

Cabinet Member for Housing Strategic Assets and Asset Transfer – Cllr Phil Alford

Assets Service

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Reference: HSAAT-03-24

Transfer of freehold interest to Marlborough Town Council for St Margarets Mead Centre

Purpose of Report

1. This report seeks approval for the transfer of a freehold transfer to Marlborough Town Council at nil value (being considered as “best consideration”).

Relevance to the Council’s Business Plan

2. This proposal fits within the aim for vibrant, well-connected communities through the transfer of assets to communities.

Background

3. The Council have approved a revised Service Devolution and Asset Transfer Policy in September 2022 which enables the transfer of property and services to town councils. This policy seeks to create efficiencies through having whole area discussions with town councils rather than isolated property or service discussions.
4. Marlborough Town Council have approached Wiltshire Council to take on the ownership of St Margarets Mead Centre as a single asset.

Main Considerations for the Council

5. Wiltshire Council lease the property to Marlborough Town Council by way of a 7 year lease that expires on 6 June 2024. The current rent payable by the tenant is nil.
6. The lease was granted to the Town Council following changes to youth provision in 2014 and is currently used as a community facility. To provide longevity of the community facility Marlborough Town Council they have sought the freehold.
7. Marlborough Town Council have ownership of the adjoining park and it is appropriate to transfer the freehold. In addition, the site is subject to a restrictive covenant where the Town Council has the benefit, limiting alternate options for the site.
8. Discussion with Marlborough Town Council relating to Service Devolution & Asset Transfer (SDAT) has not progressed. As such this request is being considered in outside of the SDAT policy due to adjoining ownership of the Town Council and them being the beneficiary of restrictive covenants.

Overview and Scrutiny Engagement

9. Given the nature of the report, Overview and Scrutiny engagement is not considered necessary.

Safeguarding Implications

10. There are no safeguarding implications of this decision as it relates to an existing facility but a change to the tenure arrangements.

Public Health Implications

11. There are no public health implications of this decision as it relates to an existing facility but a change to the tenure arrangements.

Procurement Implications

12. There are no procurement implications of this decision as it relates to a land transaction and outside of procurement remit.

Equalities Impact of the Proposal

13. There are no equalities implications of this decision as it relates to an existing facility but a change to the tenure arrangements.

Environmental and Climate Change Considerations

14. There are no environmental or climate change implications of this decision as it relates to an existing facility but a change to the tenure arrangements.

Workforce Implications

15. There are no workforce implications of this decision as it relates to an existing facility but a change to the tenure arrangements.

Risks that may arise if the proposed decision and related work is not taken

16. None, the existing lease arrangements would remain.

Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks

17. There are seen to be limited risks to the proposal, as continues an existing arrangement with a slightly different tenure arrangement.

Financial Implications

18. The disposal at nil value is considered as a disposal at best consideration, with an RICS Registered Valuer having undertaken a valuation and confirm transfer at nil value would be best consideration.
19. The proposal will result in no loss of rent, due to nil rent being paid.

Legal Implications

20. There is a requirement to satisfy satisfying the requirements of s123 of the Local Government Act 1972 which sets out that “best consideration” is required from disposal of land and assets. In this instance, the transfer at nil value would be considered a disposal for best consideration as certified by the RICS Registered Valuer.
21. The usual transfer of assets to town and parish councils includes an overage clause where proceeds from the disposal for any use other than community is shared with Wiltshire Council. In this instance the percentage Wiltshire Council receives will be 75%.
22. The proposal is the for freehold transfer at nil consideration, which may be caught by the Subsidy Control Act. An assessment of the proposal has been undertaken and given the recipient will be the Town Council and the purpose for community provision, the criteria to be considered a subsidy has not been met. The transaction is therefore compliant with the Subsidy Control Act.

Options Considered

23. Wiltshire Council could continue the existing arrangement; this would mean having to grant further leases in the future, thus not recommended.
24. Wiltshire Council could seek to include this in a wider Service Devolution and Asset Transfer discussion; this would take a significant amount of time and resource to resolve. The asset would be included in the assets for transfer under the Policy, at nil value, thus achieves the same outcome of this decision and no recommended.

Conclusions/Proposal

25. On the basis that the site would be included in any SDAT discussions and that an RICS Registered Valuer has confirmed that transfer at nil value is best consideration, the request is being considered outside of the Service Devolution & Asset Transfer.

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Appendices

Appendix One – Plan of the site to be transferred.
Appendix Two – Marlborough Town Council resolution for asset transfer.
Appendix Three – RICS Registered Valuer report.

Background Papers

None
