

Officer Decision Record – Property Transaction

1. Subject and details of the matter

Car Park at Alden Close Immingham

On 8th November 2011, the Deputy Chief Executive, in consultation with Cllr M Burnett (then acting Portfolio Holder for Finance & Regeneration) and Cllr De-Freitas (then Chair of the Regeneration, Housing & Environment Scrutiny Panel) authorised the Strategic Director Governance & Transformation to negotiate and agree all terms (except price) in relation to the transfer of Council property to Wellway Properties Limited ("Wellway") as the developer of the proposed new supermarket at Washdyke Lane Immingham.

On 11th July 2012 the Strategic Director Governance & Transformation, in consultation with Cllr M Burnett (then Portfolio Holder for Regeneration & Housing) and in exercise of the delegated power created by the above authorisation, decided that the freehold Council property shown edged blue on the attached plan (the former Immingham Sports Centre) be sold to Wellway for £225K (as recommended by the Balfour Beatty Workplace Limited) subject to the completion of a Deed of Variation in respect of the on-going lease of the Kennedy Way Shopping Precinct which was then, as now vested in Wellway.

Wellway has now realised that it also needs the leasehold ownership of this car park (as shown edged red and coloured pink on the attached plan) to enable it to comply with its contractual obligations to Tesco which are pre-requisites to the development of a new supermarket at Washdyke Lane.

Separately, Wellway has offered to acquire ownership of the building that was previously used as public toilets at the Washdyke Lane car park, shown coloured blue on the attached plan. and then to demolish the building and incorporate the cleared site into the new development.

Wellway has agreed to pay a premium of £20K in return for a lease of the Alden Place land and has also agreed to increase its contribution towards provision of a new MUGA Oasis Immingham Academy by an additional £5K. These two amounts will be paid to the Council on completion of the lease but the remaining MUGA contribution from Wellway will not be paid until the planning permission for the scheme is implemented. It would be useful to complete the installation of the new MUGA and the Community Access Agreement with Oasis Immingham Academy as quickly as possible by utilising the capital receipts from Wellway in advance of the MUGA contributions.

2. Details of Decision

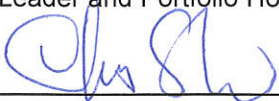

1. That the car park and surrounding land at Alden Close and the former toilet block at Washdyke Lane Immingham be leased to Wellway Limited for a term co-terminus with the existing lease of the Kennedy Way Shopping Precinct (currently vested in Wellway Limited) but otherwise on financial terms to be recommended by Balfour Beatty Workplace Limited;
2. That the Strategic Director Economy Environment & Housing be authorised to utilise the capital receipts from the disposal of the former Immingham Sports Centre and from the lease of the land at Alden Close to complete the installation of the new MUGA at Oasis Immingham Academy and the Community Access Agreement,


3. Is it a Key Decision as defined in the Constitution?

No - below the financial threshold but the Constitution provides that for any proposed acquisition or disposal, including those not qualifying as a Key Decision:

1. to consult with the relevant Portfolio Holder(s) prior to proceeding
2. to notify Ward Members of the proposed transaction

