

22 April 2013

Agenda Item: 5

**REPORT OF SERVICE DIRECTOR FOR TRANSPORT, PROPERTY AND
ENVIRONMENT****OVERVIEW OF PROPERTY STRATEGY AND PERFORMANCE 2012/13****Purpose of the Report**

1. The purpose of the report is to provide the Committee with an update of the County Council's Property Strategy and its on-going delivery together with the performance information.

Information and Advice

2. A number of property plans, reviews and programmes underpinning the Property Strategy are implemented to deliver the Council's service objectives as outlined in this report, namely: Partnership Working, Capital Receipts Programme, Strategic Land Disposal, Property Reviews, and Capital Property Programmes.

Summary of Achievements during 2012/13**Strategic Planning and Capital Receipts**

- Total value of capital receipts with payment received in year; £2.49m
- Total value of offers now accepted on property sales with payment due beyond April 2013; £20.17m
- Additional 131 Ha of council owned potential development land promoted through the local development frameworks, an increase of 116% (from 113 Ha) in 2011/12, bringing the total to 244 Ha.
- Additional 76 Ha of council owned land with newly designated development allocations, an increase of 71% (from 107 Ha) in 2011/12, bringing the total allocations to 183 Ha with an indicative gross development value in the region of £110m.

Refurbishment Programmes

- £4.85m multi-purpose Day Services buildings refurbishment of 10 buildings delivered on time and under budget.
- £11.6m Library refurbishments programme developed and approved
- To date delivered/started nearly 100 school capital refurbishment projects with a total investment approaching £30m.
- Nottinghamshire awarded 15 Priority Schools Building Programme projects by central government based upon advice and information provided by Property working in conjunction with Children's Families and Cultural Service (CFCS). This was the highest number of projects awarded to any Authority.

New Build/Extensions

- £5.3m West Bridgford library and young people's centre redevelopment completed on time and to cost
- £9m Mansfield bus station designed and built and completed on time and to cost
- Heymann Primary School Annexe successfully underway within extremely tight timescale
- Strategic developments at Sherwood Visitor Centre and Rufford Country Park
- County Council sites identified and leases completed for new developments within the Extra Care procurement process

Capital and Maintenance Programmes

- c.£25m capital programme management
- Delivery of £14m capital maintenance and H&S programme within budget
- Successfully maintained OHSAS accreditation

Strategic Reviews/Transfers

- Smallholding review completed and sales achieved
- Industrial unit review completed and sales achieved
- 52 academy transfers completed with 13 ongoing
- Future of National Watersports Centre secured
- Urgent relocation of County Supplies completed
- £20m investment in the Ways of Working Programme

Property Strategy

3. As Councillors will be aware, the Council occupies over 1,400 sites that include schools, libraries, social care establishments, headquarters/administrative buildings, youth clubs, small-holdings and country parks etc. In common with many other public sector organisations the County Council's portfolio has a significant maintenance backlog, which is currently in the order of £200 million. The annual running cost of the buildings is in excess of £60 million per annum. The total value of the corporate estate, encompassing land and buildings, is in excess of £1.2 billion and comprises 1.35 million sq m of floor space. This value includes all LMS schools but excludes academies.
4. As previously reported to Committee in July 2012, the Council's property strategy is aimed at ensuring the property portfolio is managed effectively to support the Council's priorities and that value for money from the corporate estate is maximised. The Council's property strategy is also aimed at working towards minimising the overhead costs of its property estate and maximising capital income generated from the disposal of surplus assets whilst protecting service delivery performance and maximising service outcomes.
5. The Council's property strategy is underpinned by the overarching principles required to make an optimal contribution to the Council's aims and objectives and that the Council's property is one of the key corporately owned resources. It is supported by:
 - (1) Undertaking continuous review and rationalisation of property resources to ensure that they are appropriate, efficient and fit to enable the delivery of quality services.

- (2) Management and maintenance programmes for the estate to ensure compliance with relevant legislative requirements, particularly Health and Safety (H&S) and reducing the maintenance backlog.
 - (3) Corporate framework for the effective and efficient management of the corporate estate to support frontline service delivery.
 - (4) Strategically led asset disposal programme for surplus property in order to optimise use and maximise capital receipts.
 - (5) Working in partnership with other organisations where appropriate.
6. To summarise, the key strategic objectives are that our property should be:
- Managed strategically to support corporate goals and objectives.
 - Fit for purpose and effectively supporting service delivery now, and in the future.
 - Providing value for money and securing efficiencies for the future.
 - Protecting and improving the local environment.
 - Ensuring optimisation of effective property occupation and usage for continuing need.
 - Supporting partnerships with our communities and other bodies.

