

Portfolio Holder for Highways



County Hall
Llandrindod Wells
Powys
LD1 5LG

1 November 2016

For further information please contact

Stephen Boyd

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NOTICE OF INTENDED PORTFOLIO HOLDER DELEGATED DECISION

The Portfolio Holder has received the following report for a decision to be taken under delegated authority. The decision will be taken on **7 November 2016** (i.e. 3 clear days after the date of this note). The decision will be published on the Council's website but will not be implemented until 5 clear days after the date of publication of the decision) to comply with the call-in process set out in Rule 7.37 of the Constitution.

1.	FREEHOLD COMMUNITY ASSET TRANSFER OF PUBLIC CONVENIENCES AT BERRIEW STREET, WELSHPOOL
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CYNGOR SIR POWYS COUNTY COUNCIL.**PORTFOLIO HOLDER DELEGATED DECISION****By****County Councillor Rosemarie Harris
(Portfolio Holder for Property, Building and Housing)****and****County Councillor John Brunt
(Portfolio Holder for Highways)****28 October 2016****REPORT AUTHOR: David Pritchard Valuer****SUBJECT: Freehold Community Asset Transfer of Public
Conveniences at Berriew Street, Welshpool**

REPORT FOR: Decision

1.0 Summary

- 1.1 Following Cabinet decision on 29 July 2014 (C161-2014) dialogue has been ongoing with Town and Community Councils regarding alternative service delivery of public conveniences.
- 1.2 Under the Medium Term Financial Plan (MTFP) it was identified that the Local Environmental Services needed to make revenue savings from April 2015.
- 1.3 This report outlines the proposal to complete a freehold Community Asset transfer of public conveniences at Berriew Street in Welshpool. The Town Council hold a lease (see C73- 2013) of the premises and receive the sum of £5,000 per annum this funding will continue for a further 18 months following completion of the freehold transfer. A Plan of the site can be found at Appendix 1.

2.0 Proposal

- 2.1 Discussions with Welshpool Town Council have been taking place with regards a possible freehold transfer to the Town Council of the assets for a nominal £1 consideration. If the transfer takes place the Town Council intends to continue to manage the buildings as public conveniences.
- 2.2 The Policy outlined in the Corporate Asset Policy (CAP) Part 5 Community Asset Transfer (CAT) has been adopted and followed in this case. The Town Council completed an Expression of Interest (EOI see Appendix 2), this has been supported by the Strategic Asset Board.

- 2.3 If, as in this case the proposed CAT is linked to protecting service provision a Business Case is not always required. In this case the service lead (Highways, Transport & Recycling) has demonstrated and provided a written undertaking that the application is deemed sustainable and fits in with the Powys One Plan. Therefore we are happy to proceed without a business case.
- 2.4 As the request was for a freehold transfer, an independent market valuation was commissioned. The District Valuation Service reported a market valuation of £10,000 (ten thousand pounds) based on no restrictions and the presence of the existing lease and £1 (one pound) for the property based on it being sold subject to a covenant that it shall be appropriately maintained and used as public conveniences.
- 2.5 Following Cabinet approval (C159-2015) the Portfolio Holder for Property, Buildings and Housing can now agree Community Asset Transfer where the market value of an individual asset is up to a threshold of £75,000 subject to the Ward Member being supportive of the transfer. Hence Portfolio Holder approval being sought in this case.
- 2.6 The Capital and Financial Planning Accountant comments in 10.1 refer to current carrying amounts as recorded by the statutory asset valuations. The Capital Accountant is required to recognise a loss/gain as appropriate on any capital disposal and this loss is included in the year end Statement of Accounts.
- 2.7 The statutory valuation undertaken has a valuation date of 2015. They do not relate to current market values as confirmed by the District Valuation Service's current report.
- 2.8 The basis of assessing valuations for specialist assets such as public conveniences (where there is no market comparable evidence) is by using the alternative valuation bases of depreciated replacement costs (DRC).
- 2.9 DRC valuations are based on the capital cost of replacing the asset less an assessment for elements of obsolescence such as physical and economic etc. It is a mechanism of arriving at a value and records cost of replacement and not market value. On this basis it is not unusual to see significant differences between carrying amount and ultimate sales figures.
- 2.10 The Highways Transport and Recycling Service has also confirmed that prior to entering into the lease agreement with the Town Council, the annual revenue cost of running the toilets was in the order of £29,000 per year.