4. Has the principle of the disposal been approved by Cabinet			
No.			
5. Is it an Urgent Decision? If yes, specify the reasons for urgency			
Yes – Wellway is concerned that any delay might result in Tesco withdrawing from its contract with Wellway to take a lease of a completed supermarket.			
6. Anticipated outcome(s)			
<p>The car park would be included in the existing lease of Kennedy Way (the extent of which is shown edged green on the plan) and whilst the Council would be relieved of all future costs of maintenance and repair, all existing rights for the Council, Shoreline and the public will be preserved.</p> <p>The toilet block is currently closed and boarded up and is the on-going responsibility of the Council in terms of maintenance and NNDR. The inclusion of the block in the existing lease of Kennedy Way would relieve the Council of those responsibilities and would result in demolition followed by incorporation of the cleared site into the new development.</p> <p>Any consideration (capital payment and / or rent) to be paid by Wellway to the Council will be in accordance with the recommendations of Balfour Beatty Workplace Limited and will reflect the value of the car park offset by the cost of ownership in terms of future maintenance and repair.</p>			
7. Have the Premises been marketed by advertising or by auction? (if not why not)			
<p>No. The leasehold ownership of this car park (as shown edged red and coloured pink on the attached plan) will enable Wellway to comply with its contractual obligations to Tesco which are pre-requisites to the development of a new supermarket at Washdyke Lane.</p> <p>The leasehold ownership of the toilet block will enable Wellway to demolish a void boarded up building that would otherwise be an eyesore on the edge of the new supermarket development.</p>			
8. Background documents considered:			
Various papers relating to the proposed supermarket development and to the disposal of the former Immingham Sports Centre at Washdyke Lane Immingham			
9. Does the taking of the decision include consideration of Exempt Information? If yes, specify the relevant paragraph of Schedule 12A and the reasons			
Yes - NOT FOR PUBLICATION. – Contains exempt information within paragraph 3 of Schedule 12A to the Local Government Act 1972 (as amended), namely information relating to the financial or business affairs of both Wellway Limited and the Council.			
10. Monitoring Officer Comments (Strategic Director – Governance & Transformation or nominee)			
The Constitution provides for this decision to be made under the Scheme of Delegation and the grounds of urgency are considered to be sufficient justification. Delay might jeopardise the Wellway's supermarket development.			
11. Section 151 Officer Comments (Head of Finance & Assets or nominee)			
There do not appear to be any financial reasons for not supporting this addition. The council is relieved of future costs of repairs and maintenance associated with the car park. The matter of whether or not to charge an additional market rent or to include the car park within the existing lease terms needs consideration as to the overall benefits (Wellway have provided additional funds to help to re-site the MUGA for example). In terms of the toilet block, clearly in approving this addition the council will no longer have liabilities in NNDR and void costs as a result.			
12. Human Resource Comments (Head of Governance & Business Support or nominee)			
There are no direct HR implications arising from the transfer of these properties.			
13. Notification of Ward Councillors (Immingham)	Cllr David Bolton Dated Comments:	Cllr Mike Burton Dated Comments:	Cllr Dave Watson Dated Comments:

14. Consultation with Portfolio Holder(s):	<p>Name: Cllr C. Shaw</p> <p>Title: Leader and Portfolio Holder for Regeneration and Assets</p> <p> 13/08/13</p> <hr/> <p>Signed and Dated</p>
15. Decision maker(s)	<p>Name: Liz Jones</p> <p>Title: Deputy Chief Executive and Strategic Director Resources</p> <p> 13/8/13</p> <hr/> <p>Signed and Dated</p>

 E.ON Energy World Wide Networks in Partnership	Details Land off Pelham Road, Birmingham			Rev No.	This product includes mapping data sourced from Ordnance Survey by written permission on behalf of Ordnance Survey. © Crown Copyright 2006. All rights reserved. Licence number 100029356.
	NLPG 0	Scale 1:20000	Date 05/01/2013		
	Key:				Aligned Assets Limited Links Drive, Links Business Centre Old Woking Road, Old Woking Surrey, GU24 0BF www.aligned-asset.co.uk