Key Property Priorities for 2013/14

- To deliver the Capital Receipts Programme
 - To implement a programme of disposals
 - To deliver year 3 of the Schools Capital Refurbishment Programme
 - To complete the remaining Day Service Review Projects
 - To deliver the Care Home Refurbishment Programme
 - To deliver the School Basic Need Programme
 - To deliver the planned maintenance programme to time, cost and quality
 - To reduce the portfolio operating costs
 - To ensure improved fire/legionella/asbestos compliance across the portfolio in line with established programme
 - To secure sites for phase 2 of the extra care programme
 - To ensure the property strategy meets the business needs of the Ways of Working programme
 - To deliver the corporate Capital Programme
 - To complete the academy conversion programme set for the year
 - To implement BMS Plant Maintenance module across the property estate
7. The diagram below shows how the elements of the corporate property strategy combine with the aims and objectives of the Council to achieve desired outcomes for both internal and external customers and other stakeholders.



Service Focus

8. Property ownership is not the first priority of the Council, but it is recognised that the quality of facilities does affect services so it is extremely important to identify and consider options for investment in property which is targeted towards delivering service improvements.
9. The property strategy establishes the objectives for managing the Council's property assets as described in the Council's Asset Management Plans, in accordance with financial challenges and changing service priorities.
10. In the current financial climate, funding for new investment is scarce. This has inevitably driven a shift in the balance of Property's strategic focus towards capital income generation and revenue savings in order to fund new projects and programmes in high priority areas.
11. It must be emphasised that this is achieved through the promotion and disposal of surplus assets to generate capital which is used to support service improvement via property investment. It is not aimed at closure and disposal of essential frontline service property. This is particularly evident in the ongoing work to promote the Council's strategic land holdings through the Local Plan Development Framework.
12. Outlined below is the detail relating to the property plans, reviews and programmes underpinning the Property Strategy.

(A) **Partnership Working**

National Watersports Centre, Holme Pierrepont

13. The Council has finalised the tender process to select an operating partner for this property who will be required to manage and develop the site whilst retaining the Country Park element for ongoing service delivery on behalf of the County Council.
14. This has involved significant input from Property, working closely with CFCS, to develop and assess the tender process and to provide key information about ownership, running costs and likely maintenance costs during the period of the contract.
15. The outcome of this work will create a partnership with the private sector to enhance the facilities at the 270 acre site for both the local community and athletes and Olympians who train there. The proposal will generate a total of £6.7m investment into the centre, predominantly from the private sector. At the same time it is estimated that the proposals will save the Council more than £14m in revenue costs over the life of the 21 year contract.

Living at Home Programme

16. Work is ongoing with Housing Providers and District Councils to provide supported housing throughout the County and includes the Extra Care programme for older people. A tender process has recently been completed for Phase 1 of the Extra Care Programme based upon offering surplus vacant Council owned sites for the development of extra care schemes in partnership with the private sector.
17. Property has worked in partnership with Adult Social Care to identify appropriate sites and to develop and implement the tender process.
18. Work is now underway identifying sites for Phase 2 of the Programme.

Co-location of Services

19. In order to maximise the use of the Council's office portfolio Property is continuing to work with District Councils, Emergency Services and other Partners with a view to co-locating services and office bases where possible.

The Multi Agency Safeguarding Hub (MASH)

20. The Multi Agency Safeguarding Hub (MASH) was established to address inadequacies following an OFSTED inspection and is now operating from Mercury House and provides discreet space within the building to enable 60 staff from the Council, Police, and Health to work collaboratively.
21. The agencies involved will be able to share information on a case quickly and make swift decision on the most appropriate action needed. Better co-ordination between agencies will also lead to an improved service for children, adults and their families.
22. Vulnerable children and adults will be protected and supported faster, with agencies providing more targeted and co-ordinated help. There will be a greater emphasis on early intervention, supporting children, families and adults before any situation deteriorates.

23. The provision of the accommodation at Mercury House and the ability to work collaboratively will help to support the MASH to bring the benefits set out below:
- Faster, more co-ordinated and consistent responses to safeguarding concerns about vulnerable children or adults.
 - An improved journey for the child or adult with a greater emphasis on early intervention and better informed services provided at the right time.
 - Greater ability to identify potential vulnerability, enabling more preventative action to be taken, dealing with cases before they escalate.
 - A more straightforward and responsive process for the professional or citizen raising a concern, with clear support and guidance.
 - Closer partnership working, clearer accountability and less duplication of effort.
 - A reduction in the number of children and adults inappropriately accessing costly services from social care, the police and others.
 - A reduction in the number of inappropriate referrals and re-referrals.

