

Report

Cabinet Member for Assets & Member Development

Part 1

Date: 10 January 2018

Subject Land at 33 Ebenezer Terrace, Newport

Purpose To seek approval from the Cabinet Member for Assets & Member Development (Deputy Leader) to declare the site surplus to the Council's requirements and agree its disposal, on terms to be agreed by the Head of Law and Regulation.

Author Housing and Assets Manager

Ward Stow Hill

Summary The site is currently vacant after use as an advertising hoarding and recent attempts to secure a new letting have not been successful. The land is surplus to the Council's requirements and should be declared surplus and made available for disposal.

Proposal That the land subject to this report be declared surplus and disposed of, on terms recommended by Newport Norse and the Head of Law and Regulation.

Action by Newport City Council with Newport Norse

Timetable Immediate

This report was prepared after consultation with:

- Estates Team Leader, Newport Norse
- Estates Portfolio Office, Newport Norse
- Assistant Estates Portfolio Officer, Newport Norse
- Housing & Assets Manager, Newport City Council
- Property Manager, Newport City Council
- Strategic Director, Place
- Head of Finance – Chief Finance Officer
- Head of Law and Regulations – Monitoring Officer
- Head of People and Business Change

Signed

1. Background

- 1.1 33 Ebenezer Terrace is a small parcel of land situated in the city centre on the junction of Commercial Street. The Council own the freehold interest (shown on the plan at Appendix 1) and the site extends to approximately 104sqm (1119 sqft). The site has planning permission as an advertising hoarding and until recently was let at a rent of £2,400 per annum.
- 1.2 The site was used as an advertising hoarding site for a number of years and was previously subject to a long term lease which provided the Council with a regular income stream. The tenant decided to vacate the site and we sought to interest in the site, which resulted in another advertising company approaching us to re-let the site on a short term lease with discussions achieving a rental agreement in the region of £1,000 per annum. However, following months of negotiations, the lease did not progress and we have since looked to dispose of the site, as the Council has no further use for it. The site is now vacant and no further letting proposals have been received.
- 1.3 The site has never been allocated as a public open space. A review of the open space in the surrounding area shows that there are a number of locations, which provides a suitable allocation for the area and that there is no further requirement for which this site could be considered.
- 1.4 Since the site has been vacant, it has been subject to fly tipping, which has required clearance at a cost to the Council. Selling the site will remove the Council's interest and prevent further costs being incurred.
- 1.5 The site is within the area that has been regenerated under the Vibrant & Viable Places scheme which is managed by the Council and has been successful in improving the wellbeing of residents in the surrounding Pillgwenlly area. Contact was maintained with the Vibrant & Viable Places who were keen to see the site being used. They are aware that the site is proposed for disposal and were happy for it to proceed.
- 1.6 Should the site be disposed of, it will potentially be redeveloped, with residential and retail schemes a possibility or perhaps even used for another purpose dependant on planning permissions. This could offer accommodation for a local person or even a job dependant on what is developed on the site. It is likely to be for the benefit of the local community and their general wellbeing.
- 1.7 The site was offered to up for expressions of interest on the open market. There has been a lot of interest in the site with offers received between £10,000 and £21,000 with people expressing an interest in developing the plot, which would be for their own personal benefit but also generating opportunities for the local community such as the neighbouring mosque who expressed interest and well as other local people keen to redevelop the site.

2. Financial Summary

	Year 1 (Current) £	Year 2 £	Year 3 £	Ongoing £	Notes including budgets heads affected
Clear up (Income)					<p>There is no income currently from this land.</p> <p>There are management and maintenance costs associated with the land but these cannot be quantified.</p> <p>The sale of the land will realise a</p>

	Year 1 (Current) £	Year 2 £	Year 3 £	Ongoing £	Notes including budgets heads affected
					capital receipt for the Council.
Net Costs (Savings) Net Impact on Budget					

3. Risks

Risk	Impact of Risk if it occurs* (H/M/L)	Probability of risk occurring (H/M/L)	What is the Council doing or what has it done to avoid the risk or reduce its effect	Who is responsible for dealing with the risk?
Failure to dispose of the assets will result in the no capital receipt being forthcoming	H	M	Seek to progress disposal	Newport Norse
Ongoing grounds maintenance liabilities and fly tipping	L	L	Checks on site for fly tipping and any requirement for grounds maintenance works to be done	Newport Norse

4. Links to Council Policies and Priorities

- Asset Management Plan
- Property Rationalisation Programme
- Medium Term Revenue Plan (MTRP)
- Community Development Plan

5. Options Available

5.1 Take no action

5.2 That the land subject to this report be declared surplus and disposal of, on terms recommended by Newport Norse and agreed by the Head of Law and Regulation. In the first instance, negotiations will be progressed with an interested party but if those discussions do not proceed in an acceptable timeframe, alternative methods of disposal will be perused.

6. Preferred Option and Why

6.1 That the land subject to this report be declared surplus and sold, on terms recommended by Newport Norse and agreed by the Head of Law and Regulation. In the first instance, negotiations will be progressed with NCH but if those discussions do not proceed in an acceptable timeframe, alternative methods of disposal will be perused. This will enable the land to be brought forward for development in an appropriate timeframe.

