

Meeting of:	Cabinet
Date of Meeting:	Monday, 18 March 2019
Relevant Scrutiny Committee:	Environment and Regeneration
Report Title:	CARDIFF AND VALE COLLEGE LAND DISPOSALS
Purpose of Report:	The purpose of the report is to seek authority to dispose of two Council owned sites to Cardiff and Vale College.
Report Owner:	Cabinet Member for Regeneration and Planning
Responsible Officer:	Rob Thomas, Managing Director
Elected Member and Officer Consultation:	<p>The sites proposed are located in the Baruc and Buttrills wards (for the IQ Southern Development Site and Rhoose ward (for the site near to Cardiff Airport)).</p> <p>Head of Regeneration and Planning</p> <p>OM Property</p> <p>OM Accountancy</p> <p>Major Project Manager</p> <p>Committee Reports</p>
Policy Framework:	This is a matter for executive decision by Cabinet
<p>Executive Summary:</p> <ul style="list-style-type: none"> • This report refers to a request from Cardiff and Vale College to purchase two areas of land that are in the freehold interest of the Vale of Glamorgan Council in order to create the opportunity to facilitate two new educational campuses, subject to funding and statutory consents. • One of the Council owned sites is located in Barry Waterfront at the Innovation Quarter called the IQ Southern Development Site and its disposal would therefore be subject to Welsh Government consent. The other Council owned site is located near to Cardiff Airport. • Authorisation is sought from Cabinet to dispose of the two sites by way of a Public Sector Land Transfer and 999 years lease to Cardiff and Vale College subject to contract. 	

Recommendations

- 1.** THAT authority is granted for the Managing Director in consultation with the Leader, Cabinet Member for Regeneration and Planning, Head of Regeneration and Planning and Head of Finance to agree terms for the disposal to Cardiff and Vale College of the IQ Southern Development Site (indicatively edged red on the Plan attached as Appendix A) at less than best consideration pursuant to the General Disposal (Wales) Consent 2003 by way of a Public Sector Land Transfer and 999 year lease, subject to contract, and the consent of the Welsh Government in accordance with the joint venture for the Innovation Quarter ;
- 2.** THAT authority is granted for the Managing Director in consultation with the Leader, Cabinet Member for Regeneration and Planning, Head of Regeneration and Planning and Head of Finance to agree terms for the disposal to Cardiff and Vale College of the site alongside Cardiff Airport (indicatively edged red on the Plan attached as Appendix B or other appropriate Council owned land within the area shown coloured green in Appendix B) by way of a 999 year lease, subject to contract and Section 123 of the Local Government Act 1972.
- 3.** THAT authority is granted to the Monitoring Officer/Head of Legal and Democratic Services to prepare, execute and complete all legal documentation required to facilitate the disposal of the sites referred to in the above recommendations.
- 4.** THAT Cabinet endorse the appointment of the consultant valuers named in this report to assist with the delivery of the land disposals.

Reasons for Recommendations

- 1.** To authorise the disposal of the IQ Southern Development Site (indicatively edged red on the Plan in Appendix A) at less than best consideration pursuant to the General Disposal (Wales) Consent 2003 to Cardiff and Vale College, subject to contract, and the consent of the Welsh Government;
- 2.** To authorise the disposal of the site at the airport (indicatively edged red on the Plan in Appendix B or other appropriate Council owned land in this vicinity) to Cardiff and Vale College subject to contract and the requirements of Section 123 of the Local Government Act 1972;
- 3.** To authorise the Monitoring Officer/Head of Legal and Democratic Services to prepare, execute and complete all legal documentation required to facilitate the disposal of the land referred to in the above recommendations;
- 4.** To endorse the appointment of consultant valuers named in this report to assist with the delivery of the land disposals.

1. Background

- 1.1** Cardiff and Vale College wish to purchase two sites from the Vale of Glamorgan Council to create the opportunity to deliver two complementary campus developments.
- 1.2** The sites are (a) The IQ Southern Development Site identified indicatively edged red on the Plan in Appendix A, which forms part of the Innovation Quarter; and (b) a site located alongside Cardiff Airport, identified indicatively edged red on the Plan attached as Appendix B (or other appropriate Council owned land in this vicinity).