Nottinghamshire Olympic Sporting Legacy

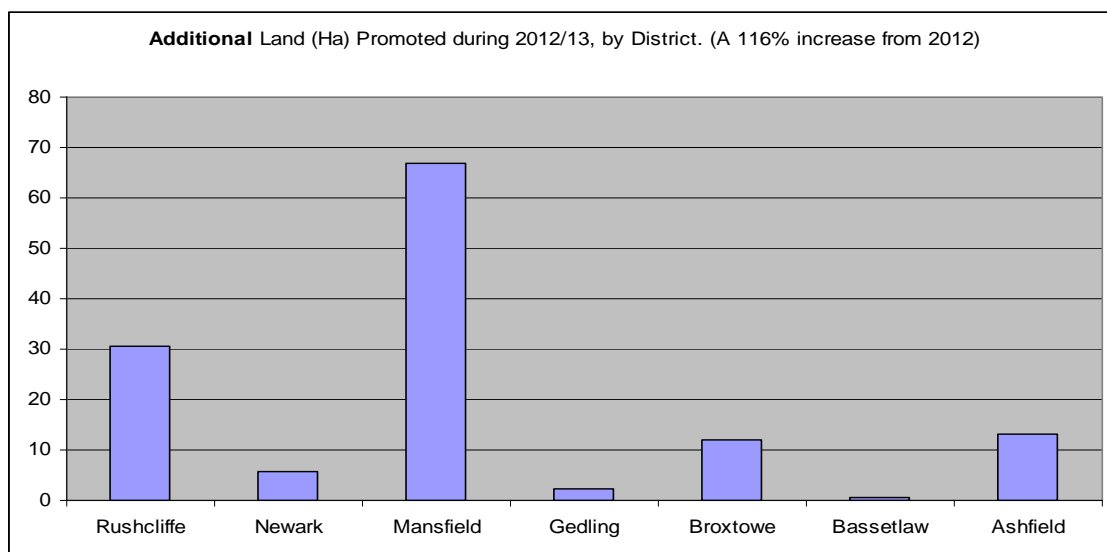
24. As a result of working together in partnership with Newark & Sherwood District Council and Newark Town Council, Property has negotiated terms for a long lease to N&SDC to enable them to develop a major new £5m sporting hub on land at Bowbridge Road in Newark. The sporting hub will adjoin a proposed new £12m leisure centre which is planned to replace facilities at the Grove Leisure Centre in Balderton. This has been made possible by the County Council's decision to grant a long term lease of the NSK site at a nominal rent
25. The County Council's partnership and support will help to continue to promote the sporting legacy in Nottinghamshire.

(B) Capital Receipts Programme

26. The capital receipts programme incorporates the sites which are currently anticipated to be sold to generate capital income for the Council up to and including 2016/17.
27. Capital receipts achieved in 2011/12 were £16m against a target of £17m. The capital income achieved in 2012/13 amounts to £2.49m however offers totalling £20.17m have been accepted on sites during 2012/13 and the income will be received in future years.
28. Key disposals for the years 2013-17 are shown in **appendix 1**. The capital receipts target for 2013/14 is £6m.
29. The bulk of these capital receipts will be generated from the sale of land for housing development. The sites are being promoted by the Council in the District Councils' Core Strategies to deliver new housing numbers.
30. It must be emphasised that the future projections rely heavily on the successful disposal of a small number of large development sites. This clearly introduces a level of risk to the in year estimates for capital receipts, however the targets set in the MTFs are adjusted to reflect that risk as far as possible.

(C) Strategic Land Disposal

31. Property has ongoing, regular and very positive dialogue with all the District Councils in order to promote its strategic land holdings.
32. As a result of this ongoing strategic planning work within the District Councils' planning process, the Council has achieved significant success in both bringing forward valuable sites to sell for development and protecting the Council's long term interests in each of its assets by for example, objecting to proposals by planners to include all school sites as public open space.
33. The process to achieve development allocations requires Property to promote land within the local plan reviews in order to secure development allocations in each District Council's local development framework.
34. As of March 2013 Property is promoting 244 Ha of land across the County (which is a 116% increase from 113 Ha in 2012) and the development allocations have increased by 76 Ha to 183 Ha (a 71% increase from 107 Ha in 2012).
35. Indicatively, at an average gross development value of £600,000/Ha (circa £250,000/acre), the value of the total currently allocated land area (183 Ha) would amount to £110m. On disposal, this indicative gross value would inevitably be adjusted to a lower net figure by s106 contributions, infrastructure costs, open space provision etc. and will take several years to be realised due to market conditions, phasing and other factors.
36. The promotion work being undertaken at the moment will however ensure the Council secures a substantial income stream from the sale of development land over the medium to long term, for further investment in services.
37. The land which has been newly promoted by the Council during 2012/13, totalling 131 Ha, is summarised below by District:



Each bar represents an area of land in Hectares.

