

REPORT OF THE LEADER OF THE COUNTY COUNCIL**DISPOSAL OF LAND AT THE FORMER KELHAM ROAD DEPOT SITE,
NEWARK****Purpose of the Report**

1. To seek approval to sell the former Highways Depot at Kelham Road / Great North Road, Newark, to the preferred bidder on the basis of the Heads of Terms as detailed in the exempt appendix.

Information

2. Some information relating to this report is not for publication by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972.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.
3. In 2014 Cabinet approval was granted to the sale of the former depot to Mulberry Developments Limited conditionally upon the developer securing a pre-let of the site to a food store operator and obtaining planning consent. Mulberry secured board approval from J Sainsbury and exchanged contracts.
4. Following a significant two year delay in determining the planning application submitted by Mulberry, Newark and Sherwood District Council refused the planning application.
5. The site has now been relaunched with a fresh marketing campaign. A planning report has been carried out and the existing data on the site has been updated.
6. A final date for bids was on the 8th November 2018 and 19 bids were received.
7. The majority of bids were conditional on receiving planning consent although 6 bids were unconditional.
8. As part of the marketing exercise, the Council expressed an interest for the development of a hotel on site and a number of bidders carried out investigations for hotel use.

Other Options Considered

9. The following additional options have been considered:
- a. Retain the Property: this property is vacant and has been declared surplus to the operational requirements of the County Council and can be sold. There is no need to retain the property.
 - b. Lease the property: this would be an alternative to outright sale, but the prospects to achieve long term and consistent rental income from the letting of the property are considered to be extremely poor. Any letting interest which might be generated is likely to be short term or sporadic, with the likelihood of significant periods of vacancy.

Reason/s for Recommendation/s

10. To enable the sale of a surplus asset and to secure a capital receipt to the County Council.

Statutory and Policy Implications

11. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance, finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment 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) That approval is given to sell the site to the highest bidder Newfield Retirement Benefit on terms outlined in the exempt appendix.

Councillor Mrs Kay Cutts MBE
Leader of the County Council

For any enquiries about this report please contact: David Hughes, Service Director - Investment & Growth, Tel: 0115 9773825/ Steven Keating 0115 993 9397

Constitutional Comments [CJ 22/11/2018]

12. The recommendation falls within the remit of Policy Committee under its terms of reference. The Council is under a statutory obligation when disposing of land or buildings to obtain the best price reasonably obtainable on the open market. Therefore, Members should satisfy themselves of this. If the Council has any retained land the effect on the value and use of it must be considered.

Financial Comments [JPEG 23/11/2018]

13. The financial implications are set out in the exempt appendix to the report.

Background Papers and Published Documents

None.

Electoral Division(s) and Member(s) Affected

Division(s): Farndon and Trent
Member(s): Cllr Sue Saddington