

Report on	Village Renewal Scheme: Rural Development Programme 2014-2020 – Lands situated at Somme Park, Killyman
Date of Meeting	3 rd October 2019
Reporting Officer	Claire McNally, Council Solicitor
Contact Officer	Nigel Hill, Head of Parks

Is this report restricted for confidential business?	Yes	
If 'Yes', confirm below the exempt information category relied upon	No	X

1.0	Purpose of Report
1.1	To update Members' on an element of the Village Renewal Scheme included within the Rural Development Programme 2014-2020 and seek approval to proceed with a lease arrangement regarding lands situated at Somme Park, Killyman.
2.0	Background
2.1	Mid Ulster District Council is leading on the Village Renewal Scheme ("the Scheme") included within the Rural Development Programme 2014 -2020 ("the Programme").
2.2	The Department of Agriculture, Environment and Rural Affairs ("DAERA") has allocated a budget of £2.15 million in grant aid to the Scheme for the implementation of strategic and minor works within agreed villages. In April 2016, the Council resolved, that the Council contributes match funding of 25% (£716,000), to compliment the funding from DAERA, which is administered via the Local Action Group ("LAG").
2.3	One of the projects that has been carried out under the Scheme relates to the upgrading of play facilities at Somme Park, Killyman. The play area has been in existence from February 2000, under legacy arrangements between the former Dungannon & South Tyrone BC and NIHE, however, this arrangement was not formalised in terms of a Lease. One of the funding requirements is that the Council can show title to the land for a minimum 7 year period.
2.4	In July 2018 approval in principle was sought to enter in to lease arrangements with various landowners in respect of different projects under the Scheme including those lands situated at Somme Park, Killyman.
2.5	A further report on Somme Park, Killyman was taken to Council in January 2019 when it was resolved in January 2019 that approval be given to entering in to the following lease arrangements with NIHE:-

	<p>(i) 25 year Lease commencing December 2019 at a premium of £6,750; and</p> <p>(ii) 18 year Lease backdated to February 2000 at a premium of £5,500.</p>
3.0	Main Report
3.1	Since Council approval in January, officers have been in protracted discussions with NIHE mainly in relation to the costs associated with formalising the lease arrangements, which has led to NIHE adopting a different approach.
3.2	An amended proposal has since been received from NIHE in respect of these lands, which would see a Lease being granted for a period of 26 years, backdated to February 2000 at a premium of £5,000. Members are now being asked to approve this arrangement.
4.0	Other Considerations
4.1	Financial, Human Resources & Risk Implications
	Financial: The Council's legal fees in the preparation, negotiation and completion of the Lease which will fall within Legal Services budgetary remit. The Lease premium of £5,000.
	Human: N/A
	Risk Management: N/A
4.2	Screening & Impact Assessments
	Equality & Good Relations Implications: N/A
	Rural Needs Implications: N/A
5.0	Recommendation(s)
5.1	That Members' approve that the Council enters into a Lease with NIHE in relation to lands situated at Somme Park, Killyman, for a period of 26 years backdated to 2000 and at a premium of £5,000.
6.0	Documents Attached & References
6.1	None