

**Community Initiatives**  
Salisbury District Council, PO Box 2117,  
Salisbury, Wiltshire SP2 2DS

*officer to contact: Reg Williams*  
*direct line: 01722 434239*  
*email: rwilliams@salisbury.gov.uk*  
*web: www.salisbury.gov.uk*

# Report

**Report subject:** Lower Bemerton Recreation Ground Trust

**Report to:** City Area Committee (Community)

**Date:** Tuesday 2<sup>nd</sup> September 2008

**Author:** Reg Williams, Parks Manager

---

## 1. Introduction:

- 1.1. The Committee will be aware that the running costs associated with the management of Lower Bemerton recreation ground are met from the interest accrued from an invested trust fund.
- 1.2. The Trustees of the trust are the members of Salisbury District Council who are elected within the various City wards
- 1.3. Whilst the Trustees have the powers to make the day to day decisions regarding the site, the Charity Commission have the ultimate veto regarding any strategic decisions related to either the trust fund or the land
- 1.4. The Committee may recall that a request was received from a group of Lower Bemerton residents back in January seeking an in principle decision to allow part of the trust fund to be used toward financing the purchase of about 52 acres of meadow land near the village for use as a possible Nature Reserve.
- 1.5. At that time the Committee resolved to approve the use of up to £75,000 in principle from the Trust Fund toward the purchase costs but subject to a further detailed report, approval of the Charity Commission and that an effective and sustainable management plan were in place (minute 57, 22/8/08 refers).

## 2. Background:

- 2.1. The Lower Bemerton trust fund was set up in the 1930's to secure the on going maintenance of the Lower Bemerton recreation ground. Over the years the investment has grown at a faster rate than was necessary to finance the maintenance and has therefore been able to fund some capital improvements as well - refurbished playarea, car park extension etc.
- 2.2. The 52 acres of meadow land originally sought was marketed during the Summer of 2007 but subsequently withdrawn.

