

# CYNGOR SIR CEREDIGION COUNTY COUNCIL

**Report to:** Cabinet

**Date of meeting:** 23 January 2024

**Title:** Proposed sale of assets

**Purpose of the report:** To seek approval to sell four Ceredigion County Council assets.

**For:** Decision

**Cabinet Portfolio and Cabinet Member:**  
Cllr Clive Davies, Cabinet Member for Economy and Regeneration

## **Introduction**

A number of the Council's assets are being reviewed currently through the Development Group, advised by the Asset Development Panel. Assets that are surplus to the Councils' requirements (e.g., empty assets or assets that have or are reaching the end of the use for council services) are reviewed based on a set of criteria, including the potential for the asset to be of value in the following terms:

- Alignment with Corporate Priorities
- Alignment with Economic Priorities (as expressed in the Economic Strategy)
- Ceredigion County Council's Medium Term Financial Strategy
- Opportunities - either external funding, market interest etc
- Viability of a range of potential options, including disposal of the asset

Where an asset is recommended for disposal, the following is taken into consideration:

- that any opportunity for development by CCC may be limited in its return.
- there are obvious opportunities / interest in the market.
- there are insufficient resources to realise a development potential, even where an opportunity may be present.

## **Assets recommended for disposal.**

Assessments are on-going on a range of assets, and the following assets have been assessed by the panel and a report was submitted to the Development Group recommending their disposal as set out below:

### **i. Former Beulah School**

Reference - Asset A on the appendix.

The plot is divided into 3. Part A, the building and yard; Part B, the play area that is currently leased to the community council; Part C, bare land.

A number of options have been considered for the site of the former Beulah Primary School. Its location in the Teifi SAC catchment area, and the subsequent restrictions

due to Phosphate considerations have meant that opportunities to realise maximum value have been limited.

However, there remains interest from local businesses in purchasing the building for commercial use.

There is potential scope for development by the Council, but the gains may be marginal when set against the possible planning risks and officer time that would be required to be spent on the development.

With this in mind, the recommendation is to offer part A of the asset for sale on the open market, with parts B and C to be reviewed later when the lease on the play area is scheduled for renewal.

As a former school, the local community has been consulted about its potential use for community purposes. No specific interest has been highlighted for its use as a community facility. Local representatives have indicated potential interest among local businesses in purchasing the asset. The recommendation is to sell on the open market following a comprehensive promotional exercise.

## **ii. Former Primary School, Cribyn.**

Reference - Asset B on the appendix.

Since its closure, Cribyn Primary school has been used, in initially as a Pupil Referral Unit and more recently as a storage facility used by CILC.

The building has also been used by local community groups for events and meetings, as there is an absence of any other community facility in the village.

There is significant interest from a local community group in purchasing the asset from the Council, and a development plan is being developed by the group, with the view to submitting a case for funding from the Community Ownership Fund, among other sources to enable the asset to be purchased and developed for use by the community.

Whilst there may be some development potential, there are some planning and development risks.

The recommendation is to offer the site for sale at a fair market value (The site has been valued at £175,000), subject to the following:

- i. That the asset is offered for sale for community use purposes initially (for a period of 6 months to enable the community group to advance their proposals.
- ii. That an overage clause is included in the sale, so that if the site is subsequently sold, with planning permission for any residential or other development, then a proportion of the uplift will be paid to the Council.

### **iii. Former Primary School, Cilcennin**

Reference - Asset C on the appendix.

This asset has been empty since its closure in 2019. A number of options have been considered for the site, including its development of a live-work unit.

Whilst this is still a possibility, the priority work programme for asset development will be focused on other assets in four Ceredigion towns, where external funding opportunities are available, therefore it is unlikely that proposals for Cilcennin will be developed in the coming 12 months.

In the meantime, there has been interest shown by a local community group in purchasing the assets, and the group is looking at options for raising funds.

It is recommended that the site is put on the open market with similar conditions to those outlined for Cribyn School. The site has been valued at £160,000.

- i. That the asset is offered for sale for community use purposes initially (for a period of 6 months to enable the community group to advance their proposals.
- ii. That an overage clause is included in the sale, so that if the site is subsequently sold, with planning permission for any residential or other development, then a proportion of the uplift will be paid to the Council.