This chart shows the progress that has been made in this area of work in every District area.

(D) **Property Reviews**

38. A number of reviews of a range of service areas have taken place over the last 3 years and these are currently being implemented. The outcomes of these reviews have been based on the assessment of a range of property and service data including property running costs, service objectives, service operating costs, customer feedback data etc.

Ways of Working Programme

39. The Ways of Working 'vision' is 'to rationalise the Council's office accommodation and provide a flexible, cost effective and efficient workplace for use by all employees that will facilitate improved service delivery and new working practices and maximise the benefit to service users and taxpayers'.
40. The approved business case will enable the office portfolio to be reduced from 27 buildings to 12 buildings. The overall Ways of Working Programme requires investment of £20m which will be funded out of revenue savings and capital receipts. The investment in the refurbishment will create modern and efficient working conditions and will deal with the historic back-log of maintenance.
41. The capacity required from the retained buildings needs to provide a total of 3,315 desks for 4,500 staff (7 desks to every 10 people). This will enable a more balanced geographical spread which will meet the needs of the services whilst at the same time, reducing the size and running costs of the office portfolio and contributing significantly to the capital receipts programme.

Industrial Units

42. As previously reported, a strategic review of these 9 estates has been completed and three estates are being sold.
43. Following discussions with Mansfield District Council regarding the additional 'marriage' value to be gained in undertaking a joint disposal, Advance Factory No 1 was sold at auction on December 18, 2012 for £400,000, of which the County Council will receive £340,000.
44. Negotiations are currently ongoing with Mansfield District Council regarding the disposal of Meden Court Industrial Estate in Mansfield and at present discussions are being undertaken with an external party who is interested in buying both Meden Court and the vacant industrial land surrounding the site (owned by Mansfield DC).
45. Kilton Terrace Estate in Worksop, which is fully let, is owned by Bassetlaw District Council. Their consent to allowing the County Council to dispose of the leasehold interest was originally on the condition that an authorised guarantee agreement (AGA) was entered in to. This would have effectively meant that should the new purchaser of the estate default in the future in terms of rent or repairs, Bassetlaw District Council could revert to the County Council for any money they were owed or compel the County Council to take over the lease.
46. Following further negotiations, Bassetlaw District Council have now agreed to dispense with the need for an AGA in return for the new purchaser depositing a security bond. Bassetlaw District Council has also agreed not to enforce the repairing covenant which otherwise would have obligated the County Council to leave the units in good repair; at considerable expense. Once this has been

formally agreed with Bassetlaw District Council and subject to a revised approval, Kilton Terrace will be brought forward to the next available auction.

47. The remaining six estates are held under annual review. These six are currently generating an income which is in excess of the return on capital value that would be achieved after disposal and should therefore be retained at the current time.

Day Service Review Programme

48. Property has had a large input into the Day Service Review and as a result of the Review approval was given to close 11 out of the 23 centres and carry out a refurbishment programme on the properties to be retained.
49. Phase 1 of the programme involved the relocation of day services operating from residential homes and co-locating them with existing day services running from County Council-owned buildings. A number of the buildings have undergone major refurbishment to enable the service to co-locate a range of clients within one facility and further develop partnership working with the voluntary and social enterprise sectors enabling the realisation of significant revenue savings. Phase 1 is now complete and as a result annual property revenue savings of £264,000 have been realised.
50. Phase 2 is continuing and on completion of the whole programme the service will have at least one fit for purpose venue within each of the Districts.
51. The information below sets out a list of the planned and approved Day Service Refurbishment Programme. This amounts to investment of £4.85m in 2012/13 (including furniture and equipment, plus contingency, and dilapidations to leased properties).