2. Key Issues for Consideration

- 2.1** The Council owns the freehold interest of the IQ Southern Development Site, which is located in the Innovation Quarter at Barry Waterfront. The Innovation Quarter is a mixed use regeneration area extending approximately 19-acres. The subject of a joint venture between the Vale of Glamorgan Council and Welsh Government, the Innovation Quarter is at an advanced stage of project delivery. To date the multi million pound development projects delivered at the Innovation Quarter include the award winning Pumphouse conversion, Premier Inn and Brewers Fayre Restaurant, West Quay Medical Centre and the Business Services Centre. Other multi million pound developments are in the pipeline including a proposed mixed use redevelopment of the IQ Hood Road Goods Shed property (aka Gwalia Buildings) and associated site.
- 2.2** The 2.8 acres of former industrial site known as the IQ Southern Development Site (indicatively edged red on Appendix A) occupies a key frontage on the Waterfront Link Road close to Asda and the Premier Inn. It offers a high profile sustainable urban location for a high quality modern educational campus that would greatly complement the ongoing regeneration of the Innovation Quarter and the wider Waterfront for the benefit of Barry and the wider Vale of Glamorgan area subject to statutory consents.
- 2.3** In accordance with Cabinet Minute C3416 the IQ Southern Development Site had previously been marketed and a preferred bidder identified subject to contract. However, these negotiations were at an early stage when Cardiff and Vale College expressed an interest in purchasing the site from the Council to deliver a new Campus. In consultation with the members and officers named in Cabinet Minute C3416 (i.e. the Leader, Cabinet Member for Regeneration and Planning, Managing Director, Head of Regeneration and Planning and Head of Finance) it was decided in the interest of the wider community to change direction and seek Cabinet authority to dispose of the site to Cardiff and Vale College subject to contract.
- 2.4** The airport site requested by Cardiff and Vale College offers an opportunity for a second complementary campus development. The Council owns the freehold

interest of this land, which measures approximately 6 to 7 acres. Located within the ongoing Cardiff Airport Master Plan area that has been the subject of a recent community consultation exercise by the Airport, the site would offer a further high profile location for Cardiff and Vale College subject to statutory consents. The master planning of the Airport is ongoing and it is therefore necessary at this stage for there to be some flexibility in terms of firming up the precise location of the site for this second campus within the Council owned land next to the airport. Hence Recommendation 2 identifies the current proposed site as indicatively edged red on the Plan attached as Appendix B but also states "...or other appropriate Council owned land within the area shown coloured green in Appendix B..."

- 2.5** The Council and Cardiff and Vale College jointly commissioned consultant land valuers (JLL) to advise on the potential land values associated with both proposed sites. Initial draft advice from JLL indicates the IQ Southern Development Site could be disposed of for a higher land value if the land was not restricted to an educational use. Accordingly, because the intention is to dispose the site at the Innovation Quarter restricted as an education use, Recommendation 1 of this report seeks authority to dispose the IQ Southern Development Site at less than best consideration pursuant to the General Disposal (Wales) Consent 2003. According to the draft advice from JLL this is not the case in terms of the site near to the airport, which would therefore be sold in accordance with Section 123 of the Local Government Act 1972.
- 2.6** The new campus developments proposed by Cardiff and Vale College at the two above mentioned sites would be the subject of future community consultation in accordance with the statutory planning process. Cardiff and Vale College advise they would also carry out stakeholder consultation in due course for their campus proposals.
- 2.7** Cardiff and Vale College also advise they would be seeking to dispose of existing land and property assets that they own in the Barry area and near the airport to help fund the delivery of the proposed new campuses including facilitating funding the purchase of land. Cardiff and Vale College may require the Council to transfer the two sites they require in advance of the disposal of their existing land and property assets. This may result in Cardiff and Vale College making deferred payments to the Council for the transfer of the two sites, this would be secured by way of an appropriate legal mechanism.

3. How do proposals evidence the Five Ways of Working and contribute to our Well-being Objectives?

- 3.1** Involvement - Education as a driver for regeneration is well recognised as a means to regenerate our towns and cities in the United Kingdom. Involving Cardiff and Vale College in the regeneration of Barry is therefore seen as very important. A new campus development at Barry Waterfront and the airport

would play a pivotal role in achieving a comprehensive approach to regenerating the area. Involving the community is also critical and Cardiff and Vale College advise they will carry out a stakeholder consultation in the future and community consultation will also be undertaken as part of the statutory planning process.

