

17 November 2014

Agenda Item: 6b

REPORT OF SERVICE DIRECTOR TRANSPORT, PROPERTY & ENVIRONMENT

SHERWOOD ENERGY VILLAGE / OLLERTON SOUTH TIP, NEW OLLERTON: PROPOSED ACQUISITIONS AND DISPOSAL – REVISIONS TO TERMS OF TRANSACTION

Purpose of the Report

1. To seek approval to revisions to some of the terms of the previously approved land contract at Sherwood Energy Village and Ollerton South Tip, as detailed in the exempt appendix.
2. To seek renewal of the approval dated 19 May 2014 (Resolution Numbers 2014/040 and 2014/049), subject to the changes proposed in this Report.

Information and Advice

3. Some information relating to this report is not for publication by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972. Having regard to the circumstances, on balance the public interest in disclosing the information does not outweigh the reason for exemption because divulging the information would significantly damage the Council's commercial position. The exempt information is set out in the exempt appendix.
4. At its meeting on 19 May 2014, Committee approved the terms of a proposed land transaction at Sherwood Energy Village/Ollerton South Tip (Resolution Numbers 2014/040 and 2014/049). A change in circumstances necessitates some changes to the proposed terms of this transaction. The substance of the proposed changes and the circumstances which have brought this about are detailed in the exempt appendix.
5. Furthermore, it is necessary under Financial Regulations to renew the original resolutions (as detailed above), subject to the changes outlined in this Report.
6. Several years ago, Sherwood Energy Village was constructed on the site of the former Ollerton Colliery. Nottinghamshire County Council was heavily involved in the original remediation of the site, in partnership with East Midlands Development Agency (now The Homes and Communities Agency) and the original developer, Sherwood Environmental Village Ltd. Sherwood Environmental Village Ltd later went into Liquidation and the freehold of the (largest part of the) Energy Village was acquired from the Liquidator by a company called Pathfinding (SEV) Ltd.

7. Prior to the Liquidation, Nottinghamshire County Council had taken assignments of long leases on a total of four office blocks from an associated company of Pathfinding (SEV) Ltd. These office blocks are known as Ollerton House, Bevercotes House, Welbeck House and Thoresby House. These properties are held on 125 year leases, granted in 2004 and 2007 respectively.
8. Nottinghamshire County Council has significant freehold land ownership to the south of Sherwood Energy Village, known as Ollerton South Tip. These areas comprise the reclaimed colliery spoil heaps of the former Ollerton Colliery.
9. The previously approved Report proposed a transaction between the County Council and the owners of the Sherwood Energy Village (Pathfinding (SEV) Ltd), aimed at rationalising and improving the County Council's landholdings in the area. The terms of the original proposal are detailed in the exempt appendix, but the key elements of the original proposal are summarised below:-

<u>Transaction Element</u>	<u>Description</u>
Purchase of Freehold Reversions in Welbeck House, Ollerton House, Bevercotes House and Thoresby House, Sherwood Energy Village	County Council to acquire freehold reversionary interests in the office blocks known as Thoresby House, Welbeck House, Ollerton House, Bevercotes House. This transaction will merge the Council's freehold and leasehold property interests at this location. The transaction will include grant of rights of way over estate roads and rights for the County Council, to discharge surface water in to the swales. The County Council will pay an annual Estate Charge towards the upkeep of the drainage swales, along with other building owners.
Deed of Grant	To permit the County Council, as highway authority, to discharge surface water in to Swales at Sherwood Energy Village.
Highways Adoptions	The owner of Sherwood Energy Village to dedicate land at the Energy Village to allow the County Council to adopt the estate roads as public highways maintainable at public expense.
Traffic Regulation Order	Following adoption of the Estate Roads as public highways, the County Council will promote a Traffic Regulation Order aimed at reducing congestion on the highways at the Energy Village.
"The Boulevard", Sherwood Energy Village	The existing pedestrian link between New Ollerton town centre (at Wellow Avenue) and the Energy Village (at Darwin Drive) is known locally as "The Boulevard." The owners of the Energy Village will grant rights for the general public to use The Boulevard as a pedestrian route in perpetuity.
Land Transfer (1)	The County Council will sell its freehold interest in PART of its land ownership at the former Ollerton South Tip to the owners of the Energy Village. It is anticipated that this will facilitate an extension to the Energy Village.