3.0 One Powys Plan

- 3.1 The proposed transfer would retain the property for community use and ensure the ongoing upkeep and sustainability of these important sites.
- 3.2 The risk to the Council is that it does not have the financial resources to run the buildings and in the event that the existing lease was surrendered and an appropriate partner not found the facilities would need to close.

4.0 Options Considered/Available

- 4.1 Option 1
Proceed with the Freehold transfer to the Town Council for £1 allowing them to continue to operate them as existing with a restrictive covenant requiring the buildings to be used as public conveniences.
- 4.2 Option 2
Refuse the request for a Freehold transfer to the Town Council for £1 allowing it to continue to operate the conveniences under the existing lease which allows it to terminate the lease resulting in the closure of the public conveniences.

5.0 Preferred Choice and Reasons

- 5.1 The preferred choice is Option 1 a transfer of freehold ownership to the Town Council, which offers the best opportunity for the sustainability of the site and secures its long term future in the existing use whilst protecting the County Council.

6.0 Sustainability and Environmental Issues/Equalities/Crime and Disorder,/Welsh Language/Other Policies etc

- 6.1 The preferred option is considered to be the best option to sustain the future of the properties and their existing use as a community asset. The Town Council has clearly demonstrated in the EOI the intention to continue the buildings existing use.

7.0 Children and Young People's Impact Statement - Safeguarding and Wellbeing

- 7.1 It is not considered that this proposal has an affect.

8.0 Local Member(s)

8.1 Cllr Jump and Cllr Pritchard are aware of the proposal.

9.0 Other Front Line Services

9.1 It is not considered that the proposal has implications for other frontline services.

10.0 Support Services (Legal, Finance, Corporate Property, HR, ICT, Business Services)

10.1 The Capital and Financial Planning Accountant supports the recommendation to transfer these assets to the Town Council. The property has a net book value at 31st March, 2016 of £26,742.67. This transfer will record a loss in the Statement of Accounts and this will be charged against the unusable reserves.

10.2 The Professional Lead –Legal has no comment to make on the preferred option recommended in this report the legal Services will support the disposal as and where required in accordance with CAT policy”

10.3 The Professional Lead for Strategic Property whilst noting the loss of a capital receipt notes the wider community benefits and the imposition of the standard CAT provisions such as user restrictions and buy back clause.

11.0 Local Service Board/Partnerships/Stakeholders etc

11.1 It is not considered that the proposal has implications.

12.0 Corporate Communications

12.1 Communications Manager comments: No proactive action required

13.0 Statutory Officers

13.1 The Strategic Director Resources notes the comments made by finance

13.2 The Solicitor to the Council (Monitoring Officer) has commented as follows: On the basis that the funding to Welshpool Town Council will continue as outlined , I have no further comment on the report.

14.0 Members' Interests

14.1 The Monitoring Officer is not aware of any specific interests that may arise in relation to this report. If the portfolio holder has an interest he should declare it, complete the relevant notification form and refer the matter to Cabinet for decision.

15.0 Future Status of the Report

15.1 Members are invited to consider the future status of this report and whether it can be made available to the press and public either immediately following the meeting or at some specified point in the future.

Recommendation:	Reason for Recommendation:
<p>The Portfolio Holders agree to forego a potential capital receipt of £10,000 for the freehold of the Public Conveniences at Berriew Street Welshpool as shown edged red on the attached Plan and instead agree to transfer the property to Welshpool Town Council for £1 provided that :-</p> <p>(a) a covenant be contained in the transfer ensuring that the site is maintained and used as public conveniences and</p> <p>(b) a clause be inserted into the transfer protecting the County Council in the event that at some future date Welshpool Town Council should wish to dispose of the site, the Town Council must first offer the County Council the opportunity to transfer each site back for the original consideration of £1 but subject to an allowance to reflect the value of any significant capital improvements undertaken by the Welshpool Town Council during their ownership.</p>	<p>In the interests of good Asset Management and to sustain the future use of a community asset.</p>

