

FORM 2

NOTICE OF DECISION OF CABINET MEMBER

Pursuant Section 15(4) of the Local Government Act 2000, as amended by section 63 of the Local Government and Public Involvement in Health Act 2007, the senior executive member may discharge any of the functions that are the responsibility of the Cabinet or may arrange for them to be discharged by another member of the Cabinet or Officer. On 1st December 2010, the Council adopted the Strong Leader Model for Corporate Governance 2011 as required under Part 3 of The Local Government and Public Involvement in Health Act 2007 (The 2007 Act).

In accordance with the authority delegated to me I have made the following decision:

Subject	Decision	Reason for decision	Date for Decision to be taken
LOCALISM: TRANSFER OF LAND AND BUILDINGS - STOURPORT	<p>To agree the transfer of the freehold of the following land and buildings to Stourport-on-Severn Town Council at £1 consideration per property, the decision being “in principle” in the case of the first three sites:</p> <ul style="list-style-type: none">• Land at Foundry Street, Stourport on Severn, DY13 8EB• Britannia Gardens Play Area, Britannia Gardens, Stourport on Severn, DY13 9NZ• Lloyds Meadow, Areley Lane, Stourport on Severn, DY13 0TA• Land and building known as Elizabeth Mills Centre, New Street, Stourport-on-Severn DY13 8UL	<p>To devolve control over local assets to the Town Council, in order to secure a sustainable future for them and to achieve savings for WFDC, in accordance with the adopted Medium Term Financial Strategy.</p>	7th December 2020

WYRE FOREST DISTRICT COUNCIL

Strong Leader Report

LOCALISM: TRANSFER OF LAND AND BUILDINGS - STOURPORT

OPEN	
DIRECTOR:	Chief Executive
CONTACT OFFICER:	Rachel Symons, Community Services Manager Ext 2923
APPENDICES:	None

1. PURPOSE OF REPORT

- 1.1 To agree disposal of the land and buildings specified in the report to Stourport-on-Severn Town Council.

2. RECOMMENDATION

- 2.1 The Cabinet is asked to agree the transfer of the freehold of the following land and buildings to Stourport-on-Severn Town Council at £1 consideration per property, the decision being “in principle” in the case of the first three sites:

- Land at Foundry Street, Stourport on Severn, DY13 8EB
- Britannia Gardens Play Area, Britannia Gardens, Stourport on Severn, DY13 9NZ
- Lloyds Meadow, Areley Lane, Stourport on Severn, DY13 0TA
- Land and building known as Elizabeth Mills Centre, New Street, Stourport-on-Severn DY13 8UL
- Toilets at Riverside, Martin’s Way, Stourport on Severn, DY13 3SA

- 2.2 The Cabinet is asked to give delegated authority to the Corporate Director: Economic Prosperity and Place, in consultation with the Cabinet Member for Culture, Leisure and Community Protection, to consider any objections made as a result of the advertisement of disposal of land that constitutes public open space and to take the final decision on disposal in the event of objections having been received.

3. BACKGROUND

- 3.1 The Localism Act 2011 gave local communities more power to plan for the future of their areas. Discussions and regular negotiating meetings have taken place with all 3 Town Councils as part of the Council’s work on localism, both collectively and individually, in order to agree bold localism deals. Further reports are expected in due course in respect of Bewdley and Kidderminster.

- 3.2 Discussions with Stourport-on-Severn Town Council have been positive and a wider localism deal has been discussed and agreed in principle, subject to agreement about disposal of land and buildings. The deal is proposed to encompass:
- Land at Foundry Street, Stourport on Severn, DY13 8EB
 - Britannia Gardens Play Area, Stourport on Severn, DY13 9NZ
 - Lloyds Meadow, Areley Lane, Stourport on Severn, DY13 0TA
 - Land and building known as Elizabeth Mills Centre, New Street, Stourport-on-Severn DY13 8UL
 - Toilets at Riverside, Martin's Way, Stourport on Severn, DY13 3SA
- 3.3 Heads of Terms have been finalised and a joint press release has been published from WFDC and Stourport-on-Severn Town Council to announce the outcome of this round of localism discussions with the Town Council.

4. KEY ISSUES

- 4.1 The Council has a funding gap rising to an estimated c£2.7m in 2023-24. Work to preserve and protect assets by working with partners to share costs and/or take over responsibility for services is a priority. Without bold and ambitious plans to deliver on this strategy, services most valued by people could be lost e.g. parks, play areas, public conveniences, community development and events.
- 4.2 Town and Parish Councils can raise money locally through an annual precept to provide services in their local community. Working with our Town and Parish Council Partners to protect services and amenities that our communities value by the transfer or sharing of ongoing costs is a key aspiration of the adopted Medium term Financial Strategy. Local Councils can use headroom available to them as a result of their not being subject to criteria about "excessive" council tax rise increases.
- 4.3 Negotiations have been carried out during the summer and autumn, building on earlier discussions in 2019, and cover a wide range of services and assets with a flexible approach being taken to how arrangements can work for the mutual benefit of both parties.
- 4.4 In respect of Stourport, a wide-ranging package has been agreed in principle and this report deals with the formal decision on disposal of land and buildings to the Town Council, which require a decision to be made by Cabinet. (There are a number of other elements to the package, including surrender of WFDC's lease of the community centre, Lickhill Park and the granting of a lease in respect of the paddling pool, Riverside, but these can be dealt with by officers under the delegation scheme.)
- 4.5 The section on legal implications below deals with the detailed legal background. In simple terms, the Council has the power under Section 123(1) of the Local Government Act 1972 to dispose of land at less than best consideration (in this case for £1 consideration per property), subject to a process of public advertisement for disposal of public open space.