Officer Decision Record – Property Transaction

1. Subject and details of the matter
<u>2 Collingwood Crescent Grimsby – Transfer to Shoreline Housing Partnership</u>
The above property is a semi-detached residential property that formed part of the Council's housing stock until the LSVT transfer of the stock to Shoreline Housing Partnership Limited in March 2005.
Since March 2005, Shoreline has treated the property as forming part of its housing stock including the receipt of rental income from the tenant and the carrying out of repairs and maintenance.
For reasons that are unclear, the legal ownership of this property was not formally transferred to Shoreline and it is therefore now necessary to remedy that error by transferring ownership to Shoreline at nil consideration in line with the principles of the LSVT transfer.
2. Details of Decision
That 2 Collingwood Crescent Grimsby be transferred to Shoreline Housing Partnership for nil consideration to correct its exclusion from the 2005 LSVT transfer.
3. Is it a Key Decision as defined in the Constitution?
No.
4. Has the principle of the disposal been approved by Cabinet
Yes. The Housing stock transfer in 2005.
5. Is it an Urgent Decision? If yes, specify the reasons for urgency
No.
6. Anticipated outcome(s)
Shoreline will acquire registered title to the property.
7. Have the Premises been marketed by advertising or by auction? (if not why not)
No. It would be inappropriate because the clear intention of the Council, Shoreline and the Secretary of State in 2005 was that this property should be transferred to Shoreline for no consideration as part of the Council's then housing stock.
8. Background documents considered:
None.
9. Does the taking of the decision include consideration of Exempt Information? If yes, specify the relevant paragraph of Schedule 12A and the reasons
No.
10. Monitoring Officer Comments (Strategic Director – Governance & Transformation or nominee)
The Scheme of Delegation empowers the Strategic Director Resources to approve decisions such as this involving the transfer of property not qualifying as a Key Decision or as a disposal at an undervalue.
This Decision is neither a Key Decision nor a proposed disposal at an undervalue because;
1. The unique relationship between the Council and Shoreline in terms of the property enable Shoreline (and only Shoreline) to absorb this property into its ownership and into its housing stock. The property should have transferred to Shoreline as part of the LSVT process.

2. The LSVT transfer was not for value because of the wider strategic housing considerations that applied and this Decision will enable a supplemental transfer to the LSVT to reconcile the ownership of this property. This proposed transfer to Shoreline will also not be for value because of those ongoing strategic housing considerations which will be directly applicable to this property by reason of the resulting increase to Shoreline's housing stock.

11. Section 151 Officer Comments (Head of Finance & Assets or nominee)

There are no financial implications as a result of this transfer – this is simply to correct an administrative error which occurred when the housing stock transferred in 2005. The tenant has been responsible for all costs to date (including paying council tax), so there are no liabilities for the Council.

12. Human Resource Comments (Head of Governance & Business Support or nominee)

There are no direct HR implications arising from the transfer of these properties.

**13. Notification of
Ward Councillors
(Yarborough Ward)**

Cllr A. Darby
Dated
Comments:

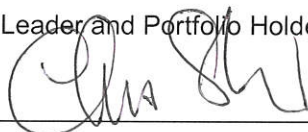
Cllr J. Hyldon-King
Dated
Comments:

Cllr P. Wheatley
Dated
Comments:

**14. Consultation with
Portfolio Holder(s):**

Name: Cllr C. Shaw

Title: Leader and Portfolio Holder for Regeneration and Assets



Signed and Dated

15. Decision maker(s)

Liz Jones, Deputy Chief Executive and Strategic Director Resources



Signed and Dated

Officer Decision Record

1. Subject and details of the matter	
Freeman Street Shop Improvement Grant Scheme	
2.	Type of Decision
2A. Is it a Key Decision as defined in the Constitution? // yes answer 2B on urgency	N/A – The Decision arises from a specific delegation by Cabinet at its meeting on 11 th July 2012 – See detail in 2D below.
2B. Is it an Urgent Key Decision? If yes specify reasons for urgency	No
2C. Date Cabinet Meeting to which this Decision will be reported	
2D. Is the Decision authorised by the Scheme of Delegation?	<p>No – The specific delegation from Cabinet on 9th July 2012 (DN.26) provides</p> <p>(1) That the contents of the report now submitted, and the attached Guidance Notes (Appendix 1), be noted.</p> <p>(2) That the scheme be approved and the grant scheme be offered to those businesses within the identified priority area.</p> <p>(3) That authority be delegated to the Strategic Director for Governance and Transformation, in consultation with the Strategic Director Environment Economy and Housing and the relevant Portfolio Holder, to finalise the necessary documentation in order to protect the Council's position.</p>
3. Details of Decision	
<p>To finalise the necessary documentation enabling grants to be approved, namely the attached</p> <ol style="list-style-type: none"> 1. Notice of Approval of Application for Grant 2. Grant Offer Letter 3. Grant Conditions. 	
4. Outcome(s)	
<p>Legal advice identifies that these documents create a contractual right for the Council to pursue grant monies as a debt but will not provide the Council with a charge over the property. The main reasons for this are:</p> <ol style="list-style-type: none"> a) The grants are designed to be 'enabling' and have been structured to provide 25% funding prior to the work being done to enable those low earning businesses to fund professional and 	

other fees, including planning and building control consents. The remaining 75% is paid on sign off of the completed, satisfactory works. If works are not completed in time and to an acceptable standard the 75% will not be paid. This leaves a small risk of the 25% initial payment should the work not progress. This would be pursued through existing debt recovery processes