### **iv. Former Sewage treatment Works, Pontgarreg**

Reference - Asset D on the appendix.

The land outlined is the site of the former Sewage Treatment works, along with access track. It has limited value to CCC.

The landowner in the field behind the houses as seen on the plan, is in discussion with a developer to sell the field for residential development. However, to be able to develop the land, to include 2 affordable houses, access is required across the strip of CCC land in order to be able to connect to the mains sewer.

The landowner has requested an easement to be put in place to enable services to be connected.

The panel has assessed this and concluded that as the land has limited value to CCC in other terms, that the strip of land should be sold, rather than an easement put in place. This would enable the landowner to make an offer for the land, and be in control of the whole area, and CCC would have no further liability for that piece of land.

It is recommended that the land is put for sale on the open market with offers in the region of £15,000.

### **Wellbeing of Future Generations:**

**Has an Integrated Impact Assessment been completed? If not, please state why.**

An integrated Impact Assessment has been carried out as part of the decision to close the three primary schools. This paper includes a recommendation to sell the assets now that the school buildings serve no other purpose for the Council.

The sale of the former sewage treatment works has limited impact due to the fact it is no longer operational.

### **Summary of Integrated Impact Assessment:**

**Long term:** N/A

**Collaboration:** N/A

**Involvement:** N/A

**Prevention:** N/A

**Integration:** N/A

### **Recommendation(s):**

**That Cabinet approve the principle of disposal/sale of the following assets:**

- i. Former Beulah School**
- ii. Former Primary School, Cribyn**
- iii. Former Primary School, Cilcennin**
- iv. Former Sewage treatment Works, Pontgarreg**

### **Reasons for decision:**

**To generate capital receipts from surplus assets**

### **Overview and Scrutiny:**

The decision to sell these specific assets has not been discussed at the Corporate Resources Scrutiny Committee, however the Council's performance in maximising the use of its assets is scrutinised by the Corporate Resources scrutiny committee and is overseen by the Development Group.

### **Policy Framework:**

Corporate Strategy 2022-27

### **Corporate Well-being Objectives:**

The generation of capital receipts will contribute to the delivery of all four of the Council's Well-being objectives. In particular it will help deliver the objective of Providing the Best Start in Life and Enabling Learning at All Ages, as the capital receipts generated from the sale of former schools will contribute to the schools improvement programme.

### **Finance and Procurement implications:**

Generation of Capital receipts

### **Legal Implications:**

The sales process will follow the required procedures by ensuring the sales follow an open process. The sale of the former schools has complied with the need to consult local communities, and where a potential local community need has been identified, an opportunity for the local community to purchase the asset is being provided.

**Staffing implications:**

The Assets team will conduct the sale. There are no further long-term staffing implications.

**Property / asset implications:**

The sales will generate a capital receipt from assets and reduce the Council's liability to maintain the assets.

**Risk(s):**

There are risks to the Council in not being able to realise the full market potential for the assets, and therefore generating lower than expected capital receipts for the asset. In the long term, this would lead to a risk of being unable to reduce liabilities from surplus assets.

**Statutory Powers:**

The Council has Statutory powers to sell its assets under the Local Government Act 1972 to dispose of land in any manner they wish provided that the disposal is not at an undervalue.

**Background Papers:**

None

**Appendices:**

The appendix provides the land registry information on the assets being recommended for sale.