Ernehale Lea, Arnold	£0.076m	Project complete
Barncroft, Chilwell	£0.941m	Project complete
Ley Street, Netherfield	£0.101m	Project complete
Red Oaks, Rainworth	£0.876m	Project complete
Balderton, Newark	£0.687m	Project complete
Moorlands, Bingham	£0.130m	Project complete
Willow Wood, Sutton-in-Ashfield	£0.662m	Project complete
Whitewater, Ollerton	£0.431m	Project complete
Middle Street, Beeston	£0.366m	Project complete
BGR, West Bridgford	£0.182m	Project on hold pending construction of the new Heyman Primary School

52. This programme will result in the amalgamation of a range of clients into fewer, high quality, refurbished centres which will operate more efficiently and enable the delivery of a better service to its clients.

Extra Care Programme

53. The Extra Care Programme has a total of £12.65m allocated over the period of the programme 2012 to 2015 to provide nomination rights for 160 units.
54. This programme has been developed to work in partnership with private sector

developers and housing providers to create a number of extra care facilities across the county. The programme will provide additional choice to older people for the provision of long term care and falls in line with the government's objectives to reduce the current reliance on traditional institutional care homes.

55. Property has worked with the service to provide suitable sites and tenders have been accepted for the provision of the Phase 1 Extra Care housing developments at Walker Street, Eastwood (30 nomination rights) and Leafield, Retford (25 nomination rights) a total of 55 units.
56. Work is continuing on Phase 2 for provision of the remaining 105 units which will provide units in Ashfield, Gedling, and Mansfield for which discussions are taking place with the District Councils and Housing Providers.

Sheltered Employment

57. As a result of the Sheltered Employment Service Review approval was given to close 2 of the County Horticulture sites namely, Sparken Hill, Worksop, and Sherwood Pines, Clipstone, which combined have resulted in an annual revenue saving of £100,000.
58. The closure of Sherwood Industries, Rainworth has resulted in an annual revenue saving of £500,000. This property is being considered for re-use by other County Council services.

Short Breaks – Big House Replacement

59. This service provides respite care within Children's Social Care. The current building is in a very poor state of repair and has been identified for some years as requiring significant investment to make it suitable for the service.
60. The project will replace the current listed Big House building with a new purpose built respite facility adjacent to the current property. The intention is to retain the existing building for a period of time as a northern base office/touchdown facility.
61. The Edwinstowe Respite Centre's detailed design and working drawings are currently ongoing and the construction is programmed for the coming year.

Registrars

62. Work is ongoing with the Service and Rushcliffe Borough Council with a view to retaining the continued occupation of the Registration Service in The Hall, West Bridgford.
63. Lease terms have been agreed and completed with Newark and Sherwood District Council and approval has been received from the Charity Commission, to secure the relocation of the Newark Registration Service from its current location in Baldertongate to new premises at The Gilstrap Centre. The Capital Programme has an allocation of £300,000 for works to make the Gilstrap Centre fit for purpose. The relocation of the service will enable the County Council to vacate Baldertongate and return the property back to Newark & Sherwood District Council.

Priority Schools Building Programme - PSBP

64. Within the Government's school building programme the Council was required to provide extensive property and service data to support its bid for funding within the programme.
65. As a result of the quality of the bid, supported by the level and accuracy of information provided, the County Council was awarded 15 new projects (including Academies), which was more than any other Authority in the Country.
66. The funding for this programme will help to significantly reduce the Council's backlog of property maintenance as well as providing excellent new school facilities.

Library Refurbishments

67. The information below sets out a schedule of all planned and approved Libraries capital schemes. This amounts to a planned investment programme of £11.6m between 2012 and 2023.

68. Approved Schemes:

- **West Bridgford Library and Young People's Centre - £5.3m:** Replace current library to provide an accessible and modern library service and create a new young people's facility. Also includes Shopmobility and Registrars provision. This is now complete.
- **Annesley Woodhouse Library - £110k:** To co-locate the library with an extended local Community Centre. Feasibility Stage.
- **Balmoral Library, Worksop - £25k:** To co-locate the library into surplus accommodation at the Gateford Children's Centre. Feasibility Stage.
- **Calverton Library - £50k:** Library makeover to improve environment and enhance service. Completed.
- **East Leake Library - £60k:** Library makeover to improve environment and enhance service.
- **Bingham Library - £540k:** To extend the library into the current health centre area to meet space requirements and to include a Children's Centre provision. Design stage spring/summer 2013 (dependent upon progress of new health centre building).

Archives

69. The Nottinghamshire Archive building is at full capacity and a £2.1m capital project to extend and improve the building's reception and customer access points, as well as improving the storage systems for digital media and enhancing the storage environment has been agreed. This will bring the building up to the new British Standard for archive repositories ensuring its specialist storage facilities for 25 years. The project is currently at target cost stage and planning consent will be submitted shortly.

