

STROUD DISTRICT COUNCIL

BRIEFING PAPER

Briefing Note Title	UPDATE ON NAILSWORTH COMMUNITY LAND TRUST (NCLT)
Purpose of Briefing Note	Update on progress with the transfer of the site at Lawnside, Nailsworth to NCLT.
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1.0. Update

1.1. At the meeting of Housing Committee on 28 October 2014, the decision was taken on the site at Lawnside, Nailsworth, as follows:

RESOLVED To transfer the site by 20 March 2015 to NCLT for £1 and on such other terms as the Head of Asset Management approves.

1.2. Discussions with NCLT are continuing and productive, and there is no reason to consider the transfer to be at risk.

1.3. By way of reminder, the proposed completion date of 20 March 2015 was simply the expiry of a 12-month period during which NCLT were invited to assemble a proposal for the site, and the date of 20 March 2015, therefore, has no significance unless there is unreasonable delay.

1.4. A transfer to a CLT is a “first” in the District, and the fact that it is novel will inevitably mean a slower process than if it were commonplace.

1.5. The key issues to be addressed in the legal process are:

- a. The CLT has to be formally constituted (it is currently a steering-group under the auspices of the Town Council). This process is well-advanced.
- b. The terms of the CLT’s constitution will affect the drafting of the sale contract. In summary, the Council is to transfer the land to a body which can only use it for the purpose for which it is being transferred. The drafting will need to be mindful of any possibility that the land could be used for other purposes, and that will depend on the CLT’s constitution.
- c. This is a sale below market value, which is permissible, provided the Council is very clear as to the rationale for doing so, and that has been addressed.

- d. There are rules on using taxpayer-funded resources to provide assistance to an organisation in a way that could give it an advantage over others, and this “State Aid” issue is being addressed by officers in Legal Services.
- 1.6. A meeting is being arranged at the time of drafting this note for officers to meet the CLT to discuss their proposed constitution and how it might impact upon the terms of sale.
- 1.7. It is the intention to proceed with the sale with all speed, and the transaction will only be called into question if there is unreasonable delay or failure to agree terms of sale.