5. **FINANCIAL IMPLICATIONS**

- 5.1 The assets are being transferred on the basis that WFDC will not be making any financial contribution towards them with effect from 1 April 2021. The Council has current direct costs and indirect costs totalling over £40k associated with these assets. In respect of direct costs, equivalent reductions will therefore be made to the relevant service budgets. Wherever possible, the same approach will be taken for indirect costs including service recharges from support services.
- 5.2 The table below shows the contribution to our funding gap from the ongoing Localism work that is assumed in the adopted Medium Term Financial Strategy and will be updated in the draft Strategy being considered by Cabinet on 22 December, to take account of achieved savings including the transfers covered by this report. These savings are phased over a number of years to allow the Town and Parish Councils to raise their precepts incrementally.

Total Generic Further Annual Savings to be assumed from Localism in the MTFS until firmer proposals are agreed	
Year	£
2020-21 - Est based on timeframe	135,000
2021-22	245,000
2022-23	350,000
2023-24	525,000
2024-25	700,000

- 5.3 WFDC has met the cost of advertising the Council's intention to dispose of the open space land, which was £307.

6. **LEGAL AND POLICY IMPLICATIONS**

- 6.1 Under section 123 of Local Government Act 1972, the approval of the Secretary of State is required for a disposal of land at an undervalue unless the disposal falls within the General Disposal Consent (England) 2003 ("the Consent"). In order to fall within the Consent, the disposal must assist in the promotion of the economic, social or environmental well-being of the area and the difference between the unrestricted value and the consideration accepted must be £2 million or less. The Consent provides that the Authorities should "not divest themselves of valuable public assets unless they are satisfied that the circumstances warrant such action". The £2m figure in the consent bites on each separate property rather than the collective value of the five disposals covered by this report.
- 6.2 It is considered that the proposed disposals to the Stourport Town Council will protect the public assets and promote the social and environmental well-being of the area by maintaining public open space and the public toilet facilities in Stourport-on-Severn. In respect of a separate proposed disposal in Bewdley which has already been agreed by the Cabinet on 10 November, the Council received an external valuation of public open space at £10-15k an acre and is entitled to adopt the same valuation with respect to the three small plots of public open space covered by this report, the value of each of which is thus a very long way less than £2m. The Council's Estates Surveyor has assessed the value of the Elizabeth Mills Centre as having a market value of £90k for the building in existing condition, assuming vacant possession. If

development value is considered, the site is worth in the region of £250k (making assumptions about planning consent). She has assessed the market value of the Riverside public toilets as being £30k. Therefore the Council can take this decision without reference to the Secretary of State.

6.3 Section 123 of the Local Government Act 1972 stipulates that:

“(2A) A principal council may not dispose under subsection (1) above of any land consisting or forming part of an open space unless before disposing of the land they cause notice of their intention to do so, specifying the land in question, to be advertised in two consecutive weeks in a newspaper circulating in the area in which the land is situated, and consider any objections to the proposed disposal which may be made to them.”

6.4 This is considered to be relevant to three of the five sites proposed for transfer: the Elizabeth Mills centre and toilets are not public open space. The Council has advertised its intention to dispose of the public open space for 2 consecutive weeks in the Kidderminster Shuttle. The publication of this notice is required by law and does not mean that the sale of the land will take place. Any comments following the consultation will be taken into consideration before a final decision taken.

7. EQUALITY IMPACT NEEDS ASSESSMENT

7.1 This report relates to disposal of land and buildings. It is not considered that an equality impact assessment is required, as no change is envisaged to the use of the land and buildings at the point of transfer.

8. RISK MANAGEMENT

8.1 Appropriate provision will be included in the terms of disposal to protect the District Council's interest. This relates in particular to the Elizabeth Mills centre where the site could easily be redeveloped and the disposal will therefore include a clause that the centre be offered to WFDC for £1 if it ceases to be used for its current use.

8.2 Otherwise, the principal risk relates to compliance with legislation of disposal of land at less than best value, which is being addressed as set out above.

9. CONCLUSION

9.1 The proposed transfer supports the Council's policy on asset transfers and localism. The Cabinet is asked to decide the transfer of the land and buildings specified in this report to Stourport-on-Severn Town Council, and give delegated authority to the Corporate Director: Economic Place and Prosperity to consider any objections made as a result of the advertisement of disposal of public open space and to take the final decision on disposal in the event of objections.

10. CONSULTEES

10.1 Corporate Leadership Team

10.2 Stourport-on-Severn Town Council

11. BACKGROUND PAPERS

11.1 Reports about corporate plan and financial context, Cabinet 18 September 2019;
Council 25 September 2019

11.2 Medium Term Financial Strategy, February 2020

11.3 Circular 06/03 Local Government Act 1972: General Disposal Consent 2003

12. APPENDICES


None.

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	<ul style="list-style-type: none">• Toilets at Riverside, Martin's Way, Stourport on Severn, DY13 3SA <p>To give delegated authority to the Corporate Director: Economic Prosperity and Place, in consultation with the Cabinet Member for Culture, Leisure and Community Protection, to consider any objections made as a result of the advertisement of disposal of land that constitutes public open space and to take the final decision on disposal in the event of objections having been received.</p>		
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I confirm that the appropriate statutory officer consultation has taken place with regard to this decision.

Dated: 7th December 2020

Signed: 

Councillor Graham Ballinger
Leader of the Council