**Corporate Lead Officer:**

Russell Hughes-Pickering, Corporate Lead Officer: Economy & Regeneration

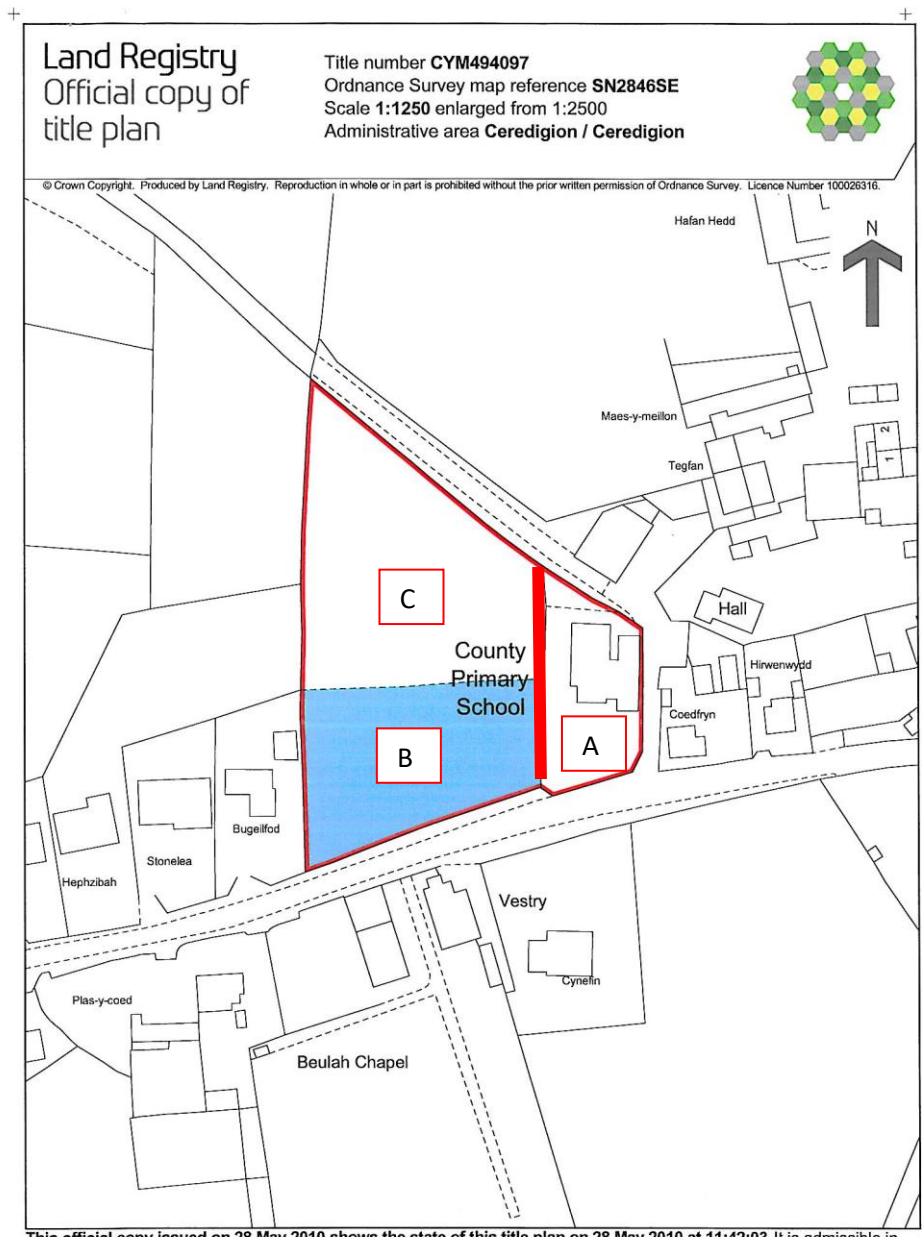
**Reporting Officer:**

Arwyn Davies, Corporate Manager: Growth and Enterprise

**Date:**

04/01/24

# Ased A- Hen Ysgol Beulah / Asset A – Former Primary School, Beulah



Land Registry  
Official copy of  
title plan

Title number **CYM494097**  
Ordnance Survey map reference **SN2846SE**  
Scale **1:1250** enlarged from 1:2500  
Administrative area **Ceredigion / Ceredigion**



