

DECISION NOTICE OF AN INDIVIDUAL MEMBER OF GWYNEDD COUNCIL CABINET

DATE OF DECISION 18 January 2021

DATE DECISION PUBLISHED 22 January 2021

DATE DECISION WILL COME INTO FORCE and implemented,
unless the decision is called in, in accordance with section 7.25 of
the Gwynedd Council Constitution **29 January 2021**

Cabinet Member: Councillor Craig ab Iago, Cabinet Member for Housing

SUBJECT

Sale of the freehold interest to the Abattoir, Cibyn Industrial Estate.

DECISION

It is recommended that the Council sells the freehold of the site outlined in red on the attached plan directly to the existing tenant on terms and conditions to be determined by the Head of Housing and Property.

REASON WHY THE DECISION IS NEEDED

Please see attached Officer report

DECLARATIONS OF PERSONAL INTEREST AND ANY RELEVANT DISPENSATIONS APPROVED BY THE COUNCIL'S STANDARDS COMMITTEE


None

ANY CONSULTATIONS UNDERTAKEN PRIOR TO MAKING THE DECISION

Consultation with
Gwynedd Council Statutory Officers

The results of the consultations are reported upon in the attached report

**DECISION NOTICE OF AN INDIVIDUAL MEMBER OF GWYNEDD COUNCIL
CABINET – OFFICER REPORT**

Name and title of Cabinet Member/s:	Councillor Craig ab Iago
Name and title of Report Author :	Daniel Lewis – Senior Estates Surveyor
Date of Decision :	18:01:2021
Signature of Cabinet Member/s :	

Subject :

Sale of the freehold interest to the Abattoir, Cibyn Industrial Estate.

Recommendation for the Decision :

It is recommended that the Council sells the freehold of the site outlined in red on the attached plan directly to the existing tenant on terms and conditions to be determined by the Head of Housing and Property.

Reason why Decision is needed :

In accordance with the Council's Constitution, a Cabinet Member's Decision is required to dispose of property where its value exceeds £ 25,000.

Reason and justification behind the Decision :

In order to obtain best value for its assets in accordance with section 123 of the Local Government Act 1972, the usual method of disposing of Council property is by advertising on the open market inviting bids so that any interested party has the opportunity to purchase or leasing. This will ensure the best price and ensures transparency.

In this case, the site is already leased to a tenant on a long-term lease of land, with the tenant owning the buildings, while the Council continues to own the freehold title to the land. As such, the tenant is willing to pay an element of premium in order to combine their lease with the freehold title.

Should the Council offer the site on the open market subject to the existing lease, given the unstable nature of the abattoir, and the fact that many operators have failed in recent years, the existence of the lease is limit the value that a third party would be willing to pay for the site. In addition, should the tenant fail financially and the site reverts to the owner, given the use of the site as an Abattoir, there could

be significant complications and cost in terms of contamination, which would be reflected in the price that a third party would be willing to pay for the site.

There is no intention to dispose of less than market value.

Declarations of personal interest by any Cabinet Member consulted with and any relevant dispensations approved by the Standards Committee

None.

Any consultations undertaken prior to making the decision :

None.

Head of Finance – “Under the circumstances, I believe that the suggestions are reasonable and a fair reflection of the available options. The long-term lease that is already in place, as well as the use of the site, limits the Council's financial receipts should the site's freehold be disposed of on the open market. I believe that selling the freehold direct to the existing leaseholders offers the best option in terms of the Council's long-term financial considerations. I have no objection, therefore, from the perspective of financial propriety.”

Monitoring Officer – “The context and the duty under Section 123 of the Local Government Act 1972 is explained in the report. I'm content with the propriety of the recommendation in the report.”

Local Member/s, Councillor Jason Parry - No objection to the sale.