Land Transfer (2)	The owners of Sherwood Energy Village will transfer the freehold interest of a small part of the Energy Village site to the County Council. This will provide a regular and sensible boundary between the Energy Village and the Council's retained land to the south of the Energy village.
Right of Way	The owners of the Energy Village will grant the County Council a revised right of access through the Energy Village to the Council's retained land at Ollerton South Tip.

10. For reasons outlined in the exempt appendix, it is now proposed to exclude Land Transfer (1), as described above, from the proposed transaction and to substitute a monetary consideration, the details of which are contained in the exempt appendix.

11. Highways Comments:

- a. It has always been the County Council's intention to offer to adopt the roads associated with Sherwood Energy Village as highway. However, negotiations stalled due to the wider issues relating to the County Council's interests in the site as set out in the committee report and the Owner not being prepared to treat the highway adoption as a separate matter. Should this now be resolved, it is considered that the roads are in a reasonable state of repair for an estate of this age and that they can now be adopted. However, there are issues with the street lighting that will require repair and on street parking needs to be controlled by the use of a Traffic Regulation Order to ensure that this is undertaken in a sensible manner. Funding to facilitate both will be needed and is detailed in the Exempt Appendix.
- b. A deed of dedication will be required from the Owner of the estate such that the County Council can then adopt the roads as highway. This will require supporting by a deed of grant to allow the discharge of highway water into the estate's privately maintained sustainable drainage system. (This is provided for in the proposed transaction).
- c. Pedestrian access rights will also need to be secured between Darwin Drive and Rufford Avenue, "the Boulevard" to ensure an appropriate pedestrian connection is always available to the town centre. (This is provided for in the proposed transaction). This will incur some legal fees and there are already outstanding fees that have yet to be charged for that will need to be met.

12. Rail Officer's Comments: The County Council has a long-standing public transport aspiration to see the railway line to the south of Ollerton reopened to passenger traffic (as an extension to the Robin Hood Line). This aspiration is contained in the Nottinghamshire Local Transport Plan 2011-2026 (Paragraph 4.4.1). The proposed transaction is consistent with this Policy objective, and on that basis the transaction is strongly supported.

Other Options Considered

13. There are realistically no other options available which would achieve the improvement and rationalisation of the County Council's landholdings in and around the site of the former Ollerton Colliery.

Reason/s for Recommendation/s

14. To amend the terms for the proposed transaction to improve and rationalise the County Council's landholdings in and around the former Ollerton Colliery, as detailed in the exempt appendix.

Statutory and Policy Implications

15. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, the NHS Constitution (Public Health only), the public sector equality duty, safeguarding of children and vulnerable adults, service users, sustainability and the environment and ways of working and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATION/S

- 1) To approve the proposed revisions to some of the terms of the previously approved land contract at Sherwood Energy Village and Ollerton South Tip, as detailed in the exempt appendix.
- 2) To approve the renewal of the approval of Resolution Numbers 2014/040 and 2014/049), subject to the changes proposed in this Report.

Jas Hundal

Service Director – Transport, Property & Environment

For any enquiries about this report please contact: Ian Brearley

Constitutional Comments (CEH 17.10.14)

16. The recommendations fall within the remit of the Finance and Property Committee by virtue of its terms of reference.

Financial Comments (TR 4.11.14)

17. The financial implications are set out in the exempt appendix to the report. Approval from CAMG is required in order to fund the purchase of the Right of Way.

Background Papers and Published Documents

18. None.

Electoral Division(s) and Member(s) Affected

19. Ollerton

File ref.: /IB/SB/

SP: 2749

Properties affected: 00758 - Bevercotes House, 00759 - Thoresby House, 00761 - Ollerton House, 62230 - Ollerton South Pit, 00760 - Welbeck House