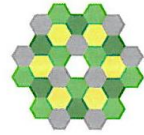
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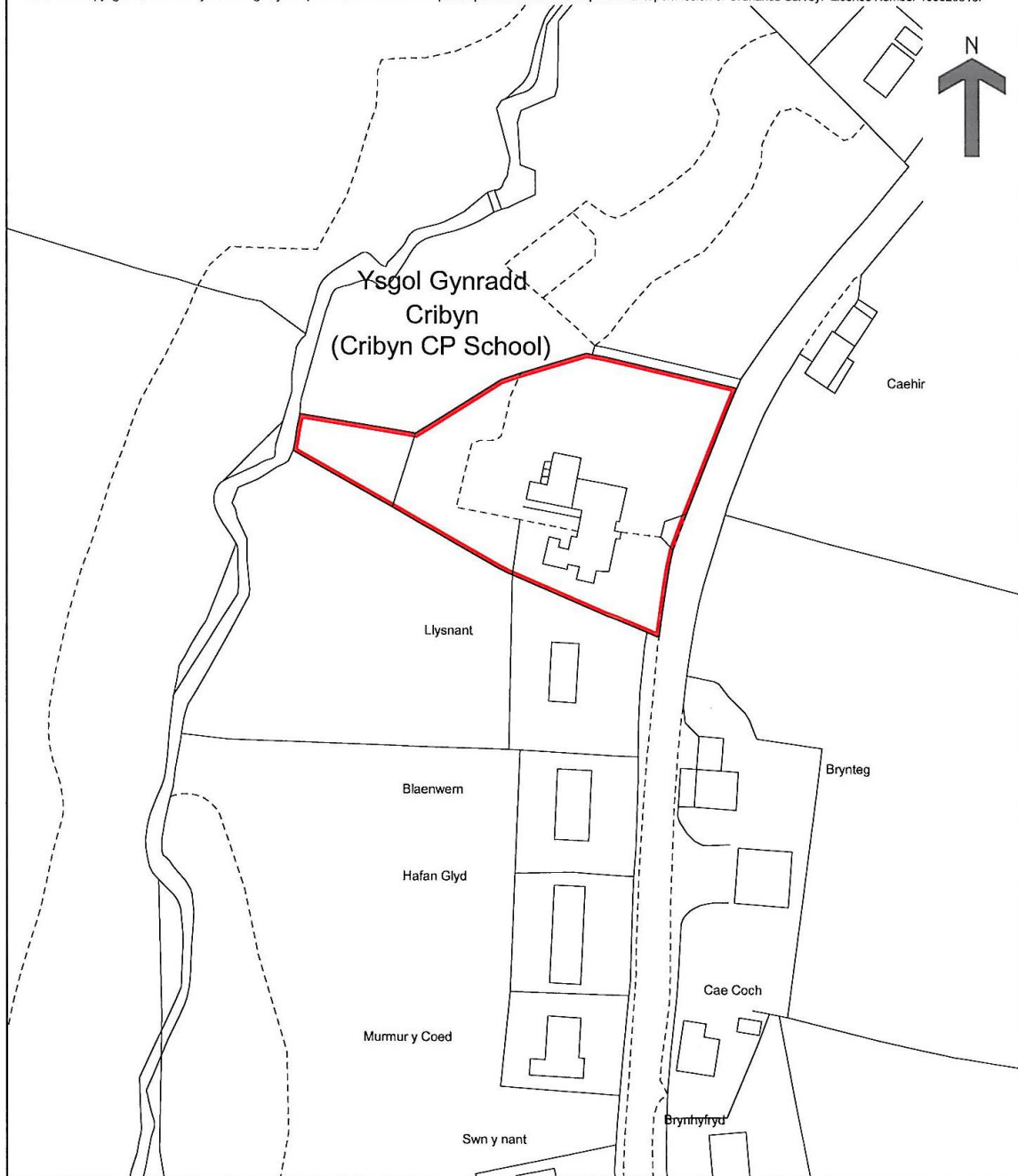
Ased B- Hen Ysgol Gynradd Cribyn / Asset B – Former Cribyn Primary School

Land Registry  
Official copy of  
title plan

Title number **CYM493896**  
Ordnance Survey map reference **SN5151NE**  
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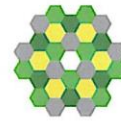
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Ased C- Hen Ysgol Gynradd Cilcennin / Asset C – Former Primary School , Cilcennin



Land Registry  
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# Ased D- Hen Waith Trin Carthion, Pontgarreg / Asset D – Former Sewage Treatment Works, Pontgarreg

HM Land Registry  
Official copy of  
title plan

Title number **CYM479801**  
Ordnance Survey map reference **SN3354SE**  
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