

REPORT ON BEHALF OF THE PROJECTS & PROPERTY GROUP

SUBJECT: UPDATE ON THE DISPOSAL OF THE AUTHORITY'S PREMISES AT LONG STREET, NEWPORT

INTRODUCTION

On the 27th September 2017 Members resolved to close the public facing element of the Authority's operation at its premises in Long Street, Newport and that this action be completed by the 28th February 2018. Members had been advised that this course of action would result in the premises being declared surplus to the Authority's operational requirements which would trigger its disposal in accordance with the Authority's Asset Management Policy. That process would involve exposing the property's availability to the open market via the use of externally appointed Chartered Surveyors to include the use of on-site agency boards in pursuit of an arm's length disposal of the property on market terms.

In the interim your Officers have received an initial written expression of interest from Newport Town Council enquiring about their possible future use of the building for their delivery of Community facing services within the principle of Community Asset Transfer.

Community Asset Transfer is a mechanism where by a public body is required to give reasonable consideration to the use of operationally surplus property by a separate legal entity which would otherwise be disposed of in the open market. It is not a mechanism which may be used to secure the transfer of an existing legal interest in a property or to create of any new legal interest in that property in isolation. Instead, the legal entity must first demonstrate a clear demand for the community service they wish to provide supported by a robust business case detailing how they will sustain that service predicated by the need to have occupation of the surplus property. Then, and only then should the relevant public body give reasonable consideration to what form of tenure would be prudent and appropriate to offer to facilitate support of that community service delivery. In practise this would normally see the grant of some form of occupational lease drawn on full repairing and insuring terms.

There may well be other legal entities operating independently of Newport Town Council with competing aspirations for the premises via the principle of Community Asset Transfer. In view of this Members may wish to commence the process of Community Asset Transfer through an open advert promoting that opportunity to all and culminating in the selection of a single preferred party who would then be invited to submit a detailed business case to the Authority, to the exclusion of all others.

Financial, Risk & Compliance Considerations

In the absence of any viable Community Asset Transfer proposal, and in compliance with the previous resolution of the NPA dated 27th September 2017 the property should be offered to the open market. However, the recently received correspondence from Newport Town Council means that offering the property to the open market should be temporarily suspended in favour of a revised strategy to allow the Authority's full consideration of any viable Community Asset Transfer based proposal, in the absence of which the property should then be offered to the open market.

While the Authority must give reasonable consideration to all Community Asset Transfer proposals which it receives, it is under no obligation to proceed with either any or all of them.

Human Rights/Equality Issues

All interested parties should be given an equal opportunity to submit a Community Asset Transfer proposal, prior to the Authority selecting a preferred party.

Biodiversity Implications/Sustainability Appraisal

No issues

Welsh Language Statement

No issues

RECOMMENDATION: That Members authorise Officers to proceed with the disposal of the Authority's legal interest in the subject property in full accordance with their resolution dated 27th September 2017 with the single caveat that the property's disposal on the open market should be preceded by a course of action to invite and give reasonable consideration to any viable Community Asset Transfer based proposals which the Authority receives. The details of that proposed course of action will be the subject of a further paper for consideration by Members.