

REPORT ON BEHALF OF THE PROPERTY & PROJECTS GROUP

SUBJECT: PROPOSED SALE OF THE LIME KEEPERS COTTAGE, THE PARROG, NEWPORT

Purpose of Report

To seek the approval of Members for the freehold sale of the Lime Keepers Cottage at the Parrog, Newport to the Cymdeithas Cychod Afon Nyler AC Harbwr Trefdraeth in support of their continuing management of mooring activity within the harbour.

Background

The Lime Keepers Cottage is small historic listed building which is owned freehold by the National Park. The Authority purchased it in 1995 at a cost of £3,500 to remove a modern extension and repair and conserve its historic fabric. Since 2008 the building has been occupied by the Cymdeithas Cychod Afon Nyler AC Harbwr Trefdraeth under a lease granted by the Authority and is used as a storage facility in support of their management of the Newport Harbour moorings.

It was most recently valued for Asset Register purposes in 2012/13 at £32,000. That valuation reflects an existing use element of £22,000 plus an additional element of future alternative hope value amounting to £10,000. The tenants have recently made an offer of £21,000 to purchase the freehold. Subject to agreeing appropriate safeguards over its future use, the prospect of transferring ownership of this historic building into local community control in support of the ongoing active management of the Newport Parrog moorings would be entirely in accordance with our adopted Property Portfolio Asset Management Policy.

The Authority has discretion to dispose of assets at less than their market value where a reasoned and justifiable case can be made and your Officers are of the opinion that such a case can be made in this particular instance for the following reasons:

- i. Any sale in the open market with vacant possession in pursuit of market value would in all probability prejudice the continuation of any beneficial community use.
- ii. Selling to the existing tenant would see us treating with a long established and well run organisation whose activities and objectives are deeply rooted within the wider Newport community.
- iii. The ongoing use of the property would be identical to the existing use.
- iv. There is no compelling reason why the Lime keepers Cottage needs to remain within our ownership if it another public/community organisation is willing and able to assume the combined role of beneficial occupation and protective ownership.

- vi. The terms of disposal would include a covenant limiting the buildings use and a first right of refusal on any future disposal.

Financial, Risk & Compliance Considerations

The primary objective of any transfer would be to safe guard the buildings historic fabric and on-going contribution to coastal access through partnership working with a trusted community Association.

Your Officers have recently obtained a valuation by an external firm of Chartered Surveyors who have valued the freehold at £30,000.

Any disposal at less than market value requires the prior approval of the Welsh Government.

There is a strong argument that the offer which has been made is a reasonable reflection of the buildings existing use value as a storage facility.

This is an important historic building in an extremely prominent location and any short term financial gain from selling in the open market for the highest achievable price should be considered against the possible resulting loss of community benefit, risk of alterations/decline of the historic building fabric or future uses contrary to the Authority's prevailing planning policies

Human Rights/Equality Issues

No issues

Biodiversity Implications/Sustainability Appraisal

No issues

Welsh Language Statement

No issues

Recommendation

That Members endorse the recommendation of the Property & Projects Group for the sale of the building to the Cymdeithas Cychod Afon Nyler AC Harbwr Trefdraeth at a price of £21,000, subject to restrictions on its future use, a right of first refusal to repurchase and approval of the Welsh Government.