



REPORT OF THE SERVICE DIRECTOR, INVESTMENT AND GROWTH

DISPOSAL OF THE FORMER GROVE PUPIL REFERRAL UNIT, LONDON ROAD, BALDERTON, NEWARK

Purpose of the Report

1. To seek approval to the disposal of the former pupil referral unit building with adjacent land and buildings on the terms as detailed in this report and its exempt appendix.

Information

2. This report contains an exempt appendix which is not for publication by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972 (as amended). Information relating to any individual or the business affairs of a particular person (including the authority holding that information). 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. The property comprises a three-storey substantial period property set within substantial grounds. The main building was most recently utilised for educational purposes. Also located on site are the following:
 - Maintenance Depot – currently operational but to be provided with vacant possession.
 - Caretakers Lodge – leased to the Newark Academy.
 - Substantial Grounds – totalling c. 3.25 acres (1.32 ha).
4. The property is surplus to the Councils operational requirements and has offered the property for sale on the open market by informal tender with sale being either conditional on the purchaser achieving planning consent for their proposals or with the option of buying unconditionally.
5. The offers received are outlined in the exempt appendix with the highest bid being from a party with capacity to fund the purchase and their scheme. Details of the proposed terms of sale are outlined in the appendix also. It is to be noted that the offer is potentially subject to further reduction as set out in the appendix and this report seeks delegated authority to negotiate and finalise the detailed terms of the contract.
6. Marketing identified a preference for the bidders to retain the former Pupil Referral Unit, which all bidders have confirmed will form part of their development proposals.
7. The Council is required under section 123 Local Government Act 1972 to obtain the best

consideration reasonably obtainable for the disposal of assets. Given the current planning designation of the property, the marketing that has been undertaken and the current circumstances of the market it is considered that the proposed disposal terms meet this requirement.

Other Options Considered

8. The following additional options have been considered:
 - (a) Retain the property: this property is vacant and is surplus to the operational requirements of the County Council.
 - (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 site are considered to be poor. Any letting interest which might be generated is likely to be short term or sporadic, with the likelihood of significant periods of vacancy.

Reasons for Recommendations

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

Statutory and Policy Implications

10. 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.

RECOMMENDATIONS

- 1) To approve the sale of the former pupil referral unit and adjacent land and buildings as indicated edged black on the attached plan on the terms set out in the exempt appendix to this report.
- 2) To delegate authority to the Corporate Director, Place, in consultation with the Service Director Finance, Infrastructure & Improvement to negotiate and finalise the detailed terms of the contract including the mechanism for determination of the final sale price.

Matthew Neal
Service Director, Investment and Growth

For any enquiries about this report please contact: Neil Gamble - Group Manager
Property Asset Strategy, Tel: 0115 9773045

Constitutional Comments (EP 11/02/2022)

11. The recommendation falls within the remit of Economic Development and Asset Management 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.

Prior to the disposal the Council should comply with any requirements for Department of Education consent (if applicable).

Financial Comments (GB 10/02/2022)

12. The report sets out that the bids received represent the best consideration reasonable obtainable for this asset. The capital receipt will be used in line with the Councils' current capital receipts policy.

Background Papers and Published Documents

- None.

Electoral Division(s) and Member(s) Affected

- Electoral Division(s): Newark East - Councillor Sam Smith

File ref.: DW/SB/01910

SP: 3931

Properties affected:01910 : Grove Pupil Referral Unit