

NEATH PORT TALBOT COUNTY BOROUGH COUNCIL
Economic and Community Regeneration Cabinet Board

16 September 2016

**Report of the Head of Corporate Strategy and Democratic Services -
K.Jones**

Matter for Information

Wards Affected: Cymmer

Officer Urgency Action 0299 re:
Freehold Disposal of Cymmer Swimming Pool (Maintenance Issues).

Details of the above Urgency Action taken by the Director of Education,
Leisure and Lifelong Learning in consultation with the requisite Members, for
immediate implementation.

There is no call-in of this matter.

The report was dated 19 July 2016 and is attached below for Members'
Information.

NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

Economic and Community Regeneration Cabinet Board

Report of the Director of Education, Leisure and Lifelong Learning – A.Evans

Matter for decision

Wards Affected:

Cymmer

Freehold Disposal of Cymmer Swimming Pool

Purpose of the Report

1. To seek approval for the freehold disposal of Cymmer Swimming Pool to the ownership of Llandarcy Park Ltd, a subsidiary of Neath Port Talbot College Group for an agreed nominal fee of £1, subject to the Council undertaking to address the funding of certain maintenance issues to the agreed value of £86k and the removal of the boundary wall from the deeds of transfer; furthermore that the Council will pay the Business Rates for a maximum of 3 months from date of sale or until opened for use whichever is the earlier.

Executive Summary

2. In February 2015, the Council agreed to the closure of Cymmer Swimming Pool as a part of its budget saving strategy for 2015/16. Subsequently, in January 2016, it agreed the freehold disposal of Cymmer Swimming Pool to the ownership of Llandarcy Park Ltd, a subsidiary of Neath Port Talbot College Group for an agreed nominal fee of £1. Negotiations to secure the transfer identified maintenance issues that total £86k. In order that we are able to realise this transfer it is proposed that the Council provides a grant to cover these costs on a staggered two part payment basis, with 50% paid on the agreement of the transfer and the remainder 50% paid when the works are

completed and the pool has re-opened for a period of 6 months.

Furthermore, it is proposed that the responsibility for the boundary wall adjoining School Road is removed from the transfer deeds and remains under NPTCBC's ownership and responsibility.

3. The Council retains the Business Rates liability until the Pool is sold and we have already claimed the 3 month Empty Property Rates Relief. In light of this, the Council will pay the Business Rates for a maximum of 3 months from date of sale or until opened for use whichever is the earlier.
4. The current rateable value for the Swimming Pool is £77k and based on the rates poundage of 48.6p results in an annual rates bill for 2016-17 of £37,422; 3 months relief therefore amounts to £9,355.50. The Council is therefore prepared to pay the rates up to a maximum of £9,355.50 and will do so directly to the Business Rates Account on a monthly basis following the completion of the sale (rather than Llandarcy Park Ltd). If the Swimming Pool opens earlier than 3 months from date of sale the rates become the responsibility of the occupier.

Background

5. The Council owns the freehold of the site and has previously approved the closure of the pool subject to its possible transfer to the community or a community group. Following interest from a community based group, a company limited by guarantee has been established, Afan Valley Community Leisure, to manage and develop the pool facility. The company has since secured the agreement of Llandarcy Park Ltd, a subsidiary of Neath Port Talbot College Group, to operate the facility as a swimming pool for public use. Following lengthy discussions it is proposed that transfer shall be enacted subject to priority maintenance issues being resolved. The transfer document will ensure that no further requests for financial support will be accepted.

Financial Impact

6. The disposal as outlined above will remove completely all of the Council's remaining ongoing maintenance and site security liabilities.
7. To protect the Council's interest on the nominal value freehold sale, it will be necessary to secure an overage agreement whereby the Council

would be able to benefit from any increased value should the property be used for purposes other than a public swimming pool.

8. Furthermore, it will be necessary to reserve pre-emption or “buy back” rights whereby the council will be entitled to buy back the site for £1 in the event that the premise is no longer used as a swimming pool.

Equality Impact Assessment

9. A screening assessment has been undertaken to assist the Authority in discharging its Public Sector Equality Duty under the Equality Act 2010. After completing the assessment, it has been determined that this function does not require an Equality Impact Assessment.

Workforce Impacts

10. Not applicable.

Legal Impacts

11. Section 123 of the Local Government Act 1972 states that a Council shall not dispose of property for a consideration less than the best that can be reasonably be obtained without the consent of the Welsh Government. Consent is therefore required to dispose of the pool for the nominal consideration of £1.
12. The Welsh Government has issued a general consent which allows a Council to dispose of property at less than the best consideration that can reasonably be obtained where the Council considers that the purpose for which the property is being disposed is likely to contribute to the promotion of the economic, social or environmental well-being of the whole or any part of its area or of all or any persons residents or present in its area. In addition, the difference between the unrestricted value of the property and the consideration actually obtained must not exceed two million pounds.
13. The Director considers that the disposal of the pool to Llandarcy Park Ltd will contribute to the social well-being of residents in the Afan Valley as this is the best way of creating an opportunity for the continued operation of the pool as an important resource for the community.
14. In addition, the Council’s Head of Property and Regeneration has confirmed that in this instance the under value is less than 2

million pounds.

15. Sales of land at an undervalue may, in certain circumstances, contravene the European Commission's state aid rules. However, it is considered that the issue of state aid does not arise in this instance as the operation of the pool will be of a purely local nature.