Smallholdings

70. A strategic review of the farms and smallholdings estate was completed. The basis of the strategy was to identify and retain any farms which were deemed to have potential for housing or employment development in future. Any farms which did not have development potential were to be sold to take advantage of the continuing

boom in agricultural land values. As a result, three farms were sold, whilst the remaining twenty were retained.

71. This strategic review is ongoing, reflecting the various local development frameworks, and recommendations will be made to Committee on which farms may be suitable for bringing to the market to produce further capital receipts on an ongoing basis.

(E) Property Programmes

i) Schools Capital Investment

• Capital Refurbishment Programme

72. Councillors will be aware that the County Council will soon be starting the third of the three year Schools Capital Refurbishment Programme. The programme is aimed at delivering much needed refurbishment and repairs to schools right across the county.
73. Under this programme every school identified will receive works to address high priority maintenance need and it is the largest single programme of maintenance and refurbishment work ever undertaken by the Council.
74. To date, 91 projects have been completed/ongoing for phases 1 and 2 of the programme. On completion of the three year programme, more than 300 schools are expected to have benefited from this programme of investment.

• Basic Need Programme

75. At this point in time thirteen projects have been identified to be completed during 2013 and 2014.
76. Increasingly, the design solutions are based on tried and tested off site volumetric building systems which facilitate building extensions at reduced cost with a considerably shorter delivery timescale. The first NCC volumetric classroom extension has been delivered at Jesse Grey and the whole process on site was completed within 12 weeks giving the school additional pupil places with minimum disruption to curriculum delivery for the commencement of the academic year. The scheme compares favourably with the new DFE guidelines for new school buildings and has cost comparability with other off site volumetric schemes currently offered by SCAPE and the East Midlands Property Alliance.

ii) Corporate Capital Programme

77. This programme typically totals around £20-30m pa and is largely delivered using externally appointed specialists and contractors. Key projects are allocated to specialist project managers to control delivery within time and cost targets.
78. Key Completed Projects:
- Carlton Digby Specialist School
 - West Bridgford Infants School refurbishment
 - Chuter Ede (Fernwood annexe) Primary School

- Bassetlaw Specialist Facility refurbishment
- Barncroft Day Centre refurbishment
- Ley Street Day Centre refurbishment
- Balderton Day Centre refurbishment
- Red Oaks Day Centre refurbishment
- Ernehale Lea Day Centre refurbishment
- Installation of PV panels at various Office locations around the County
- Various Capital refurbishment projects at Schools around the County
- West Bridgford Library and Young People's centre replacement
- Mansfield Bus Station
- Middle Street Day Centre refurbishment
- Whitewater Day Centre refurbishment
- County Supplies relocation

79. Key ongoing projects:

- Archive building refurbishment
- Edwinstowe Respite Centre
- Worksop Bus Station
- Heymann Junior School Extension
- Gilstrap Centre Fit out

80. Key ongoing programmes:

- Completion of the Day Services programme
- Schools Basic need for September 2013 programme
- Schools Capital refurbishment programme
- Care Home refurbishment programme
- Extra Care Programme

iii) Planned Maintenance Programme

81. The Planned Maintenance programme for 2013/14 currently stands at £11,985m and comprises £6.598m Capital funds and £5,387 Revenue funding (this funding is still to be confirmed), this funds approx 600 projects across the whole of the property portfolio.
82. Over the last few years the basic Planned Maintenance budget has been supplemented with additional funding to reduce risk from mounting Health & Safety and statutory compliance items. These are now reaping the rewards by minimising health & safety risk to occupiers and users of the property portfolio by improved fire safety, reduction of high risk areas where legionella bacteria can proliferate, and better management of asbestos within the properties.
83. The Planned Maintenance programme is compiled in conjunction with other building related programmes within the Authority such as 'Schools Capital Refurbishment Programme', the 'Schools Basic Need Programme', 'Ways of Working' and the recently successful 'Priority Schools Building Programme'.

iv) School Academy Transfer Programme

84. The transfer of schools to academy status has required a very significant level of specialist asset management resource from Property.
85. The transfers require detailed and extensive negotiations over precisely which elements of the property should transfer to the academy and which should be retained by the Council. This is particularly challenging in the case of joint use facilities. However this negotiation process is necessary in order to protect the Council's retained assets and its ongoing service provision.
86. The deadlines for conversions are demanding and are dictated by DfE requiring expeditious and timely actions by the Authority. To date 52 transfers have been formally completed and 13 are ongoing. To date, all the academy transfers have been completed within the required timescales.