- b) The values of many of the properties within this area are low and the cost of placing and recovering a charge is likely to exceed its value. In addition, many mortgage companies will not accept additional charges.

The preferred outcome is that the attached grant conditions and offer letter be approved.

5. Background documents considered:

Cabinet report of 11th July 2012

6. Does the taking of the decision include consideration of Exempt Information? If yes, specify the relevant paragraph of Schedule 12A and the reasons

No

7. Monitoring Officer Comments (Strategic Director – Governance & Transformation or nominee)

As stated in box 4 the documents will create the ability of the Council to demand repayment of the grant on breach of the loan conditions which the Council will be able to seek to pursue as a contractual debt but would not have the benefit of any security for the grant monies.

8. Section 151 Officer Comments (Head of Finance & Assets or nominee)

The Freeman Street Regeneration project includes a capital allocation of £232,700 in respect of the Shop Improvement Grant Scheme. The ability of the Council to pursue recovery of the debt in the event of breach of the loan conditions minimises financial risk.

9. Human Resource Comments (Head of Governance & Business Support or nominee)

10. Risk Assessment (in accordance with the Report Writing Guide)

Crime and Disorder – A well designed environment coupled with solutions to address the poor physical appearance of business premises will reduce opportunities for anti-social behaviour in the area.

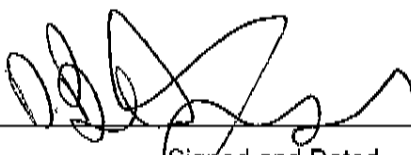
Diversity – None

Value for Money – In conjunction with other improvements and investment by other organisations, a multifaceted approach will achieve visible signs of regeneration which will be spread throughout the 'District Centre'.

12. Consultation with Portfolio Holder


Name: Cllr D. Billard,

Title: Portfolio Holder for Finance, Governance and Support Services.


 Signed and Dated

13. Consultation Strategic Director(s):

Marc Cole, Strategic Director, Environment Economy and Housing


 Signed and Dated

1.5.13

14. Decision maker

Rob Walsh – Strategic Director Governance & Transformation

 29/05/2013

Signed and Dated

Officer Decision Record – Property Transaction

1. Subject and details of the matter

The Humberston Fitties Rent Review

The Council owns the freehold of the above Chalet Park which is divided into 320 chalet plots that are then made available on lease to the chalet owners. The plots fall into 3 broad categories depending upon their size; they are either "standard", "large" or "double" and the rents payable to the Council reflect these categories. The terms of the Leases are for either 5, 10 or 15 years but the rents are the same whatever the length of the term. All of the Leases require the rents to be the "market rent" and to be reviewed at 3 yearly intervals.

The policy of leasing these plots has been in existence since 1st April 1991 which means that there have been 6 reviews to date none of which resulted in arbitration.

However the review which is due with effect from 1st April 2011 is being contested by a number of tenants. The Council's partner has advised that the market rents should be increased in accordance with the following table:

SIZE OF PLOT	PRESENT GROUND RENT	NEW GROUND RENT FROM 1 st APRIL 2011
Standard	£725.00 per annum	£800.00 per annum
Large	£1088.00 per annum	£1200.00 per annum
Double	£1450.00 per annum	£1600.00 per annum

Letters notifying those affected tenants of the Council's opinion of the amounts of increase were sent on 19 December 2011. The Leases allow each tenant to serve a Counter-Notice within two months the effect of which is to trigger the arbitration process.