## 3. Current Position:

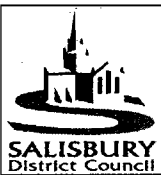
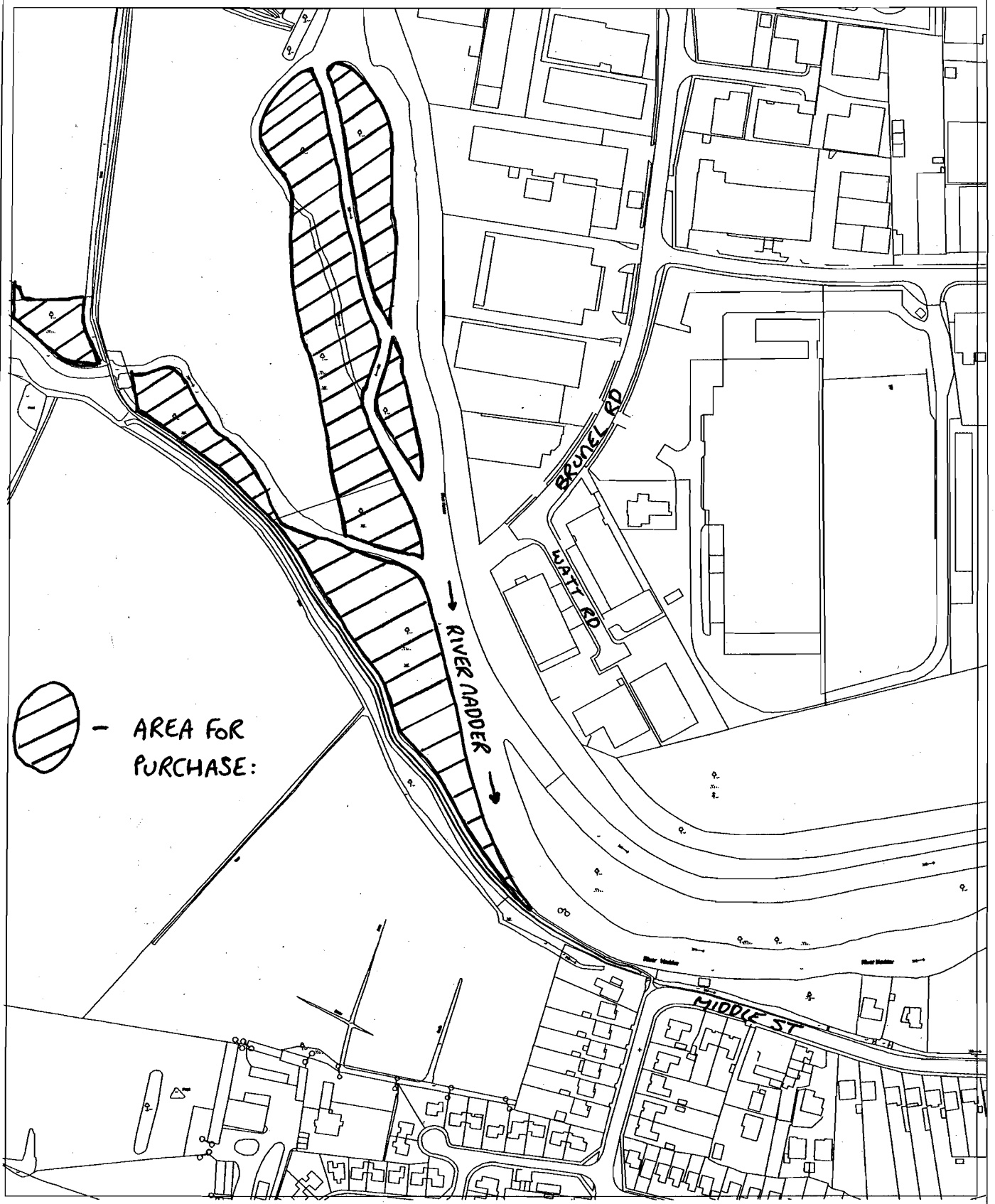
- 3.1. Since the initial approach to the Committee, the group have formed themselves into a constituted group, the Broken Bridges Nature Reserve Trust (BBNRT). The area the group are seeking to acquire has also reduced to 19 acres, from 52, since the original approach in January.
- 3.2. An overview of the area the group are now seeking to acquire is attached as Appendix A.
- 3.3. The value of the land now sought is £105,000 (about £5,526 per acre) and the group are seeking the Committee's approval to transfer to them the £75,000 from the trust fund.

## 4. The Trust Fund:

- 4.1. As at June '08, the invested trust fund totalled £234,000. This is invested in 3 ways - via internal investments, Charifund and gilts. It is worth noting that this has reduced from a high of £286,000 in December 2007 due to the volatile markets
- 4.2. Approximately £11,000 p/a nett is required from the trust fund to maintain the Lower Bemerton recreation ground at nil cost to the City Council Tax payer (2008/09). This figure allows for all grasscutting, playarea maintenance, trees, car park maintenance as well as all costs associated with the public conveniences etc.

