

CENTRAL SWINDON NORTH PARISH COUNCIL

Moredon Community Centre Nursey Let

Introduction

This report sets out the details of the proposed Licence Agreement between Central Swindon North Parish Council and The Play Den Nursery for the exclusive use of nursery accommodation and associated facilities at Moredon Sports Hub.

The agreement provides a long-term arrangement for the delivery of nursery provision, wraparound childcare, and early years education services within the parish.

The proposed agreement commences on 1 September 2026 and runs for a fixed term of 12 years, ending in 2038 unless terminated earlier in accordance with the agreement terms.

Background

Under the proposed agreement, the Council will grant exclusive use of:

- Nursery accommodation;
- Office space;
- One 89m² Portakabin unit with three toilet spaces; and
- Partial kitchen facilities at Moredon Sports Hub.

The licence permits the premises to be used solely for lawful nursery and early years educational purposes. The agreement also places obligations on the Licensee relating to safeguarding, health and safety compliance, OFSTED requirements, insurance, and maintaining the premises in good order.

The Council retains responsibility for structural repairs and maintenance, whilst the nursery operator is responsible for day-to-day internal upkeep and any damage caused by staff, visitors, or service users.

Financial Summary

The proposed annual charges within the agreement are as follows:

Cost Element	Annual Value
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Business Rates Contribution	£2,344
Utilities Contribution	£6,918
Market Rent	£8,317
Total Annual Cost	£17,579

The agreement confirms that payments will be made monthly in advance at £1,465 per calendar month, subject to annual RPI and utility increases.

The Market Rent element of the agreement is subject only to annual increases in line with the Retail Price Index (RPI). Utility charges may increase in line with actual supplier increases.

Projected Income to 2038

The table below provides an indicative projection of income to the Council over the 12-year term of the agreement, assuming an average annual RPI increase of 3% applied to the annual licence charge.

Financial Year Estimated Annual Income

2026/27	£17,579
2027/28	£18,106
2028/29	£18,649
2029/30	£19,209
2030/31	£19,785
2031/32	£20,378
2032/33	£20,989
2033/34	£21,619
2034/35	£22,268
2035/36	£22,936
2036/37	£23,624
2037/38	£24,333
2038	£25,063

Estimated Total Contract Value to 2038

Based on the above assumptions, the estimated cumulative income to the Council over the duration of the agreement is:
£274,545

This figure is indicative only and actual income will vary depending on annual RPI movements and utility supplier costs.

Summary

The proposed agreement provides:

- A secure 12-year income stream for the Council;
- Continued nursery and wraparound childcare provision within the parish;
- Full occupation and operational responsibility by the nursery provider;
- Protection for the Council through compliance, safeguarding, insurance, and termination clauses; and
- Annual inflation-linked increases through RPI adjustments.

The agreement also supports wider community objectives by maintaining early years provision and childcare capacity for local families and unlike the previous tenant is paying toward a market rent for facility reinvestment.

Conclusion

The proposed Licence Agreement represents a financially sustainable and operationally practical arrangement for the use of Council-owned facilities at the Moredon Sporting Hub. The agreement secures a long-term tenant, provides predictable income to the Council, and ensures continued delivery of an important community service.

The terms of the agreement contain appropriate safeguards relating to compliance, maintenance responsibilities, insurance requirements, and termination provisions. The inclusion of annual RPI-linked increases also helps protect the long-term value of the agreement to the Council.

Recommendation

Recommendations

1. Approve the proposed Licence Agreement between Central Swindon North Parish Council and The Play Den Nursery commencing on 1 August 2026;
2. Delegate authority to the Clerk to finalise and execute the agreement; and
3. Note the projected estimated contract value of approximately £274,545 to 2038 based on assumed annual RPI increases of 3% and market increases in utilities.