

Report to Finance & Property Committee

19 January 2015

Agenda Item: 6a

REPORT OF SERVICE DIRECTOR TRANSPORT, PROPERTY & ENVIRONMENT

DISPOSAL OF FORMER SOUTHWELL HIGHWAYS DEPOT, FISKERTON ROAD, SOUTHWELL

Purpose of the Report

- 1. To report on the marketing of the property, and offers received.
- 2. To seek approval to enter into a contract for the sale of the former Southwell Highways Depot, Fiskerton Road, Southwell.

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 Some information relating to this report is not for publication by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972.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 exempt appendix.
- 4. 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. 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.
- 5. The proposed Southwell by-pass is currently included in the capital programme but has no funding, and may eventually be abandoned. The proposed alignment for this road is along land owned by the County Council to the rear of the former highways depot. The sale of this land needs to take into account the possibility that the by-pass scheme will be abandoned in the future. Therefore the sale of the depot will need to include provision for a right of way to the Council's retained land to the rear.
- 6. The land proposed for sale is shown cross hatched on the attached plan. The land to be retained (projected highway alignment) is shown hatched on the same plan.
- 7. The development of the land to be sold (crossed hatched) will be expected to provide an access road to the retained land (hatched on the attached plan). In the event the Southwell by-pass project is abandoned, an adoptable standard road will be needed for access to the retained land. This may restrict the development on this site. The

- retained land fronting Fiskerton Road is unlikely to gain Highway approval for an additional access.
- 8. The site currently consists of concrete hard standing areas and several derelict buildings that previously contained offices and workshops. The site is secure and all the buildings boarded up, so there are no on-going security costs.
- 9. The property was extensively marketed by the Council's appointed agents, Innes England throughout June, July, and August 2013 and approval obtained on 20 January 2014 for disposal to the highest bidder.
- 10. Newark and Sherwood District Council suspended determining any planning application in Southwell until the outcome of Flooding Reports which were being prepared by NCC were available and the purchaser withdrew from the proposed sale.
- 11. The property has been remarketed and a wide range of offers have been received, both on a conditional and an unconditional contract basis. Each of the bids has 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

- 12. 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 buildings due to poor condition.
- 13. Consideration was given to sale by auction. It was considered that sale by private treaty would produce greater interest and allow for more discussion with interested bidders. Private treaty negotiations also allow for greater clarity as regards the necessary access road to the retained land.
- 14.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

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

Statutory and Policy Implications

16. 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 the bids received for the site as detailed in the exempt appendix are noted.
- 2) That approval be given to the sale of the 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 (EP 2.12.14)

17. The recommendation falls within the remit of the Finance and Property Committee by virtue of its terms of reference.

Financial Comments (TR 9.12.14)

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

Background Papers and Published Documents

19. None.

Electoral Division(s) and Member(s) Affected

20. Ward(s): Southwell and Caunton

Member(s): Councillor Bruce Laughton

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Properties affected: 07024 - Southwell Sub Depot