(c) The funding to Welshpool Town Council will continue as outlined.	
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Relevant Policy (ies):	Corporate Asset Policy		
Within Policy:	Y	Within Budget:	Y

Relevant Local Member(s):	Cllr F Jump and Cllr Phil Pritchard

Person(s) To Implement Decision:	David Pritchard
Date By When Decision To Be Implemented:	asap

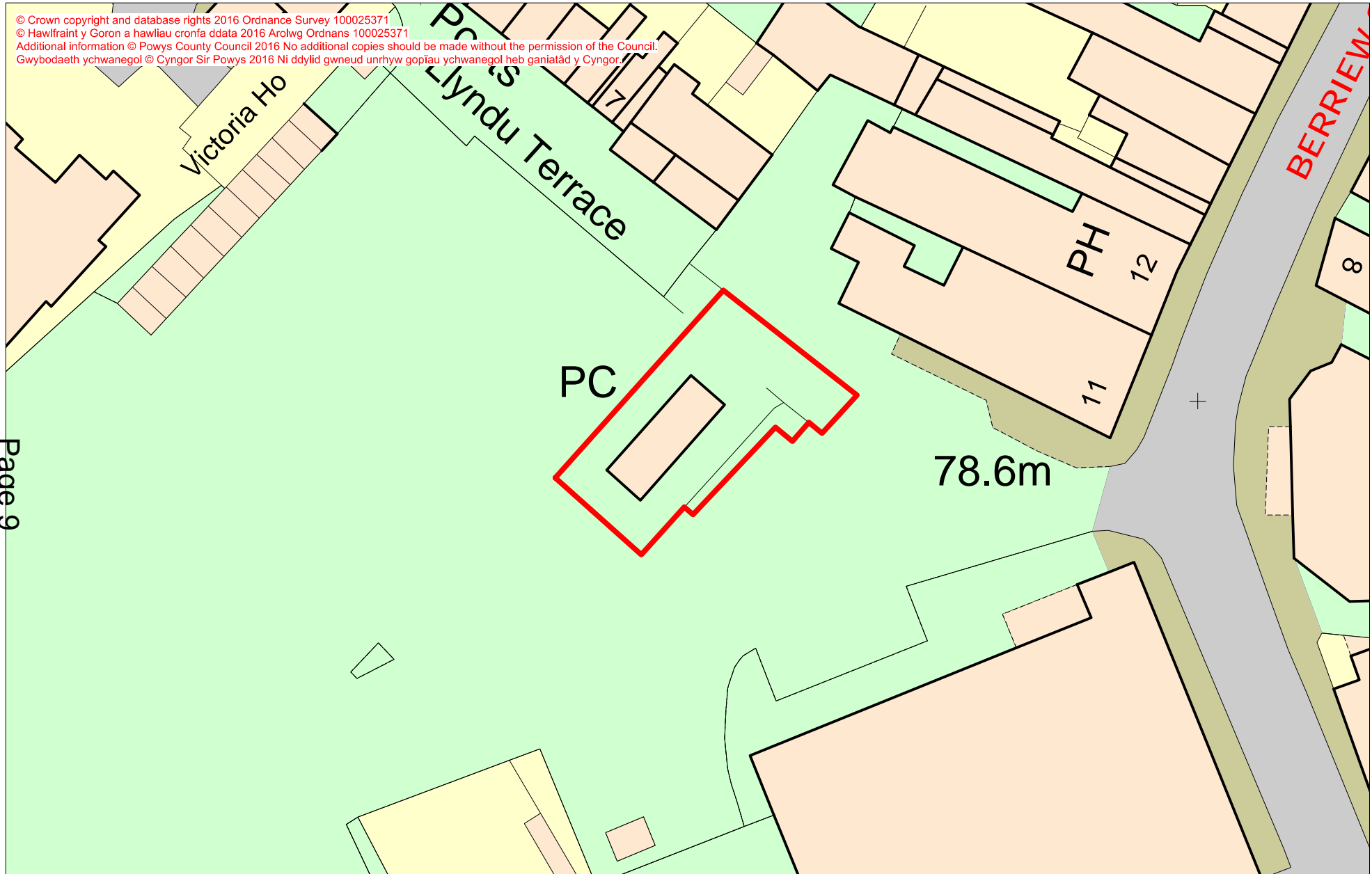
Contact Officer Name:	Tel:	Fax:	Email:
David Pritchard	01597826602		david.pritchard@powys.gov.uk