Consultation

16. There is no requirement under the Constitution for external consultation on this item.

Recommendations

It is recommended that:

17. The disposal of Cymmer Pool to the ownership of Llandarcy Park Ltd, a subsidiary of Neath Port Talbot College Group for the consideration of £1 is enacted, subject to £86k's worth of maintenance issues are addressed and that the responsibility for the boundary wall remains with the Council.
18. That the payment of the £86k to cover maintenance issues is staggered over two payments, with 50% paid upfront on enacting the transfer and the remainder is paid on completion of the work and after the pool has been reopened for a period of 6 months.
19. That the Council will pay the Business Rates for a maximum of 3 months from date of sale or until opened for use whichever is the earlier.

Reasons for Proposed Decision

20. The transfer of this facility will provide an opportunity of continued leisure provision in the Afan Valley and therefore contribute the social well-being of the area for the reasons outlined in the report.

Implementation of Decision

21. Immediately.

Appendices

22. See attached plan (Appendix 1)

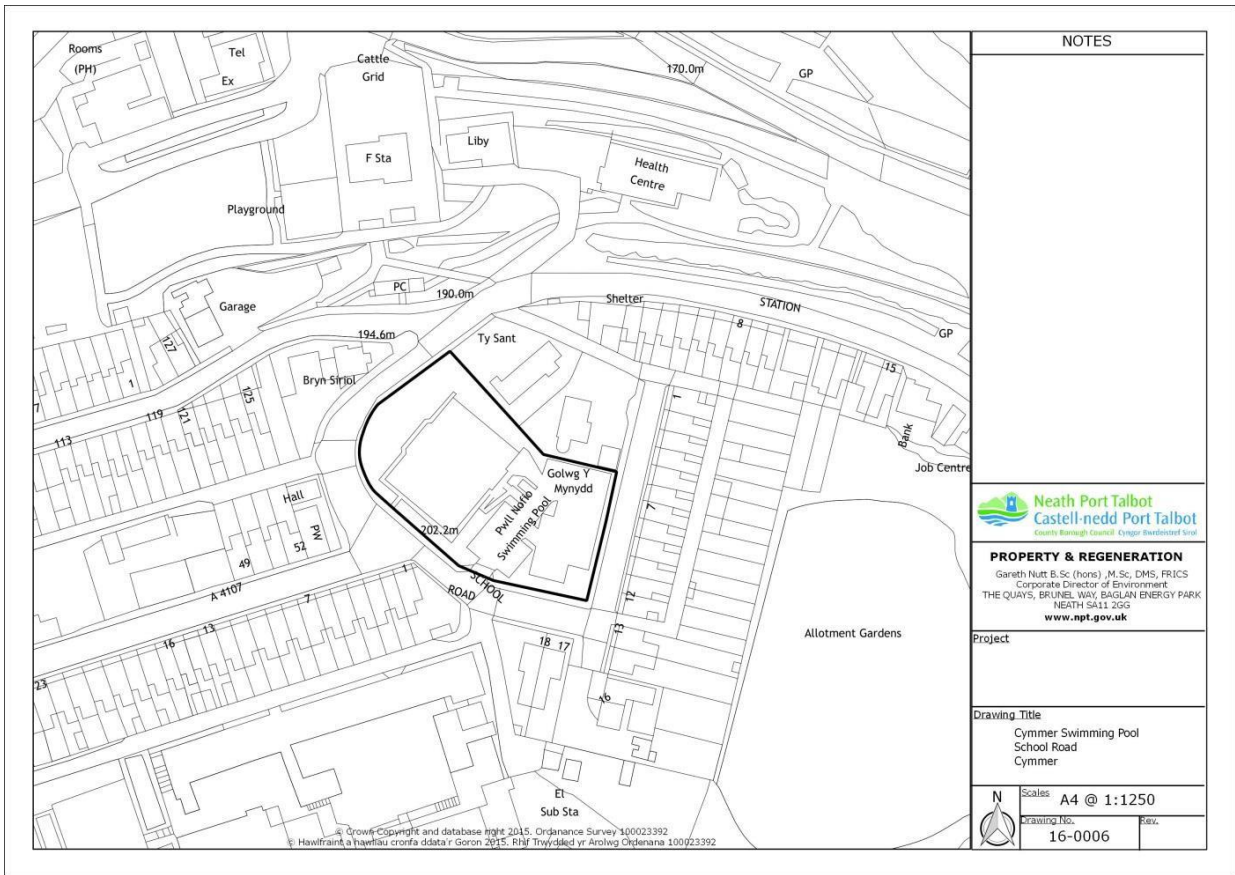
List of Background Papers



23. Cabinet Report of the Director of Education, Leisure and Lifelong Learning, Freehold Disposal of Cymmer Swimming Pool, 13 January 2016

Officer Contact

Aled Evans, Director of Education, Leisure and Lifelong Learning (a.evans@npt.gov.uk)

APPENDIX 1



NOTES	
 <p>Neath Port Talbot Castell-nedd Port Talbot</p>	
<p>PROPERTY & REGENERATION Gareth Nutt B.Sc (hons) , M.Sc, DMS, FRICS Corporate Director of Environment THE QUAYS, BRUNEL WAY, BAGLAN ENERGY PARK NEATH SA11 2GG www.npt.gov.uk</p>	
Project	
Drawing Title	
Cymmer Swimming Pool School Road Cymmer	
	Scales A4 @ 1:1250 Drawing No. 16-0006