- 3.2** Collaboration - Collaboration between the Council, Cardiff and Vale College and the Welsh Government is a vital aspect of this project. Without a collaborative approach the delivery of the project would be jeopardised.
- 3.3** Integration - Delivering this project requires multiple internal departments working in a holistic way together within the Council and the same within the Welsh Government along with working closely with Cardiff and Vale College.
- 3.4** Prevention Much of Cardiff and Vale College's accommodation in the Barry area was constructed approximately 60-years ago. The existing college estate would benefit from modernisation to prevent the risk of failure of or disruption to the delivery of educational services by Cardiff and Vale College. This land disposal project aims to assist Cardiff and Vale College create the opportunity to deliver two new campus developments in the Waterfront Barry and at the airport, which would provide modern state of the art accommodation designed to meet the skills and education needs of a modern economy and deliver on its mission and organisational objectives.
- 3.5** Long Term - The project aims to ensure the long term viability of Cardiff and Vale College and ensure education plays a long term role in the regeneration of Barry.

4. Resources and Legal Considerations

Financial

- 4.1** The disposal of the IQ Southern Development Site and payment of capital receipts will be pursuant to the General Disposal (Wales) Consent 2003.
- 4.2** The disposal of the site near to the airport and payment of capital receipts will be subject to compliance with the requirements of Section 123 of the Local Government Act 1972.
- 4.3** In terms of the IQ Southern Development Site the Council and Welsh Government will split the capital receipt in accordance with the joint venture for the Innovation Quarter. At present the Welsh Government would receive 56.7% and the Council 43.3% of the capital receipt.

Employment

- 4.4** There are no employment implications from the proposed sale of the land. However, if the campus developments progress they will safeguard and create many hundreds of operational jobs at the college campuses. Temporary construction jobs would also be created when building the campuses.

Legal (Including Equalities)

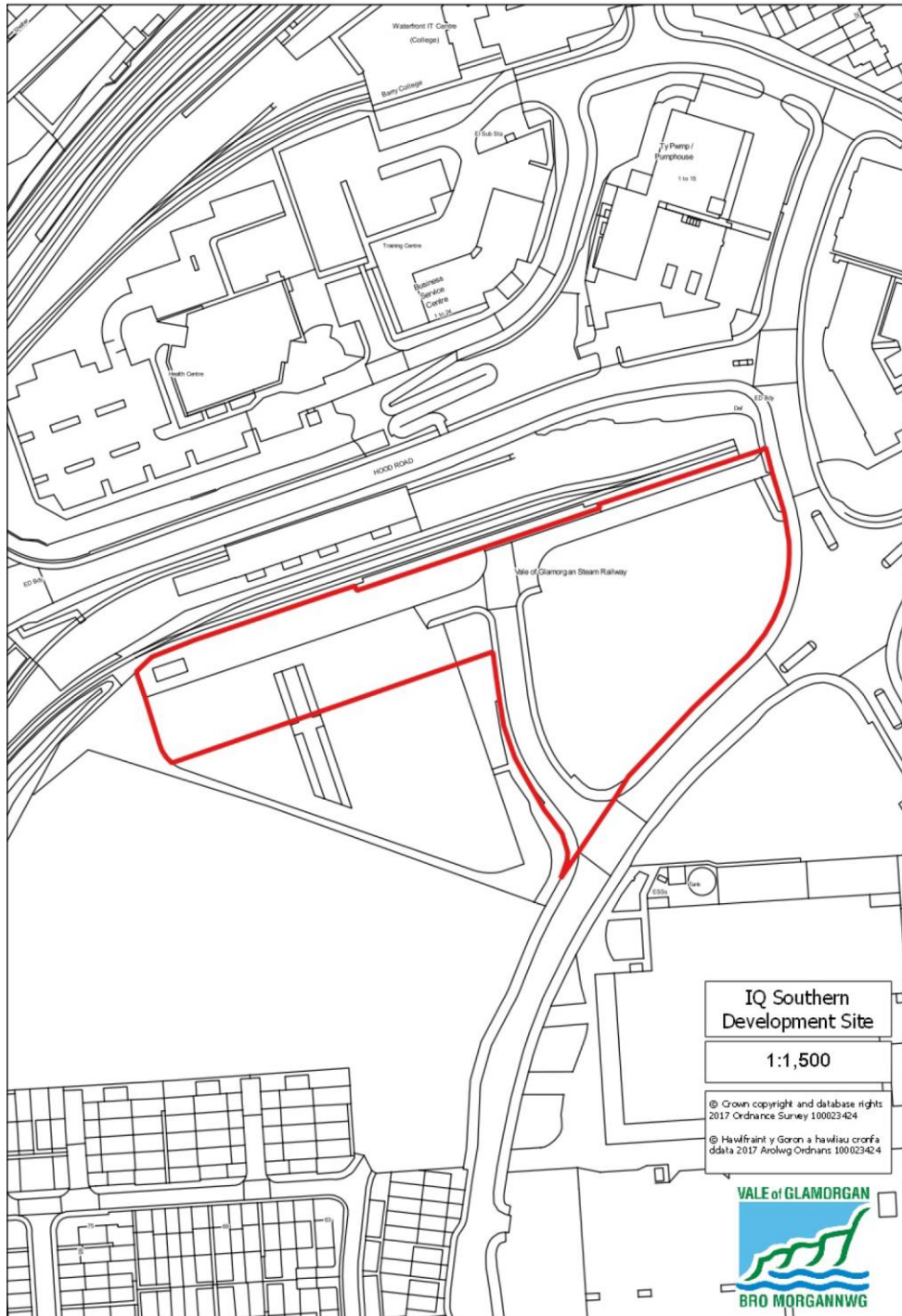
- 4.5** The Council is under a duty pursuant to Section 123 of the Local government Act 1972 to obtain the best consideration reasonably obtainable on the disposal of land. However, under the General Disposal Consent (Wales) 2003, a local authority may dispose of an interest in land for a sum which it considers to be the best consideration that can reasonably obtained where the authority considers that the purpose for which the interest in the land is to be disposed of is likely to contribute to one or more of the following objects in respect of the whole or any part of its area, or all or any persons resident in its area, or all of the persons resident in its area:(i) the promotion or improvement of economic well-being; (ii)the promotion or improvement of well-being; (iii) the promotion or improvement of social well-being; and the difference between the unrestricted value of the interest to be disposed of and the consideration agreed does not exceed £2,000,000.
- 4.6** The Council owns the freehold interest of the two sites identified in this report.
- 4.7** The Council and Welsh Government are in a legal joint venture in respect of the Innovation Quarter.
- 4.8** It will be necessary for the Monitoring Officer/Head of Legal and Democratic Services to execute the Leases effecting disposal of the two sites.