Background Papers used to prepare Report:

Office File

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EXPRESSION OF INTEREST FORM (EOI)
for a Community Asset Transfer (CAT)
from Powys County Council to a Third-Sector Organisation

Reference Number		Date Received	
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Guidance Notes

This "Expression of Interest" form is an important document. The information within it will help the Council to identify good community based proposals for sustainable uses of public buildings owned by Powys County Council.

The aims of a Community Asset Transfer from Powys County Council are:-

- To encourage people in take part in economic and community life
- To develop capacity in and connections between public, private, voluntary and community sectors in order to support economic and social development
- To safeguard buildings for community use

When initially assessing your completed "Expression of Interest", the Council will consider:-

- Does the project meet at least one of the Council's Community Asset Transfer aims?
- Does the proposal benefit the people of Powys?
- Does the project contribute to the Council's corporate priorities and plan?

NOTE – You must be realistic about the amount of time it will take to do your proposal and what you can achieve.

If your EOI meets the Council's criteria, you will be invited to submit a full, costed Business Case, which will then be considered for submission as a Community Asset Transfer application.

For advice on both developing your project and completing this "Business Case" form, email the Regeneration Team at regeneration@powys.gov.uk.

This form, once completed, it should be sent to:

The Valuation Team,
County Hall,
Llandrindod Wells
LD1 5LG

Or emailed to [**property.sales@powys.gov.uk**](mailto:property.sales@powys.gov.uk)

EXPRESSION OF INTEREST FORM (EOI)
for a Community Asset Transfer (CAT)
from Powys County Council to a Third-Sector Organisation

(This is not an application form for funding)

PROPOSED PROJECT NAME
Freehold Transfer of Berriew Street toilets, Welshpool To Welshpool Town Council

CONTACT DETAILS	
Name of the LEAD group or organisation	Welshpool Town Council
Address of the LEAD group or organisation	Welshpool Town Council Triangle House Union Street Welshpool, Powys SY21 7PG
Name of the main contact person	Mr Robert Robinson
Phone number	01938 553142
E-mail address	town.clerk@welshpooltowncouncil.gov.uk
What year did your organisation start?	1974

YOUR THIRD-SECTOR STATUS

- Registered Charity Community Group Consortium
 Voluntary Organisation Town/Community Council Statutory Organisation
 Other _____

Does your group or organisation have:

You will be asked for these if you progress to a Business Case.

Item	Yes	No
a constitution		
terms of reference		
A work plan		

WHAT PROPERTY ARE YOU INTERESTED IN?

Name of identified property	Berriew Street Toilets - 6864
Address	Berriew Street Car Park, Oldford Road, Welshpool, SY21 7SQ
Names of Powys County Council <u>Officers</u> that you have spoken to about this property. <i>(This does not mean that the property has been agreed for use by PCC)</i>	Alastair Knox
Names of Powys County <u>Councillors</u> that you have spoken to about this property. <i>(This does not mean that the property has been agreed for use by PCC)</i>	

TELL US ABOUT YOUR ORGANISATION (or GROUP)

- 1. What does your organisation do? (If you are a new organisation, what do you hope to do?). Enclose any brochures / marketing that you currently use to help explain what you do.**

Welshpool Town Council is a statutory body under the Local Government Act 1972. The council aims to discharge its duties in accordance with the Act in Support of the residents and businesses in the community.

Our website <http://www.welshpooltowncouncil.gov.uk> provides up to date information on the activities of the council as well as information on the local area.

- 2. List any other organisations with which you are affiliated or work with.**

The Town Council works with many local and regional organisations in and around Welshpool. We have strong links with community, voluntary, charitable and private business sector organisations.

We have supported numerous voluntary groups and societies that enhance the social and cultural life of the Town.

Are you Twinned with another Town?

