

AGENDA ITEM NO.

ISLE OF ANGLESEY COUNTY COUNCIL	
Report to	Meeting of the Executive
Date	11 February 2013
Subject	Leases at Newry Beach Holyhead
Portfolio Holder(s)	Councillor Bob Parry
Lead Officer(s)	T Dylan Edwards
Contact Officer	T Dylan Edwards
Nature and reason for reporting	
<p>The Council has received a request from the developer in connection with the proposed Waterfront Development at Newry Beach, Holyhead to enter into negotiations with a view to surrender/transfer of the Council's leasehold interest in the area. Officers are aware of strong local interest in this matter and have sought guidance from the local members with parts of the lease area within their wards. In view of the responses received it is considered appropriate and desirable to seek formal authority to enter into negotiations and, if agreed, to receive direction with regard to discussions.</p>	

A – Introduction / Background / Issues
<p>Plans for the economic regeneration of Holyhead, and in particular private sector proposals for a Waterfront Development at Newry Beach, have been under consideration for some years. An application for outline planning consent was considered and approved by the Council during the spring of 2012. A request was submitted to the Welsh Government to call-in the application following the Council's decision. In August 2012 the Welsh Government advised that, following consultation, it would not be calling in the application.</p> <p>During 2011, and prior to the planning decision, the developer wrote to Property Services requesting consideration of the transfer of the lease. At that time it was decided that no negotiations should take place until such time as planning consent had been obtained. In September 2012 the developer requested a delay to the consideration of negotiations pending clarification of planning conditions associated with the consent. In November 2012 a further letter was received requesting the Council to enter into discussions regarding the possibility of the developer acquiring the Council's leasehold interest. A copy of the letter is appended to this report.</p>

In recognition of strong local interest in this matter the service has sought guidance from the two local members who have parts of the leasehold area within their wards. In view of the responses received it is considered appropriate to refer the matter to the Executive to seek formal authority to enter into discussions and in order that officers should be given direction with regard to those discussions.

B - Considerations

A plan of the lease area together with a plan of the proposed development are appended to this report for information. The lease commenced in 1926 and is due to expire in 2025. The area is used predominantly as public open space, although several parts are subject to sub-leases to various organisations. It is noted that the plan of the proposed development indicates that the green space which comprises the current open space, is to be retained and enhanced, including the addition of a model boat pond and the re-establishment of the formal gardens. It is understood that the developer is to discuss options for future ownership and maintenance of the green areas with Holyhead Town Council. It appears therefore that the predominant impact of the proposed development will be to the seaward side of the present seawall.

Whilst the rental level is modest, the lease includes a number of obligations on the Council and there is a need to incur revenue expenditure to maintain the area, including regular grass cutting throughout the summer months and the periodic maintenance of various elements, for example, unadopted access roads, car parking areas, pathways, seats, shelters, and the seawall and beach groynes. The estimated combined annual equivalent expenditure for such elements is some £23k.

The lease enables the Council to exercise control over the area (within the terms of the lease) and in recent years it has been customary, for example, to allow annual events such as a visiting circus during the summer, etc. to take place on the site.

The Council has been minded to give planning consent for the proposed development and it may be considered to be incongruous now to resist consideration of the leasehold interest. The proposed development is intended to contribute to the economic regeneration of Holyhead area and the Council may wish to support the proposal for these reasons and authorise officers to enter into negotiations with the developer.

If a decision is taken not to negotiate terms to surrender/transfer the lease it appears likely that renewal of the lease at that the expiry in 2025 would not be forthcoming. That part of the development within the lease area would therefore be delayed until that time. However, it appears that certain other elements of the overall development, which are not to be sited within the leased area, could proceed in the meantime.

C – Implications and Impacts		
1	Finance / Section 151	
2	Legal / Monitoring Officer	
3	Human Resources	
4	Property Services (see notes – separate document)	Included in the report.
5	Information and Communications Technology (ICT)	
6	Equality (see notes – separate document)	
7	Anti-poverty and Social (see notes – separate document)	
8	Communication (see notes – separate document)	
9	Consultation (see notes – separate document)	
10	Economic	Supportive to the principle of a suitable waterfront redevelopment scheme. The proposed negotiations are necessary to inform the development and ensure that the economic, regeneration, and tourism opportunities are capitalised on fully.

C – Implications and Impacts		
11	Environmental (see notes – separate document)	No direct impact on CROW Act 2000 nor NERC Act 2006
12	Crime and Disorder (see notes – separate document)	
13	Outcome Agreements	

CH - Summary
A request has been received to enter into negotiations with a view to surrender/transfer of the Council's leasehold interest in the Newry Beach leasehold area. Officers are aware of strong local interest in this matter and it is considered appropriate and desirable to seek formal authority to enter into negotiations and, if agreed, to receive direction with regard to the discussions.

