

**PURCHASE OF LAND AT BRITANNIA PARK, HARBOUR DRIVE,
CARDIFF BAY**

**INVESTMENT & DEVELOPMENT (COUNCILLOR RUSSELL
GOODWAY)**

AGENDA ITEM:12

Appendices 2 and 3 of this report are not for publication as they contain exempt information of the description contained in paragraphs 14 of part 4 and paragraph 21 of part 5 of Schedule 12A of the Local Government Act 1972.

Reason for this Report

1. To seek Cabinet authority to acquire a strategic site in Cardiff Bay known as Britannia Park at Harbour Drive, Cardiff Bay in order to protect the Bay edge for leisure use and to provide opportunities for appropriate investment to further enhance the amenity of Cardiff Bay.

Background

2. The site is located on the waterfront in Cardiff Bay close to Mermaid Quay and the Oval Basin and consists of circa 4.67 acres, as shown edged red on the plan attached at Appendix 1.
3. The current owner has not placed the interest on the open market to allow for direct negotiations to take place with the Council, being aware of its strategic importance to the city. Terms have now been agreed to dispose of the site to the Council. A report from the Council's commercial valuer supporting the Council's acquisition of the site is attached as Confidential Appendix 2.
4. The site comprises a level cleared site incorporating a number of existing buildings including the Waterguard Public House, the Norwegian Church Arts Centre and the Lock Keeper's Café. The remaining undeveloped sections of the site provide hard landscaped or grassed areas and the development site formerly occupied by the Cardiff Bay Visitor Tube. The site is held freehold subject to a number of existing tenancies.
5. The site includes a Strategic Recreation Route along the south west boundary, and the Local Development Plan Key Diagram identifies the

site within an area where the Council seeks to protect and enhance the role of Cardiff Bay and the International Sports Village.

6. The site is bisected by Harbour Drive which forms part of a strategic bus corridor enhancement route.

Issues

7. In order to promote Cardiff Bay as a leading UK leisure destination and to control development around the waterfront primarily for leisure use, the Council is keen to secure all of the Bay edge into public ownership. The cost of acquiring the Britannia Park site will need to be recovered through the appropriate development of the Britannia Park site and the wider Bay edge in Council ownership. This will be done in a way that seeks to enhance the visitor experience and recognises the importance of public access and public space along the waterfront. A strategic masterplan of the Bay will be developed to draw together all of the opportunities around the Bay edge to ensure that any development brought forward is appropriate in scale and nature and is set in the context of public open space provision and appropriate transportation linkages.
8. Subject to planning permission, a potential sale has been agreed in principle for the area of land formerly occupied by the Cardiff Bay Visitor Tube illustrated in Confidential Appendix 3 and in line with the independent valuation attached as Confidential Appendix 2.
9. Whilst the site is not within a Conservation Area, the Lock Keeper's Cottage and the Waterguard Public House are Grade II Listed buildings, as are the dock walls. In addition the Norwegian Church is a Designated Heritage Asset. Future uses and potential development of these areas will therefore need to consider such designation.
10. Subject to planning, the site provides the potential to create a new Bayside restaurant and leisure quarter which will enhance the amenity of Cardiff Bay.
11. The Council will consider the proposed short term uses of the site in terms of security, management and maintenance. The Council will seek to maximise short term commercialisation opportunities, whilst working up a longer term development strategy for the site.

Scrutiny Consideration

12. This report was considered by the Economy & Culture Scrutiny Committee on 8 November 2018. The letter from the Chair is attached at Appendix 4.

Reason for Recommendations

13. To enable the acquisition of a key strategic site on the water's edge in Cardiff Bay to protect the Bay edge for leisure use and to provide improved amenity in Cardiff Bay.

Financial Implications

14. This report seeks Cabinet agreement for the acquisition of the site known as Britannia Park. This is intended to be funded from disposal proceeds held following the disposal of land interest in Central Square.
15. The price to be paid is supported by an independent valuation report (Confidential Appendix 2). The costs of acquisition quoted does not include additional acquisition costs e.g. stamp duty / professional fees and these will need to be fully understood before committing to the purchase.
16. The site is opted to tax for VAT purposes, however in order to ensure no adverse financial impact to the Council as a result of proposals to be developed on the site, there should be a clear understanding of its future expenditure in relation to the site as well as any income receivable from rental or from any disposals from parts of the site.
17. The report does not take into account costs of the potential relocation of the Lock Keeper's Cottage or any infrastructure to develop the site. This is proposed to be considered as part of the long term development of the site.
18. The Council will be liable for the costs of holding the site (security, management and maintenance). These will need to be met from the directorate's existing revenue budgets, however short term options of the site may be considered to minimise these costs until any longer terms plans are realised.
19. Further due diligence will need to be undertaken before final completion to determine affordability, any ongoing liabilities arising from the site and value for money.

Legal Implications

20. The Council has power to acquire land for the benefit improvement or development of its area pursuant to section 120 of the Local Government Act 1972. The Council's Procedure Rules for the Acquisition of Land require the advice of a professional valuer to be taken. The Council also has economic social and environmental well-being powers pursuant to section 2 of the Local Government Act 2000 in relation to matters contained in its community plan and subject to value for money being obtained. The Council has powers to dispose of land at the best consideration that can reasonably be obtained pursuant to section 123 of the Local Government Act 1972.

RECOMMENDATIONS

Cabinet is recommended to:

1. Agree to the purchase of the Britannia Park site on the terms set out in Confidential Appendix 2.

2. Delegate authority to the Director of Economic Development to dispose of the site edged dashed green in Confidential Appendix 3 subject to independent valuation.

SENIOR RESPONSIBLE OFFICER	NEIL HANRATTY Director of Economic Development
	9 November 2018

The following appendices are attached:

Appendix 1 – Site Plan

Confidential Appendix 2 – Valuation Report

Confidential Appendix 3 – Disposal Site Plan

Appendix 4 – Letter from the Chair of the Economy & Culture Scrutiny Committee