5. Background Papers

None.

Appendix A:

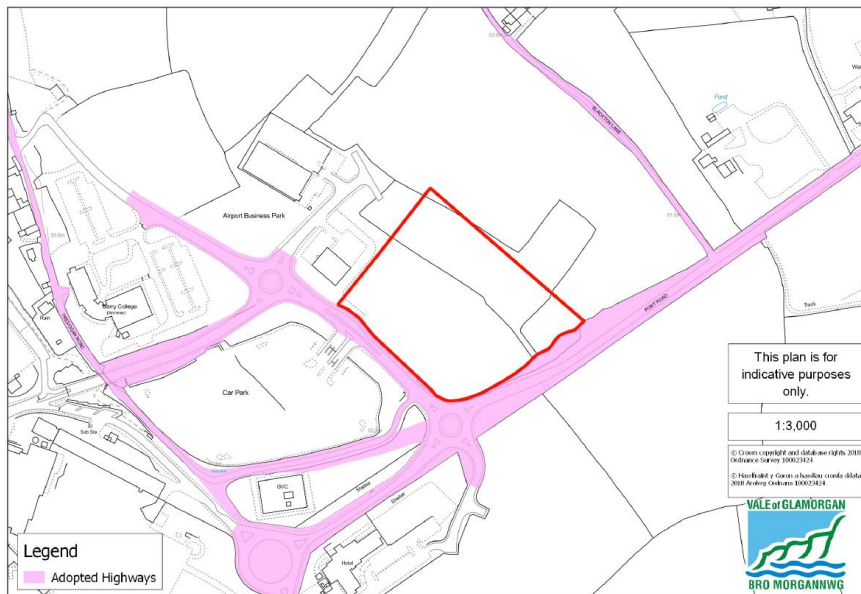
Indicative Boundary of IQ Southern Development Site (edged red)



APPENDIX B:

INDICATIVE BOUNDARY OF SITE NEAR TO CARDIFF AIRPORT

Plan 1 – Proposed Campus Site near to Cardiff Airport (Indicatively Edged Red)



Plan 2 (Below) – Land in the freehold ownership of The Vale of Glamorgan Council. (**Note** - The final location of the circa 5.8 acres site for a Campus may alter from the location shown edged red above. If required for technical reasons the campus may be located elsewhere within the area shown coloured green, all of which is land in the freehold ownership of the Vale of Glamorgan Council).