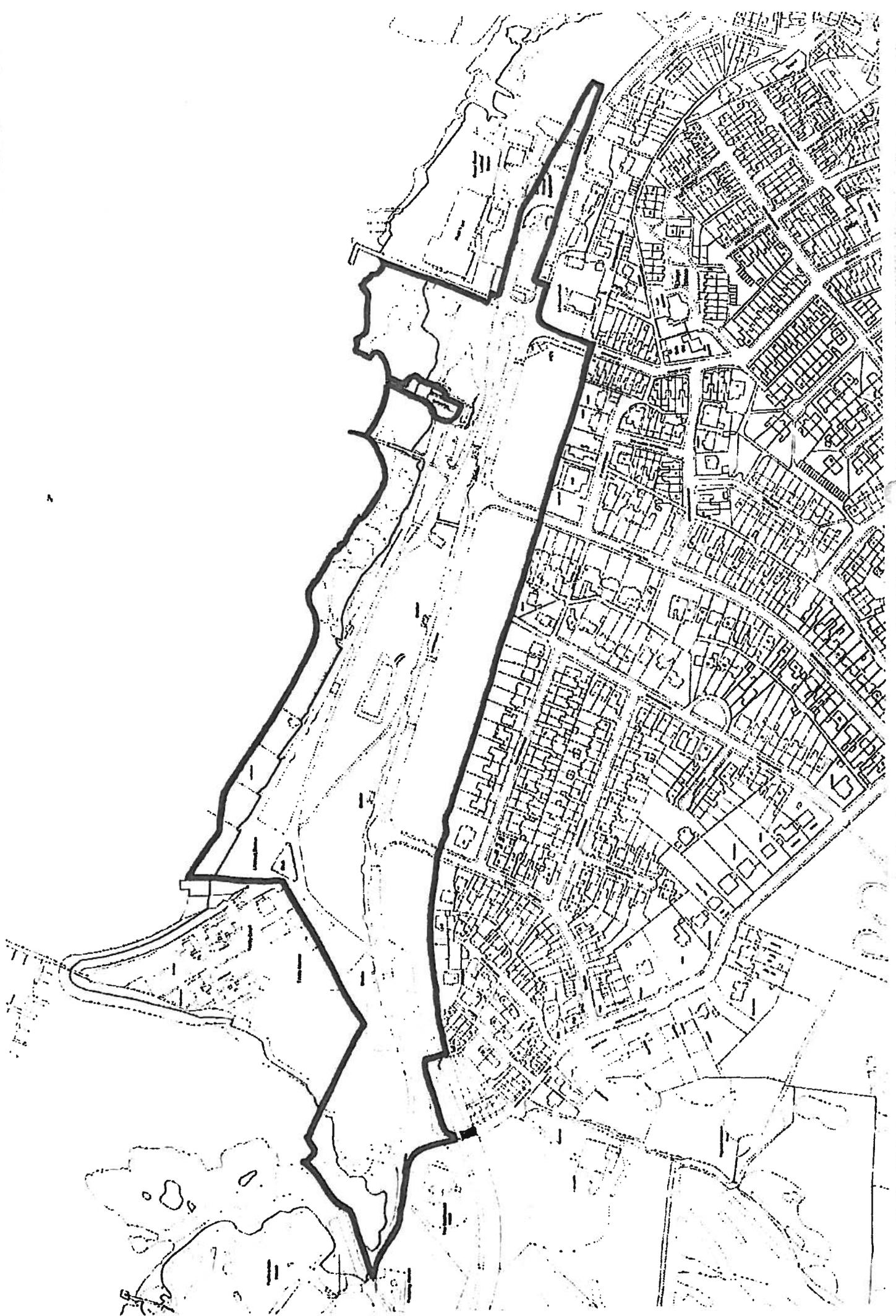
D - Recommendation
I recommend that authority be given to officers to commence negotiations with the developer for the surrender/transfer of the Council's leasehold interest at Newry Beach, Holyhead, and, if agreed, the Executive is invited to provide guidance for officers with regard to discussions.

Name of author of report
Job Title
Date

Mike Barton
Head of Property Services
January 2013

Appendices:
Letter of request Plan of the lease area Plan of the proposed development

Background papers



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Conygar Stena Line Limited

Porth Lafan
Beumaris
Anglesey LL58 8YH

Tel No : 01248 811350
Fax No : 01248 811500

Mike Barton B.SC
Head of Service (Property)
Isle of Anglesey County Council
Swyddfa'r Sir
Llangefni
Anglesey LL77 7TW

27 November 2012

Dear Mr Barton

ISLE OF ANGLESEY COUNTY COUNCIL
28 NOV 2012
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HOLYHEAD WATERFRONT

I refer to our discussion in respect of the above.

The Welsh Government has cleared the planning application to be dealt with by Ynys Mon.

My planning consultant and I met the planning officers concerned to discuss the provisional planning conditions and the 106 agreement, and I attach a schedule of what was agreed as the way forward.

In anticipation of settling these matters and the issues of a planning consent we would like to enter into discussions with the Council the possibility of acquiring their leasehold interest in the adjoining areas to the development which is due to expire in 2025.

I look forward to hearing from you in due course.

Yours sincerely

Dafydd G Jones
Encs