress the relevant transactions.
- 6.5 Legal advice will be obtained as relevant to the chosen option.
- 6.6 Further information provided in the exempt appendix.

Comments from the Monitoring Officer

The Monitoring Officer (or member of the Legal team on behalf of the MO) will complete this section. They will outline any legal advice provided.

If Members proceed with the option recommended, there must be the appropriate steps such as valuation, as detailed in the report. The Council must be satisfied that the disposal for less than best consideration, under the General Disposal Consent, will promote or improve the economic, social, or environmental wellbeing of the area.

7 Risks

- 7.3 Continued deterioration of the building will cause health and safety risks to occupiers and public at large which the Council could be liable for under the lease.
- 7.4 Option 1 - Renewing the lease and undertaking the roof upgrade works carries risks relating to financial viability, as the required level of investment and the condition of the wider building remain uncertain. These factors present a long-term maintenance risk to the Council should it retain responsibility for the site.
- 7.5 Option 2 - The proposed freehold transfer to Marrams Bowls Club gives rise to risks associated with the loss of strategic control of the site, which forms part of the Council's wider cliff-top estate. These risks could be mitigated through the

inclusion of a pre-emption clause and the imposition of restrictive covenants on the land.

7.6 Option 3 - Redevelopment of the site, whether full or partial, presents significant risks due to increased construction costs, the need for stakeholder support, the level of funding required, and overall financial viability.

7.7 Further Risks are outlined in the exempt appendix

8 Net Zero Target

8.3 Option 1 - Renew Lease and Undertake Roof Upgrade Works

8.3.7 With the exception of the embodied carbon in the construction work required for the roof upgrade this option would see a slight reduction in operational carbon emissions from the property as a result of improved insulation.

8.3.8 The buildings current EPC rating is a B. A roof upgrade will improve insulation values however it is not expected to increase the EPC to an A rating.

8.4 Option 2 - Freehold Transfer to Marrams Bowls Club

8.4.7 While a disposal of the site would reduce the Council's overall asset-related emissions, the real impact on district-wide emissions would remain largely unchanged, as the club would continue to operate the facility in its current form.

8.4.8 However, ownership would provide the club with far greater access to external grant funding opportunities, enabling investment in building improvements that could enhance energy efficiency. Any such measures would have the potential to deliver longer-term reductions in emissions from the site, representing an environmental improvement that is unlikely to be achievable under the existing arrangement.

8.5 Option 3 - Redevelopment of the site (Full or Partial)

8.5.7 The impact on carbon emissions would need to be assessed based on the proposed redevelopment.

8.5.8 There would be embodied carbon in the demolition and construction of any new building.

8.5.9 A new building would have to comply with current building regulations requiring a good standard of energy performance, there would also be the opportunity to go beyond minimum standards to significantly reduce the energy consumption at the property.

9 Equality, Diversity & Inclusion

- 9.3 The club offers a community sport facility that encourages inclusion in sport. Loss of this asset could have an impact on residents' health and wellbeing.

10 Community Safety issues

- 10.3 With the exception of health and safety issues relating to the current poor condition of the building and further deterioration, there are no community safety issues regarding the continuation of the current tenant occupation of the property through lease renewal or freehold disposal.
- 10.4 Community safety issues would need to be assessed in detail if Option 3 of development is taken forward.

11 Conclusion

- 11.3 The Marrams Bowls Club remains a well-used and valued community asset, providing year-round opportunities for physical activity, social interaction and wider wellbeing benefits for residents and visitors. However, the condition of the Council-owned building, the associated maintenance liabilities and the need to ensure the long-term sustainability of the site require a clear decision on its future.
- 11.4 The three options presented each offer distinct implications for community use, financial responsibility, and the Council's strategic position. Option 1 would enable continuity but requires capital investment in a building with ongoing maintenance risks. Option 2 would secure continued community benefit while removing the Council's long-term liability, although it would limit the Council's strategic control of the site. Option 3 offers the potential for more substantial redevelopment but carries significant risks relating to viability, cost and deliverability.
- 11.5 In determining a preferred way forward, Cabinet is asked to balance the importance of retaining a valued community facility with the financial, legal and operational considerations associated with each option. A clear decision will enable officers to progress the necessary actions to secure the long-term future of the site and support the continued provision of community sport and wellbeing opportunities in Cromer.

12 Commentary on Options:

- 12.3 **Not to proceed with Option 1** - The officer recommendation, based on achieving best financial value and in accordance with the Council's statutory duty under Section 123 of the Local Government Act 1972, is not to proceed with Option 1. This is due to the level of investment required to undertake the repairs weighed against the income received from the lettings. However, should Members wish to pursue this option, they must be satisfied that it delivers sufficient improvement in social wellbeing to justify a departure from the general principle of securing best financial value. In such circumstances, the disposal may fall within the

scope of the General Disposal Consent (England) 2003. Delegated authority should then be granted to the Estates and Asset Strategy Manager to agree the final terms of the lease.

12.4 Proceed with Option 2

12.4.7 Given the constraints of the site and the needs of current occupants, it is recommended that Cabinet approve officers proceeding with Option 2. Any freehold transfer of the site must comply with the Council's statutory duty under Section 123 of the Local Government Act 1972, which requires the Council to obtain the best consideration reasonably obtainable unless an exemption applies.

12.4.8 In this case, the proposed transfer would rely on the General Disposal Consent (England) 2003, which permits disposals at less than best consideration where the Council is satisfied that the transaction will promote or improve the economic, social, or environmental wellbeing of the area. Members can be satisfied that the proposal meets this requirement due to the continued delivery of community sport, the associated health and wellbeing benefits, and the ability of the Club to secure investment in improving the facilities.

12.4.9 How this option complies with the General Disposal Consent (GDC) (England) 2003 is outlined in detail in section 3.3.8.

12.4.10 The difference between the land's disposal value, as assessed by an independent valuer, and the consideration to be received is significantly below £2,000,000 (two million pounds) and therefore meets the criteria set out in the GDC 2003.

12.4.11 Delegated authority should be granted to the Asset Strategy Manager or the Assistant Director for Finance and Assets to agree the final terms of the transfer and associated legal documents.

12.4.12 That Members note that Option 2 incorporates the freehold transfer of both the Bowls Club building and the adjoining Marrams Putting Greens, and that this will require transfer of the putting greens with a sitting tenant or termination of the Putting Green businesses license prior to the property being transferred.

12.5 **Not to proceed with Option 3** – Officers do not consider this option to be financially viable, given the site constraints, construction costs, and the limited opportunity for income generation whilst the bowls club occupies the site. This conclusion is based on an independent assessment of construction costs and officers experience of local rental values. In addition, the Bowls Club is not supportive of the proposal due to the impact on their usable space

Recommendation

That Cabinet resolves to:

Provide approval for officers to proceed with Option 2 to transfer the freehold of the Property, known as the Marrams Bowls Club and Marrams Putting Greens, to the Marrams Bowls Club.

Progression of Option 2 should therefore be subject to:

- Completion of legal due diligence.
- Inclusion of appropriate safeguards (such as a pre-emption clause, restrictive covenants to secure community use, and overage provisions as appropriate).
- Further discussions with both the Bowls Club and the Putting Green tenant.

Delegate authority to the Asset Strategy Manager or the Assistant Director for Finance and Assets to agree to the final terms of the transfer and associated agreements.