7. Comments of Chief Financial Officer

7.1 The proposal regarding this area of land does not have any strategic or economic impact on the Authority, so a disposal would be beneficial by generating a small capital receipt to be reinvested in the capital programme. In addition, the revenue maintenance and management costs

associated with the overall site would be reduced slightly, although the report notes that this cannot currently be quantified.

- 7.2 Capital receipts are a corporate resource and are therefore not hypothecated outside Cabinet. They are regularly reported to Cabinet in the Capital Programme monitoring reports. Decisions on their use is a Cabinet decision, taking into account the wider funding issues around the Council's capital programme. Receipts earmarked to 21C School's programme (which attracts WG match funding) have reached the minimum required levels for Band A and are now being used in forecasting the funding envelope for the new medium term capital programme being developed.

8. Comments of Monitoring Officer

- 8.1 The proposed action is in accordance with the Council's legal powers under sections 122 and 123 of the Local Government Act 1972. If the land is surplus to the Council's requirements, then it can be re-appropriated for general asset management purposes and disposed of on the open market. Because the land has never been classified or used as public open space, then it will not be necessary to give public notice prior to its re-appropriation and disposal. If the land is to be sold on a freehold basis, then the Council has a statutory duty under section 123 of the 1972 Act, to secure the best price reasonably obtainable for the land, although there is a general disposal consent which would allow sales at an undervalue where there are wider social or economic well-being benefits to the local community. In order to secure best value, any sale could be conditional upon a satisfactory planning consent or, alternatively, the transfer could include some form of "overage" provision which would entitle the Council to a share in any uplift in the value of the land if consent was subsequently approved for a change of use and/or redevelopment. The sale would generate a capital receipt, avoid any holding and maintenance costs and prevent further fly-tipping on the land.

9. Comments of Head of People and Business Change

- 9.1 This site is now surplus to requirements and if developed could be used more productively whilst reducing the risk of fly-tipping and other nuisance. It is noted that the site is not categorised as accessible open space in the Community Wellbeing Profile. The exact use for the site is not yet known and will likely require a planning application in the case of a change of use.

10. Comments of Cabinet Member

- 10.1 Cabinet Member has approved the report.

11. Comments of Ward Members – Stow Hill

- 11.1 Councillor Miqdad Al-Nuaimi - In general I support the move to do something useful with the land in question, especially with all the improvements that were done under the Pillgwenlly Regeneration Project.
- 11.1.1 Historically the land with advertising hoardings has raised complaints about the untidy grounds. The nearby mosque, The Hussaini Mission have in the past expressed interest in the land to help provide a better vehicular access to the front area of the mosque. That access was seen by them as particularly useful to receive undertaker's vehicles during times of funerals as well as other occasions. The mosque authority have also expressed discomfort about some of the adverts that appeared on the hording e.g advertising alcohol and women's wear. Though I believe their concerns were addressed in recent years and there have been no further complaints.
- 11.1.2 Overall I consider the piece of land could prove very useful in solving the mosque's access and egress problems to the front of their cartilage.

12. Scrutiny Committees

12.1 N/A

13. Equalities Impact Assessment and the Equalities Act 2010

13.1 The Equality Act 2010 contains a Public Sector Equality Duty which came into force on 06 April 2011. The Act identifies a number of 'protected characteristics', namely age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; sexual orientation; marriage and civil partnership. The new single duty aims to integrate consideration of equality and good relations into the regular business of public authorities. Compliance with the duty is a legal obligation and is intended to result in better informed decision-making and policy development and services that are more effective for users. In exercising its functions, the Council must have due regard to the need to: eliminate unlawful discrimination, harassment, victimisation and other conduct that is prohibited by the Act; advance equality of opportunity between persons who share a protected characteristic and those who do not; and foster good relations between persons who share a protected characteristic and those who do not. The Act is not overly prescriptive about the approach a public authority should take to ensure due regard, although it does set out that due regard to advancing equality involves: removing or minimising disadvantages suffered by people due to their protected characteristics; taking steps to meet the needs of people from protected groups where these differ from the need of other people; and encouraging people from protected groups to participate in public life or in other activities where their participation is disproportionately low.

14. Children and Families (Wales) Measure

14.1 Although no targeted consultation takes place specifically aimed at children and young people, consultation on planning applications and appeals is open to all of our citizens regardless of their age. Depending on the scale of the proposed development, applications are publicised via letters to neighbouring occupiers, site notices, press notices and/or social media. People replying to consultations are not required to provide their age or any other personal data, and therefore this data is not held or recorded in any way, and responses are not separated out by age.

15. Wellbeing of Future Generations (Wales) Act 2015

15.1 The background set out in the report outlines how the principles of the Wellbeing of Future Generations (Wales) Act 2015 have been applied when considering the most appropriate course of action for this redundant parcel of land.

16. Crime and Disorder Act 1998

16.1 Section 17(1) of the Crime and Disorder Act 1998 imposes a duty on the Local Authority to exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area.

17. Consultation

17.1 Comments received from wider consultation, including comments from elected members, are detailed in each application report in the attached schedule.

18. Background Papers

18.1 Site Plan attached.

Site Plan showing 33 Ebenezer Terrace

