



Committee and Date

Item

Public



# Community Asset Transfer The Old Abattoir, Bishops Castle

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<b>Cabinet Member (Portfolio Holder):</b>	Cllr Dean Carroll –Portfolio Holder Highways& Assets Cecilia Motley –Portfolio Holder for Communities		

## 1. Synopsis

To seek Cabinet approval for a revised Community Asset Transfer of The Old Abattoir, Bishops Castle to The Bishops Castle & District Community Land Trust for use as a community food bank.

## 2. Executive Summary

- 2.1. As part of the Council's core objective to strengthen our local towns and villages, the Strategic Asset Management team is 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. [The Community Asset Transfer \(CAT\) policy](#) provides a framework and guidance to assess which transfers are viable and implement their transfer.
- 2.2. A report summarising the assessment of an application made by The Bishops Castle & District Community Land Trust in respect of The Old Abattoir, Bishops Castle has been considered by the Executive Director of Place and the recommendation is to progress the transfer by way of a 90 year lease. In accordance with the CAT policy, this is subject to Cabinet approval.

- 2.3. The transfer would remove the Council's maintenance liabilities and enable the applicants to bring the building into use as a community food bank.

### **3. Recommendations**

- 3.1. Cabinet approves the principle of a 90 year lease.
- 3.2. Cabinet grants delegated authority to the Head of Property and Development to finalise terms of the lease and complete the transaction.

## **Report**

### **4. Risk Assessment and Opportunities Appraisal**

- 4.1. The transfer provides an opportunity for the property to be repaired and improved by the applicants; securing the long-term future of the asset which will remain in the Council's ultimate ownership.
- 4.2. The transfer provides an opportunity to deliver community facilities that will benefit Bishops Castle and surrounding areas.
- 4.3. It is determined that there are no issues of conflict or competition with any local services or other organisations.
- 4.4. The risk in not approving the transfer is that the building may require capital and expenditure to repair and maintain it. Any works will need to be funded from existing corporate landlord budgets that are fully allocated to maintaining sites in active use for service delivery.

### **5. Financial Implications**

- 5.1. The building is currently owned by Shropshire Council as part of its corporate estate. The building has not been used since the 1980s and there has been no spend on it in recent years. Future expenditure may be required to ensure the long-term security and stability of the building. The property has no services connected and would require this investment prior to any use being found for the property. This would have to be managed through existing budgets, and currently the cost of any future works to bring the property into operation or a lettable condition are unbudgeted for.
- 5.2. A nominal rent of £1 from The Bishops Castle & District Community Land Trust is proposed as the organisation will not be operating the facility on a commercial basis. This will enable the building to be kept in good repair and any income from operations to be invested back into the building and its operations.
- 5.3. The potential capital receipt of the site is nominal due to the lack of utility or drainage connections, the extent of any work required for the building to be useable and there being no external land provided. There is also a right of way for an adjoining property passing immediately in front of the entrance.

- 5.4. The potential market rent for the site over the next 90 years is limited with the building in its current form and is likely to be in the region of £1 pa due to the extent of investment required by any tenant to make the building useable. The opportunity for any rental income will be lost if a Community Asset Transfer application is approved.

## 6. Climate Change Appraisal

- 6.1. Repairs to the building will need to comply with relevant building regulations, which will ensure a level of building sustainability.
- 6.2. The continued operation of a community food bank helps to support a circular economy and the redistribution of local food which will generate significant carbon savings through more efficient use of materials and lower transport emissions;

## 7. Background

- 7.1. The Community Asset Transfer 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.
- 7.2. A report summarising the assessment of the Community Asset Transfer application made by The Bishops Castle & District Community Land Trust in respect of The Old Abattoir, Bishops Castle was considered in July 2023 by the Executive Director of Place with the recommendation to progress to transfer by way of a 90 year lease. (Please note when reviewing the Directors Report there is an error in the preliminary section where the proposed transfer duration is noted as 125 years, the correct proposed term is shown in 5.1 which is 90 years.)
- 7.3. The Bishops Castle & District Community Land Trust is a Charitable Trust Registration no EW12300.
- 7.4. The Trust is run by a management board that includes representatives from Bishops Castle Town Council, Shropshire Council, Enterprise House, the Food Bank, and a tenant of the Trust. Anyone living or working in the community of Bishops Castle and its surrounding area is entitled to become a voting member and stand for election to the Board.
- 7.5. The Trust's Board meets monthly. Day-to-day administration is handled by the company secretary, working with the chairman and treasurer. Board members include a chartered surveyor, solicitor, town and country planner, risk assessor and business owner. They have experience of a range of community organisations.
- 7.6. There has been a food bank in Bishops Castle since 2019, aiming to reduce food poverty and to provide opportunities for volunteering. In its first week of operation in April 2019 it received three customers. In 2022 it distributed food to around 110 customers a week. The food bank is already working in partnership with several local organisations including; Bishops Castle Community College, The Community Connectors Group and Connexus's Housing Need Officer.

- 7.7. The present location of the food bank is in the Church Barn, which is shared with other organisations. It has inadequate storage space and no security of tenure. Stocks of food have to be kept on open shelving in the hall itself, in a cleaning cupboard and in a damp, separate shed, involving double handling of the stock. The proposed property would improve service delivery.
- 7.8. The food bank will help and support the growing number people in Bishops Castle and its surrounding areas who cannot afford to feed themselves or their family. They will work to tackle rural health inequalities in South West Shropshire, which was identified as an issue of concern in Healthwatch Shropshire's Shaping Places for Healthier Lives report.
- 7.9. The proposed transfer has been assessed in accordance with the Subsidy Control Act 2022 ("the Act"). The proposed transfer is not considered to be capable of having an effect on either competition or investment within the United Kingdom; trade between the United Kingdom and a country or territory outside the United Kingdom, or investment as between the United Kingdom and a country or territory outside the United Kingdom. The applicant will provide services for the local community and will not be operating as an "enterprise" (as defined by the Act) or using the building for commercial purposes. In view of this, it is the conclusion that the proposed transfer is not a subsidy and is not subject to the Act.
- 7.10. The proposed grant of the lease for a £1 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 nominal rent is covered by Circular 6/03 under the 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.
- 7.11. The lease will be on a full repairing and insuring basis, with a tenant only break clause of 12-month notice at year 10.

## **8. Additional Information**

- 8.1. None

## **9. Conclusions**

- 9.1. This transfer will contribute to the Council's objectives and would secure the future of the food bank, which will help and support the growing number of people in Bishops Castle and its surrounding areas who cannot afford to feed themselves or their family. This in turn will help to tackle rural health inequalities in South West Shropshire. It will also remove the Council's maintenance liabilities and enable the applicants to bring the building into use as a community food bank.

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

Shropshire Council Community Asset Transfer Policy  
CAT Directors Approval Report

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**Local Member:** Ruth Houghton

**Appendices**

Appendix A - Location Plan  
Appendix B – Directors Report

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