Summary of Overall Performance for Property Against Key Indicators

Local spend

87. Framework contracts are designed to procure 70% of the total spend from local contractors. This has in effect meant that nearly £40m of spend on building and construction projects has been procured through local contractors in the County which has significantly benefited the local economy.

Finance

88. The financial indicators are all at or above target.

Performance

89. Nottinghamshire County Council design team are in the top quartile for cost certainty, and the figures this quarter have further improved.

Health and Safety

90. The water biennial risk assessments have all been completed.

RECOMMENDATION/S

- 1) That Committee notes the progress made on the property strategy and its contingent plans and programmes together with the performance information as set out in the report.

Jas Hundal

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Constitutional Comments (CEH 22-03-2013)

91. The Finance and Property Committee has authority to consider the matters set out in the report by virtue of their terms of reference.

Financial Comments ()

92. N/A

Background Papers

93. None.

Electoral Division(s) and Member(s) Affected

94. Ward(s): n/a
Member(s): n/a

File ref.: /EAS/GMcK/AJW/SL/09998

SP: 2390

Properties affected: 09998 - Various NCC Properties/non-property item

OVERVIEW OF PROPERTY STRATEGY AND PERFORMANCE 2012/13

Appendix 1

1. **Properties Currently Under Offer**

- Pennington Walk, Retford (Sold subject to planning)
- Church Street, Eastwood (Sold subject to planning)
- Centenary House, West Bridgford (Sold subject to planning)
- Surplus land at Ordsall, Retford (Sold subject to planning)
- Broomhill Farm Phase 1 (Sold subject to planning)

2. **Planned Key Disposals 2013/17**

- **Lindhurst, Mansfield**

The Council land forms part of a much larger comprehensive planning area of some 148 hectares which was promoted for a mixed use development ahead of Mansfield LDF.

- This is a major scheme which will create jobs in the locality and act as a major catalyst to create economic growth
- The scheme will provide 1,700 homes and create 1m sq ft of employment space
- The scheme will provide community facilities including a park, doctors surgery, shopping centre and bus links including sustainable transport links.
- During the 10-15 year construction phase nearly 2,300 jobs will be supported
- 4,000 permanent jobs will be created from the employment space
- A resolution to grant planning permission was secured based on an outline planning application and this was subject to completion of a Section 106 Agreement. The form of the Section 106 Agreement has now been agreed in principle and a report has been approved by the Finance & Property Committee giving authority for the Council to proceed to proceed to completion of the Section 106 Agreement following exchange of a Deed of Variation to the Developers Collaboration Agreement 'capping' the Council's net financial liabilities under the scheme. After the above the Parties to the collaboration agreement will vote on a resolution to "Progress the Scheme" and move to "Project Implementation".

- **Top Wighay Farm, Gedling**

All County owned land at this site together with two other land ownerships are included in an adopted development brief (November 2008) which will guide development of a sustainable urban extension accommodating over 2000 new

dwellings and 15 hectares of business development.

- Marketing of County's allocated land (23.58 ha) took place in 2007/8 but the effect of the recession on major house builders (falling land values and risk aversion resulted in derisory offers.
- In 2009/10, Property explored the potential for 'de-risking' the development by designing / constructing the enabling infrastructure (two major access road junctions off the A611 Annesley Road) but a bid for 'Growth Point' fund money has not been successful.
- It is now proposed that the land shall be offered in smaller parcels representing affordable and realisable phases of development. The initial infrastructure costs will be borne by the commercial development.
- External agents have been appointed and Phase1 of the site, for commercial development, has been marketed. Committee have approved the terms of sale of this land and the purchaser will seek to secure planning. The capital receipt will only be received once planning has been secured.
- The first of the residential phases (Phase 1b), of the site is now on the market.
- Gedling Borough Council is in the process of assessing the potential of significantly extending the development allocation for this site across other land owned by the County Council.

- **Broomhill Farm, Ashfield**

The allocated land is the subject of an adopted development brief (June 2003).

- The site was marketed in 2005/6 and sold subject to the grant of full planning permission for some 382 dwellings. Although a full planning application was submitted by Morris Homes, planning permission has not been granted and the sale was not concluded before the 2008 recession.
- In October 2009, Ashfield District Council identified the remainder of County's landholding (some 23.94 ha) together with the Rolls Royce land at Watnall Road as a 'spatial growth option' for Hucknall. Although this option has been modified in Ashfield's 'Preferred Option' March 2010, Property will continue to promote the residual land for development in the final stages of the 'Core Strategy' process (2011/12).
- Subject to compliance with an overall master plan for the County's entire landholding, Property instructed external agents to market Phase 1 of the site and an offer has been accepted, and is in legal hands. It is anticipated that completion will take place on a staged basis during 2013/14 and 2014/15.
- Phase 2 will be offered to market after on site commencement for phase 1. ADC have through their Draft Local Plan stated that control will be applied to housing in Hucknall by applying a phased approach to the Broomhill Farm allocation. NCC are resisting this proposal and have via external planning consultants made a formal objection to ADC in respect of this phasing approach on the grounds it is unreasonable, impractical and unjustified. ADC is therefore stating a preference for the newly allocated Rolls Royce site as no phasing condition has been imposed.