- 4.3. In order for interest accrued to meet this cost and allow for an amount over and above to balance out the effects of inflation, a return of around 5% minimum is required from the current investment fund.
  - 4.4. The group are requesting that the £75,000 approved in principle in January now be transferred to them toward the purchase capital. It is hoped the balance will come from Wiltshire Wildlife Trust landfill tax rebates though as at the time of writing the report this hasn't been confirmed
  - 4.5. As a basic calculation and if approved, the investment will potentially reduce therefore to around £159,000. A 5% return on this new trust fund figure will accrue £7,950 p/a only which will mean a 25% shortfall on the annual maintenance costs to maintain the Recreation Ground. At this lower level of invested trust, a return of around 7% would be needed which at the current time is completely unachievable.
  - 4.6. Also, if the money markets continue to perform badly, or even get worse, then these figures will, unfortunately, drop further.
  - 4.7. As soon as the annual return on the investment falls below that required to maintain the Recreation Ground then the investment will reduce year on year and the gap between interest accrued and running costs will widen unless the difference is met from the special reserve account.
  - 4.8. This will also be greatly exacerbated should the Committee ever wish to use the investment to fund further recreation ground improvements as have been done in the past.
  - 4.9. Of course this trend could easily be reversed if the performance of the money markets change. However the economic outlook currently does not indicate that this is likely for some considerable time.
  - 4.10. Unfortunately, this does mean that virtually any contribution from the invested trust fund to the project at this moment in time, whilst the markets are performing as badly as they are, will lead to insufficient interest accruing for use toward the maintenance of the Recreation Ground which is the primary beneficiary of the trust fund.
5. The Project:
- 5.1. In principle this scheme appears to be extremely interesting and potentially of great public value, opening up access to a large area of meadow land for visitors. As a rough idea, 19 acres is a little smaller than Churchill Gardens
  - 5.2. It should be noted though that the area of land the BBNRT group are seeking to purchase is within the Ebble ward and not technically therefore within the City. In this location the river Nadder is the City boundary.
  - 5.3. However in terms of approving the use of the trust fund the City boundary is irrelevant as the Committee will not be seeking to take on any management / ownership obligations as the land will, in effect, be privately owned.
  - 5.4. Unlike the Harnham Water Meadows Trust land which has fairly restrictive public access, this area would be made fully accessible for walkers, education visits, environmental enhancements etc and become a very different type of public attraction to virtually anything else currently available within the City boundary. It would also compliment the Avon Valley country park area as well, providing an alternative type of environment on the opposite side of the City.
  - 5.5. The BBNRT group have undoubtedly undertaken a great deal of work to get this far but are reliant substantially upon the Council agreeing the use of the trust fund (though see point 6.6 below). Freehold ownership will be invested in the group as will the day to day running costs, raised by a mix of grazing income, members annual subscriptions, fishing rights etc.
6. The Fund / Trust Deed:
- 6.1. The land was gifted by deed to the former Salisbury City Council in 1932.
  - 6.2. The deed does not define the purposes to which any income generated from managing the land as a recreation ground might be allocated.
  - 6.3. There is nothing with the title deeds to explain how the Fund was established. However, the Fund is registered as a charity and the charity's objects is the recreation ground.
  - 6.4. The council as trustee must use any charitable funds reasonably and only in furtherance of the charity's objects.
  - 6.5. The subject matter of the Charity does *benefit* Bemerton, but the direct *beneficiary* (the object) of the Fund is the recreation ground itself. Accordingly, and as was flagged up in January, it appears questionable to use the Fund for purposes other than enhancing the recreation ground.
  - 6.6. To clarify this, contact was made some while ago with the Charity Commission who hold the ultimate power of veto as to using the trust fund. They responded with an extensive number of queries which have been replied to and as of writing the report, no definitive guidance has been received by them.
  - 6.7. Again, and as was flagged up at the meeting in January, the Charity Commission could decide the project is not an activity which can be financed by means of the Fund.

7. Recommendations:
  - 7.1. Whether to approve the use of £75,000 (or some other figure as may be agreed) from the Lower Bemerton trust fund toward the purchase costs of the land outlined at Appendix A of the report, subject to the approval of the Charity Commission
8. Implications:
  - 8.1. Financial: At this stage nil. However the committee should be aware of the potential financial requirements placed upon it in the future as outlined in the report
  - 8.2. Legal: As outlined in the report.
  - 8.3. Personnel: None at this stage
  - 8.4. Community Safety: None at this stage
  - 8.5. Environmental: This proposal will potentially safeguard a large area of meadow land for future generations and provide an additional and different area to visit.
  - 8.6. Human Rights: None at this stage
  - 8.7. Ward(s) Affected: Fisherton and Bemerton Village (Lower Bemerton Recreation Ground location)  
Ebble Ward (location of land to be purchased)



### Broken Bridges

SCALE: 1:3000

DATE: 18th August 2008

DEPARTMENT: Parks

**THIS MAP IS FOR INTERNAL USE ONLY.**

Reproduced from Ordnance Survey material with the permission of the Ordnance Survey on behalf of the Controller of Her Majesty's Stationary Office © Crown Copyright. Unauthorised reproduction infringes Crown Copyright and may lead to prosecution or civil proceedings. Licence No. 100033329, Salisbury District Council, 2008.