



<u>Portfolio Holder Decision</u> <u>Making Session and date/time</u>
Monday 21 <sup>st</sup> September 2015 at 3.30pm

<u>Item</u>
<b>1</b>

## ABBEY RAILWAY STATION, 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. The Community Asset Transfer (CAT) policy provides a framework and guidance to assess which transfers are viable and implement their transfer.
- 1.2 A report summarising the assessment of an application made by Shrewsbury Heritage Trust in respect of Abbey Railway Station, Shrewsbury has been considered by the Commissioning Director and the recommendation is to progress a freehold transfer of the site, in accordance with the CAT policy, this is subject to Portfolio Holder approval.
- 1.3 The Abbey Railway Station has been on a lease to Shrewsbury Heritage Trust since 2009 who have run the facility for the last 12 years. This proposal will see all liabilities and responsibility for the building transferred to Shrewsbury Heritage Trust, which proposes to continue with improvement works to the site as referred to the plan set out in Appendix A.

### 2. Recommendations

- 2.1 That, in principle, the Shrewsbury Heritage Railway Trust are granted a freehold transfer of the Abbey Railway Station as shown on the plan at Appendix A with delegated authority to the Head of Commercial Services to agree final terms of the disposal and to complete the transaction.
- 2.2 Reasons for decision:
  - 2.2.1 Shrewsbury Heritage Railway Trust ("the Trust") has been running the facility successfully since 2003 and for over 12 years has run many successful events which have been well attended, the Trust produces a regular newsletter and demonstrates connections with other regional railway heritage groups together with the current rail operators in the locality. The Trust has had a lease of the current building since 2009 and, following its refurbishment, has held a number of open days which have attracted high numbers of visitors.

- 2.2.2 The Trust has already demonstrated successful management capability through their involvement with the English bridge workshops, and their operation of the Trust since its formation in 2003. They have provided appropriate management and organisational structures through their business plan and demonstrated that they have appropriate policies and procedures in place to take on the building. This is deemed appropriate for a building of this nature, being very small, it would not be proposed suitable for the trust to take on anything larger scale at this time
- 2.2.3 The Trust have demonstrated, through their financial model, sound projections to generate income through events hire and general fundraising to support the continued operation and upkeep of the building.
- 2.2.4 The Trust have satisfied the criteria set out in the Council's CAT policy and have developed a business case to demonstrate that the Trust is capable of maintaining and operating the land and building on a sustainable basis.

## **REPORT**

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

- 3.1 The asset is to be offered back to the Council for a pound should the Trust fail at any point in the future in order for the Council to have the opportunity to protect the asset in the future and the heritage nature of the site.
- 3.2 The transfer of the building and land at a nominal consideration should be considered in the context of State Aid. The revised General Block Exemption Regulations which came into force on the 1 July 2014, covers aid for culture and heritage conservation. Therefore, in accordance with the Trusts aims and objectives to maintain the building for heritage purposes it is deemed exempt from State Aid rules.

### **4. Financial Implications**

- 4.1 With the freehold of the building transferring to the Trust this removes any future management or revenue burden from the Council in terms of its operation or future building condition the recent investment undertaken originally funded by the former Shrewsbury and Atcham Borough Council, creates a suitable platform for the Trust to continue its operations without any immediate significant revenue demands.
- 4.2 Disposal is proposed below market value for nominal consideration, because the organisation will not be operating the facility on a commercial basis.

### **5. Background**

- 5.1 The Trust have successfully run the site since 2003 and overseen its improvement. The site has been on lease to the Trust since 2009 and has been used successfully to encourage footfall to sites outside the river loop.
- 5.2 The land and buildings is adjacent to both the Abbey and Shropshire Wildlife Trust and compliments these visitor attractions.
- 5.3 The Council's financial position means that identifying funding to maintain this type of facility is becoming increasingly difficult. The Trust has the skills and knowledge to

effect any future maintenance and retain the building within the context of its history.

## 6. Additional Information

6.1 Community Asset Transfer is not a new Right outlined within the Localism Act 2011 but is supported by the increased powers given therein and is another method for communities to take over an asset of community value and therefore supports the notion of Localism. The proposed disposal is a sum that is less than market value for the former railway station. The disposal by way of Freehold transfer 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.

## 7. Conclusion

7.1 As the Council are currently working with voluntary sector groups, to enable the transfer of suitable land and buildings to community groups and organisations in accordance with the Council's CAT Policy it is recommended that on this occasion a freehold transfer is approved.

<b>List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information):</b>
<b>Key Decision:</b> Yes
<b>Included within Forward Plan:</b> Yes
<b>If a Key Decision and not included in the Forward Plan have the General Exception or Special Urgency Procedures been complied with:</b> N/A
<b>Name and Portfolio of Executive Member responsible for this area of responsibility:</b>  Councillor Mike Owen, Resources and Support
<b>Local Member:</b>  Councillor Hannah Fraser
<b>Appendices:</b>  Appendix A - Plan of site

**Declaration of Interest**

- I have no interest to declare in respect of this report

Signed ..... Date .....

NAME: .....

PORTFOLIO HOLDER FOR: .....

- I have to declare an interest in respect of this report

Signed ..... Date .....

NAME: .....

PORTFOLIO HOLDER FOR: .....

(Note: If you have an interest you should seek advice as to whether it is appropriate to make a decision in relation to this matter.)

For the reasons set out in the report, I agree the recommendation(s) in the report entitled

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Signed .....

Portfolio Holder for .....

Date .....

If you have any additional comment which you would want actioned in connection with your decision you should discuss this with the report author and then set out your comment below before the report and pro-forma is returned to Democratic Services for processing.

Additional comment : .....

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Note: If you do not wish to approve the recommendations, or wish to make an alternative decision, it is important that you consult the report author, Head of Legal and Democratic Services, Chief Executive and the Head of Finance, Governance and Assurance (S151 Officer) and, if there are staffing implications the Head of Human Resources (or their representatives) so that (1) you can be made aware of any further relevant considerations that you should take into account before making the decision and (2) your reasons for the decision can be properly identified and recorded, as required by law.

Note to Portfolio Holder: Your decision will now be published and communicated to all Members of Council. If the decision falls within the criteria for call-in, it will not be implemented until five working days have elapsed from publication.