

**REPORT OF CABINET MEMBER FOR FINANCE AND PROPERTY****SITES TO BE INCLUDED IN AIMING FOR EXCELLENCE EXTRA CARE PROGRAMME****Purpose of the Report**

To inform Cabinet about the basis upon which the sites required for the delivery of the extra care programme will be incorporated into the tender process to secure partners.

**Information and Advice**

The Council is developing a major programme, Aiming for Excellence, to encourage the development of Extra Care provision across the County. The capital programme currently includes an allocation of £12.65m to facilitate the delivery of this programme in conjunction with a strategic partner who will be selected in mid 2012 as the result of an ongoing Official Journal of the European Union (OJEU) tender process. This will form part of the tender.

**NCC Owned Sites**

The Council has identified a number of sites in its ownership which may be suitable for the provision of such schemes including:

- a. **The Former School site at West Furlong, Retford.** This site extends to approximately 3.2 acres. The site has a local plan allocation for residential use which is appropriate for the proposed development and is well located for an extra care scheme close to local facilities and with easy access by car and public transport.
- b. **The Former School site at Walker Street, Eastwood.** This site extends to approximately 5.2 acres. The site has a local plan allocation for residential use which is appropriate for the proposed development and is well located for an extra care scheme close to local facilities and with easy access by car and public transport.
- c. **Land off Skegby Lane, Mansfield.** This site extends to approximately 13.7 acres. The site is currently open space and has no local plan allocation for development, however the site is being promoted in the local development framework for residential use. It is well located for

an extra care scheme close to local facilities and with easy access by car and public transport.

These sites are to be included as individual lots in the OJEU procurement for a partner for delivery of the required schemes.

It is proposed that the successful partner(s) should use these sites to build the required schemes on the basis that they agree to take a ground lease of the sites for 125 years, subject to paying to the Council a one off premium to be set at market value for the interest being transferred.

Transferring the sites by way of a lease will allow the Council to retain significantly more control over the way the site is developed and operated as compared to a freehold disposal.

The value of the premium will be based upon valuation advice provided by externally appointed valuers. The valuer has confirmed that, for the proposed use, a valuation of the land for a 125 year lease is comparable to that potentially achievable from a freehold disposal of the land and that, on this basis, the proposed disposal method delivers an acceptable capital income to the Council.

### **Other Options Considered**

- The Council may have chosen not to make any sites available however this would have delayed the delivery of the programme because it would rely on bidders finding suitable sites.
- Freehold sale rather than leasehold transfer has been considered, however this would mean the Council relinquishes the majority of its control over the use and development of the site once the sale was completed. This would leave greater scope for the bidders to divert away from the intended brief and not deliver the schemes in the way the Council requires.

### **Recommendation**

- That Cabinet notes the content of the report.

**Patrick Robinson**

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