

20 January 2014**Agenda Item: 9(a)****REPORT OF SERVICE DIRECTOR TRANSPORT, PROPERTY &
ENVIRONMENT****DISPOSAL OF FORMER SOUTHWELL HIGHWAYS DEPOT, FISKERTON
ROAD, SOUTHWELL****Purpose of the Report**

1. To seek approval to enter in to a conditional contract for the sale of the former Southwell Highways Depot, Fiskerton Road, Southwell.

Information and Advice

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 Some information relating to this report is not for publication by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972.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 exempt appendix.
3. The former Southwell Highways Depot closed on 2nd March 2011 and is now surplus to operational needs due to the reorganisation of Highway Services and construction of the Bilsthorpe Depot. It is listed on the Capital Receipt List for disposal. There was some delay in marketing due to the area to be sold and the area to be retained for the potential by-pass needing to be clearly defined by Highways. The former depot occupies a site of approximately 1.74 acres (0.71 Hectares). The area being marketed is 0.929 acres (0.376 Hectares) the remainder of the site is to be retained for a proposed by-pass.
4. The proposed Southwell by-pass is currently included in the capital programme but has no funding. The sale of the land needs to take into consideration the possibility that the by-pass scheme is abandoned in the future and the remainder of site along with other surrounding retained land can be sold at a later date.
5. The development of the land for sale (crossed hatched) will be expected to provide an access road to Phase 2 (hatched on attached plan) because in the event the Southwell by-pass project is abandoned an adoptable standard road will be needed for access if the land to the front is sold now. This may restrict the development on this site. The retained land fronting Fiskerton Road is unlikely to gain Highway planning consent as an additional access.

6. The site currently consists of paved areas and several derelict buildings that previously contained offices and workshops. The site is secure and all the buildings boarded up, there are no on-going security costs.
7. The property has been extensively marketed by the Council's appointed agents, Innes England. A wide range of offers has been received for the marketed part of the site, both on a conditional and on an unconditional contract basis. Each of the bids have been subject to detailed scrutiny by Officers and by the Council's agents. The offers received exceeded expectations and represent good value to The Council. A summary of all the offers received is contained in the exempt appendix.

Other Options Considered

8. An alternative to disposal would be the letting of the property, but the letting potential of the site is not considered likely to deliver a significant income stream, with a high risk of significant void [empty] periods. The site has no usable properties due to poor condition.
9. Consideration was given to sale by auction but we would have no guarantee the purchaser would develop the site and they could possibly land bank the site. Therefore not constructing the road to allow access to the retained land. This would effectively land lock the retained land if it were to become available. It was also felt sale by private treaty would produce greater interest and allow for more discussion with interested parties. Plus all importantly greater clarity as regards the access road.
10. A final option is to retain the land until such time as the future of the by-pass is determined one way or the other. This could cause a significant delay in selling the land as the next tranche of roads going forward for funding is not until 2019. At this present time 50 potential road schemes are being put forward in 2019 but only 3 of these will receive funding. This by-pass could roll forward to the next tranche or even several future funding tranches.

Reason/s for Recommendation/s

11. The Authority has no strategic requirement for the property.

Statutory and Policy Implications

12. 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) That approval be given to the sale of property on terms detailed in the exempt appendix.

Jas Hundal

Service Director – Transport, Property & Environment

For any enquiries about this report please contact: Gael Gamble 0115 977 2083

Constitutional Comments (CEH 13/12/13)

13. The decision falls within the delegation to Finance and Property Committee. When disposing of its land the Council is required to obtain the best price reasonably obtainable on the open market and Committee should satisfy itself of this when making a decision.

Financial Comments (TR 19/12/13)

14. A sale will generate a capital receipt which will be used to help fund the Capital Programme.

Background Papers and Published Documents

15. None.

Electoral Division(s) and Member(s) Affected

16. Ward(s): Southwell & Caunton
Member(s): Councillor Bruce Laughton

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SP: 2509

Properties affected: 07024 - Southwell Sub Depot