



CABINET – 17TH JUNE 2015

SUBJECT: FORMER NEWBRIDGE LIBRARY

REPORT BY: ACTING DIRECTOR OF CORPORATE SERVICES AND S151 OFFICER

1. PURPOSE OF REPORT

- 1.1 To seek Cabinet approval to formally market the former Newbridge Library site for sale on the open market, as a result of no interest being received from an earlier disposal process previously agreed by Cabinet on 12th November 2014.

2. SUMMARY

- 2.1 The former Newbridge Library site was declared surplus to the requirements of the holding Service and no on-going operational use has been identified.
- 2.2 Cabinet, on 12th November 2014, resolved to adopt Option 2 set out in the report:
- To dispose of the Council's interest, either through a freehold sale or leasehold disposal to those external parties who present the most favourable business case.
 - A further Cabinet report be submitted outlining Asset Management Group (AMG) recommendations for the preferred end use following consideration of any business proposal submitted.
 - The decision regarding the detailed terms of the sale or lease be delegated to the Head of Performance and Property and Cabinet Member for Performance Property and Asset Management.
- 2.3 Following Cabinet's decision, a formal assessment process was established to take Option 2 forward.
- 2.4 The deadline date for submissions was Monday, 13th April and of the 4 initial expressions of interest, no applications were received.
- 2.5 As the building remains vacant and the responsibility of the Council, Cabinet is now asked to approve that the site can be formally marketed for sale on the open market.
- 2.6 Following approval, it is requested to delegate the decision regarding the detailed terms of the sale to the Head of Performance and Property in consultation with the Cabinet Member for Performance, Property and Asset Management.

3. LINKS TO STRATEGY

- 3.1 Under its approved Asset Management Objectives, the Authority aims to manage its land and buildings effectively, efficiently, economically, and provide a safe, sustainable and accessible living and working environment for all users.

3.2 The Authority has a medium term financial plan (MTFP), which includes cost saving targets resulting from the disposal of assets.

4. THE REPORT

4.1 The former Newbridge Library site was declared surplus to the requirements of the holding Service and no on-going operational use has been identified.

4.2 Following building closure, there were a limited number of enquiries regarding the future use of the site, one of which from a community organisation. As such, Cabinet on 12th November 2014, resolved to adopt Option 2 set out in the report:

- To dispose of the Council's interest, either through a freehold sale or leasehold disposal to those external parties who present the most favourable business case.
- A further Cabinet report be submitted outlining Asset Management Group (AMG) recommendations for the preferred end use following consideration of any business proposal submitted.
- The decision regarding the detailed terms of the sale or lease be delegated to the Head of Performance and Property and Cabinet Member for Performance Property and Asset Management.

4.3 A formal assessment process was established to implement Option 2 and applications were invited from all interested parties.

4.4 The Council provided details of the market valuation for purchase or lease, along with details of the most recent condition survey. A summary of the most recent running costs was also included to assist the applicants in preparing their cash flow projections. Applicants were asked to include their bid and state their preference for either purchase or lease in their submission against these expectations.

4.5 The deadline date for submissions was Monday, 13th April and of the 4 initial expressions of interest, no applications were received.

4.6 Whilst the building remains vacant and the responsibility of the Council, it is likely that the building condition will continue to deteriorate and the associated running costs, such as the NNDR will be on-going.

4.7 As no operational requirement has been determined, officers have no objection to recommending a disposal. A freehold disposal would present the opportunity to achieve a capital receipt and transfer the Council's on-going liability.

4.8 Delivery of a sale is more certain in that the property can be taken to auction in the event of difficulties during a private treaty process.

4.9 As part of the disposal process, it may be deemed beneficial to obtain outline planning consent for a residential development to ensure access from Thorne Avenue can be formally considered.

5. EQUALITIES IMPLICATIONS

5.1 An Equalities Impact Assessment (EqIA) screening has been completed in accordance with the Council's Equalities Consultation and Monitoring Guidance and no potential for unlawful discrimination and/or low level or minor negative impact have been identified, therefore a full EqIA has not been carried out.

6. FINANCIAL IMPLICATIONS

- 6.1 The freehold disposal of the land will produce a capital receipt and relieve the Council of its maintenance obligations.
- 6.2 There will be annual revenue savings to the Council for not holding the asset. For example, for 2011/2012, the building running costs were circa £13k, this sum includes general utilities and NNDR. Some liabilities will be ongoing whilst the building remains the responsibility of the Council.

7. PERSONNEL IMPLICATIONS

- 7.1 There are none.

8. CONSULTATIONS

- 8.1 The Report reflects the views of the Consultees listed.
- 8.2 The Newbridge Partnership have advised they have no objections to the sale of the site.

9. RECOMMENDATIONS

- 9.1 Cabinet is now asked to approve the recommendation that the building be formally marketed for sale.
- 9.2 Delegate the decision regarding the detailed terms of the sale to the Head of Performance and Property in consultation with the Cabinet Member for Performance, Property and Asset Management.

10. REASONS FOR THE RECOMMENDATIONS

- 10.1 The Council has no operational requirement for the land.
- 10.2 The Freehold disposal of the land will release the Council from ongoing maintenance obligations and attract a capital receipt and revenue saving.
- 10.3 The previous approval and implementation of Option 2 has not resulted in any formal business case submissions.

11. STATUTORY POWER

- 11.1 Local Government Act 1972, Local Government Act 2000 and General Disposal Consent (Wales) 2003. This is a Cabinet function.

Author: Colin Jones, Head of Property and Performance
Consultees: Nicole Scammell, Acting Director of Corporate Services
Cllr D. Hardacre, Cabinet Member for Performance, Property & Asset Management
Stephen Harris, Interim Head of Corporate Finance
Pauline Elliot, Head of Regeneration and Planning
Tony Maher, Assistant Director, Planning and Strategy
Gail Williams, Monitoring Officer / Principal Solicitor
John Rogers, Principal Solicitor
Gareth H Evans, Senior Manager, Education and Leisure (Libraries)

David A Thomas, Senior Policy Officer (Equalities and Welsh Language)

John Thomas, Section Head, Asset Management

CMT

Councillor R Passmore, Cabinet Member For Education and Life Long Learning

Councillor L Ackerman, Ward Member, Newbridge

Councillor K Baker, Ward Member, Newbridge

Councillor G Johnston, Ward Member, Newbridge

Newbridge Partnership

Background Papers:

Cabinet Report, Former Newbridge Library. 12th November 2014