- 3. If you already operate a project or activity, where is it currently based and is it different to the idea for this building?**

The Town Council currently hold the freehold of the public conveniences at Church Street Car Park, Welshpool.

Playing fields?

Allotments?

Play equipment?

Tourist Information Centre?

Day centre?

TELL US ABOUT YOUR IDEA FOR THE PROPERTY

4. What do you want to use the property for and why?

The property will be used as a public convenience. The Town Council currently operates them under a lease and would like to extend this to a freehold transfer.

The Town Council wishes to see a continued public convenience in the Car Park in order to enhance and promote the Town for the benefit of its residents, businesses and visitors.

5. To achieve this, how much will your idea cost?

(Consider development costs, design fees, capital proposals and revenue costs, as examples.)

It is proposed that the freehold will be transferred to the Town Council for a £1 consideration.

6. How will you make it happen?

Subject to agreement on the freehold transfer and the commitment to a minimum 18month grant package from the County Council the Town Council will take over the facility and continue to run the public convenience facility.

7. How do you propose to ensure the future of the property?

(ie: keeping it in good repair and running it.)

The Town Council will continue to run and manage the premises supported by an annual grant in the first instance and then with monies raised through the precept by the Town Council and other Town Council funds as appropriate.

TELL US ABOUT YOUR COMMUNITY IDEA

8. Why do you believe that your idea is needed and what evidence / information justifies your project?

The town may be left with a reduced provision of public conveniences if the Town Council does not take over the facilities. The toilets are centrally located within the town and are considered an essential facility for the wellbeing and prosperity of Welshpool.

9. Have you discussed your idea with other people / groups in your community?

This is important because, if you complete a Business Case form for a Community Asset Transfer (CAT) by Powys County Council, you will have to demonstrate that you have community support. (NOTE – As part of its appraisal process, the Council may approach anyone you name below.)

Yes. The Town Council have sought the views of residents and businesses and believe that there is general support for operating the facilities.

10. If your idea has links to other projects? Describe what these are and the benefits.

The Town Council will ensure under the terms of any transfer that the facilities are used to promote wellbeing, inclusivity and sustainability. The terms will stipulate that the facility has to be inclusive and run for the benefit of all Welshpool and surrounding districts.

11. What environmental impact will your idea have as it is delivered – in a positive and / or negative sense? What environmental considerations have you made?

None, the Town Council believe there will be no change to the environmental impact.

12. How will you make it happen?

(Who will make it happen, what are your timescales, how will people know about it and how will you keep it going?)

TELL US ABOUT COSTS AND FUNDING?

13. (This is only an EOI and we do not require detailed costing however, you will be required to provide them in a Business Case if your EOI is accepted.)

A) How much will it cost to set up your project?

£1 consideration for the freehold transfer

B) What have you allowed for purchase / lease of the property?

The Town Council is seeking a £1 consideration for the freehold asset transfer subject to appropriate user covenant with regards to perpetual community use.

C) How much will it cost, annually, to run the project? (indicate over 5 years)

D) Tell us how you will fund the above and the source of the funding?

CONTACT SIGNATURE

Signature of main contact person

Name of main contact person
(in BLOCK letters)

R. A. ROBINSON

Date	
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Data Protection and Information Security

The information submitted in this "Expression of Interest" form will be processed in accordance with the Data Protection Act (1998).

For the administration, appraisal, approval, monitoring and auditing of this project, Powys County Council will hold your proposal information. We may need to share it with the Appraisal Panel, elected Members, Officers from the Council, and the Welsh Audit Commission – and any internal or external auditors required to audit the activities of the Council.

Please sign and date below, to confirm that the information supplied in this "Expression of Interest" form is accurate, and that you accept processing of your information as stated above.

Applicant's Signature		Date	21/6/16
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This "Expression of Interest" form must be submitted electronically to property.sales@powys.gov.uk – and at the same time a signed printed copy must be submitted by post to:-

The Valuation Team
County Hall
Spa Road East
Llandrindod Wells
Powys LD1 5LG

This "Expression of Interest" form will not be reviewed until we have received both:-

- a. the electronic copy
- b. the signed and dated printed copy