- **Wilford Lane, West Bridgford**

Rushcliffe Borough Council has resolved to grant outline planning permission for residential development, open space and related infrastructure. The Council issued a draft decision notice on 11 March 2011 but one item in the draft s106 agreement is disputed – a financial contribution in respect of indoor sports facilities.

- As planning policy has changed since the original planning application was submitted in October 2007 and the housing land market has been through a 'structural adjustment', the realisable development (and optimum land value) is likely to involve a lower density scheme and different house mix.
- Property proposes to market the site, with the outstanding s106 issue, in the immediate future, subject to ongoing discussions with an adjacent landowner, these discussions are on going to determine the extent of their interest.

- **Sparken Hill, Worksop**

External planning consultants are appointed and an outline planning application for residential development has been submitted to Bassetlaw District Council. Bassetlaw District Council has recommended the application for approval subject to completion of a s106 agreement.

- Discussions with the Local Planning Authority have been on going to refine the s106 conditions including the affordable housing criteria, and these have recently been agreed in principle.
- Property proposes to market the site utilising the resolution to grant planning and the in principle s106 agreement as a basis and seek offers to be conditional on planning. the process of briefing external agents to market the site is ongoing and the site should be on the market shortly.

- **Rolleston Drive, Arnold**

The site was vacated (except for County Supplies depot) in January 2012.

- The site is currently allocated in Gedling Local Plan as 'protected employment site' but NECRELS study into future business land requirements suggests the 'protection' could be lifted.
- Gedling planning officer supports redevelopment for housing in principle and a pre application has been made to GBC to determine the likely support for residential use.
- External agents have been appointed and the site is currently on the market.

- **Kelham Road, Newark**

The current highways depot is now surplus as operations have moved to the new depot at Bilsthorpe.

- The site lies within the urban boundary for Newark but without specific allocation in the adopted Local Plan.
- Planning and technical investigations have been completed confirming a

development potential for the site.

- The property is on the market with external agents based on the above advice.
- Offers have been received and are being analysed.
- The Chairman of Finance and Property is currently reviewing the options available to take this forward.

3. Where appropriate these sites are being promoted for development through relevant LDF reviews and consultants are appointed to pursue these opportunities. It is important to note that all sites being promoted in the Local Development Framework are subject to the risks of:

- being excluded from the District led reviews if more suitable sites are identified by the planning authority
- District Council planning review timescales
- availability of development funding
- major objections to development by local campaigners
- environmental objections
- access and transport objections
- judicial review

4. These sites are being promoted using in-house property expertise and external consultants in order to mitigate associated risks as far as possible. In order to maximise the income from these sites it is proposed to:

- Phase their disposals with any phasing programme being regularly reviewed in line with market conditions.
- Continuously review the potential for enhancing values by seeking appropriate consents for high value uses such as food retail, hotel use etc
- Continuously review the promotion of sites in relation to their relative value to the Authority. For instance, circumstances often arise out external factors, such as planning decisions on other sites, which mean the Council's priorities in promoting sites can change so a site which had previously been viewed as low priority can become much more important to the Council's strategy.

5. Planning consultants and commercial agents have been engaged on all of the major sites to advise the Council on the options available to maximise income from these sites, to progress the planning and disposal process as quickly as possible and manage and mitigate any risk of losing potential development allocations.

6. In addition to the above disposals, other surplus assets currently in the process of being sold are shown below:

Former Frederick Harrison school,
Stapleford
Thoroton Road, West Bridgford
Chapel Farm, Elston

- To be vacated at Easter 2013
- Ways of Working
- Planning has been submitted

Former Southwell Highway Depot
Misterton Library, Scout Hut & house
Caretaker's House, Ethel Wainwright
Former Springbank Primary School
Kilton Terrace Factory Unit
Advance Factory 2, Mansfield
Meden Court Factory

- Retain part of site for road

Jas Hundal
Service Director – Transport, Property & Environment

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SP: 2390

Properties affected: 09998 - Various NCC Properties/non-property item