



<u>Committee and date</u>	<u>Item</u>
Cabinet	
18 th May 2016	
12.30pm	

**COMMUNITY ASSET TRANSFER:
ENGLISH BRIDGE WORKSHOPS, SHREWSBURY**

Responsible Officer: Steph Jackson

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1. Summary

- 1.1 As part of the Council's core objective to strengthen our local towns and villages, the Strategic Asset Management team are working with town and parish councils, as well as the voluntary sector, to enable the transfer of suitable land and buildings to community groups and organisations.
- 1.2 The Community Asset Transfer (CAT) policy provides a framework and guidance to assess which transfers are viable and implement their transfer. The policy contributes to the Council's objectives as set out in the Asset Management Strategy Section 5: Commission and work in partnership to empower communities. Release where appropriate through freehold transfer or leasehold transfer, properties to communities reducing revenue or maintenance burdens for non-core assets.
- 1.3 A report summarising the assessment of an application made by English Bridge Workshop Ltd. ("the Organisation") in respect of English Bridge Workshop, Shrewsbury SY2 6AD ("the Asset") has been considered by the Area Commissioner and the recommendation is to progress to transfer by way of a 125-year lease which, in accordance with the CAT policy, is subject to Cabinet approval.
- 1.4 The Asset is in need of repair. The Organisation have developed a business plan to fund building repairs and improvements whilst continuing and expanding their art and community activities.

2. Recommendations

- 2.1 Cabinet agree, in principle, that the Organisation is granted a 125-year lease of the Asset with delegated authority to the Head of Commercial Services to agree final terms of the lease and to complete the transaction.
- 2.2 Reasons for decision:
- 2.2.1 The Organisation has used the Asset since 1990. Floor plan of the building is attached at Appendix A. The site plan is at Appendix B. It is a well-used facility and has links with other local community organisations/branch groups including Belle Vue Community Arts Festival, Shropshire Art Society, Age Concern and Railway Heritage. An average of 10 groups regularly use the halls each week. 8 studios are rented out to local artists. The Organisation has undertaken public consultation, the results of which demonstrate that their activities are valued by the local community.
- 2.2.2 The Organisation has a clear management structure. A range of experiences and professions are represented on its board of trustees and Committee Advisory Body. The Organisation has managed the Asset since 1990, including repairs and maintenance. The Organisation's business plan sets out how they will continue to fund the operation of the Asset
- 2.2.3 The Organisation is managed by a board of trustees, which is made up of 6 members, and a Committee Advisory Body made up of 4 members. 6 meetings are held annually, including an AGM. The Organisation has a financial management policy in place with audited accounts. The accounts are independently audited.
- 2.2.4 The Organisation satisfies the criteria set out in the CAT policy details of how they meet the criteria is contained in the Recommendation to Directors attached at Appendix C.

REPORT

1. Risk Assessment and Opportunities Appraisal

- 1.1. The Organisation has used the Asset since 1990 and have been assessed following due diligence in the CAT policy to be able to maintain the site. As the Asset is in need of repair the lease will allow for its refurbishment. If the Organisation fails to maintain the Asset the risk is that the Asset will return to the Council with some or no building improvements.

2. Equalities and Diversity Issues

4.1 None.

1. Financial Implications

- 2.1. The Asset is currently maintained by Shropshire Council as part of its corporate estate, with maintenance and repairs funded by the Corporate Repairs and Maintenance budget.
- 2.2. Rent is proposed below market value at a peppercorn rate, because the Organisation will not be operating the facility on a commercial basis but will enable external funding for building repairs and renovation. The Council will be responsible for maintenance and repairs until year 5 of the transfer when the Organisation will take responsibility under a full repairing and insuring lease for repairs, maintenance and insurance.
- 2.3. Rent from occupants is currently payable to the Organisation and it has demonstrated that the rent is and will be reinvested into the Asset and its community objectives.

6 Additional Information

- 6.1 The Organisation has made use of the Asset officially since 1990, with informal use since the early 1980s.
- 6.2 The building itself is in a poor state of repair and the Council's financial position means that identifying funding to invest in the building is becoming increasingly difficult.
- 6.3 The proposed transfer complies with State Aid.
- 6.4 The proposed grant of the lease for a peppercorn is a sum that is less than market value for a lease of the building. The disposal by way of the grant of the lease at a peppercorn rent is covered by the Circular 6/03 Local Government Act 1972 General Disposal Consent 2003. This consent allows for the disposal of a property at less than best consideration where the disposal contributes to the promotion or improvement of one or more of economic, social and environmental wellbeing in the Council's area and where the difference in value is less than £2 million.

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)

CAT Application – 30th June 2015

Cabinet Member (Portfolio Holder)

Cllr. Robert Tindall Deputy Portfolio Holder for Estates and Built Assets

Cllr. Michael Wood Portfolio Holder for Corporate Support

Local Member

Cllr. Hannah Fraser

Appendices

A. Floor Plan of Building

B. Plan of site

C. CAT Recommendation of Directors