There were originally 166 leases scheduled for review with effect from 1st April 2011. In three of those cases the tenants have explicitly accepted the Council's proposals for an increase in rent from 1st April 2011 and they are being invoiced at the increased amount. Of the remaining 163 cases, 117 can be considered to have implicitly accepted the Council's proposals and they have been written to advising them of such and that they will be invoiced for the revised rent.

Of the 46 that served Counter Notices, they have triggered the Arbitration process which refers the matter to the President of the Royal Institution of Chartered Surveyors (RICS) for the appointment of an Arbitrator. Either party can make that application and in the absence of any approaches from the chalet owners, the Council has submitted its own application to appoint an Arbitrator which carried a fee of £369 (inclusive of VAT). Unfortunately the RICS have advised that they cannot process the Council's application due to the fact that the 46 cases in dispute are all held by separate leaseholders and cannot be grouped together under one application. The Council will therefore need to make 46 separate applications at cost of £369 each (total £16,974 inclusive of VAT).


Both the Council and the chalet owner will be jointly liable for the payment of the dispute resolver's reasonable fees (including abortive fees for any work undertaken) if the matter is settled before a decision is given. Once the review has been concluded it is then down to the Arbitrator to 'award' these costs. These could be in favour of the Council, split equally, or the tenant pays. It could however be a further cost burden for the Council.

2. Details of Decision			
That the Council authorise the 46 separate applications to be made to the RICS for the appointment of an Arbitrator to settle the outstanding rent review at a cost of £16,974.			
3. Is it a Key Decision as defined in the Constitution?			
No			
4. Has the principle of the disposal been approved by Cabinet			
N/A – this is not a disposal but a review of the rent in accordance with the provisions set out within the respective leases.			
5. Is it an Urgent Decision? If yes, specify the reasons for urgency			
Yes – the President of the RICS is holding the original application, pending this decision.			
6. Anticipated outcome(s)			
That 46 applications will be referred to the Arbitrator, to be appointed by the President of the RICS and the 46 rent reviews will be concluded.			
7. Have the Premises been marketed by advertising or by auction? (if not why not)			
N/A			
8. Background documents considered:			
E-mail dated 15 January 2013 from Balfour Beatty Workplace Limited			
9. Does the taking of the decision include consideration of Exempt Information? If yes, specify the relevant paragraph of Schedule 12A and the reasons			
No, so far as the decision itself is concerned but information relating to any of the 46 affected leases would be excluded from publication on the grounds that such information would fall within the definition of exempt information in paragraph 3 of Schedule 12A to the Local Government Act 1972 (as amended).			
10. Monitoring Officer Comments (Strategic Director – Governance & Transformation or nominee)			
It is now clear that the Rent Review for these 46 cases cannot be concluded by any means other than by 46 separate applications to arbitration. It is also clear that none of the 46 affected tenants are prepared to make any application(s). The Council is not legally entitled to abandon these rent reviews and consequently it has no option but to adopt the decision set out at 2 above.			
11. Section 151 Officer Comments (Head of Finance & Assets or nominee)			
It is recommended that the 46 applications to the RCIS be charged against the Fitties Operating Account to allow the arbitration to commence and for the Council to have clarity over the implementation of the increase in Market Rent and to budget accordingly. It is hoped that these costs will be mitigated by finding in the Council's favour and awarding costs against the tenants. If costs are awarded against the Council then these will be charged against the operating account. The Council would then try to mitigate these through a review of the commercial estate that is currently underway.			
12. Human Resource Comments (Head of Governance & Business Support or nominee)			
None.			
13. Risk Assessment (in accordance with the Report Writing Guide)			
Value for Money – The recommendation to refer the matter to the Arbitrator will see the rent settled and agreed, ensuring the Council is achieving Market Rent for all its assets.			
14. Notification of Ward Councillors (Humberston & New Waltham)	Cllr John Fenty Dated Comments:	Cllr Steve Norton Dated Comments:	Vacant following the recent death of Cllr Colebrook:

**15. Consultation with
Portfolio Holder(s):**

Name: Cllr C. Shaw

Title: Leader of the Council and Cabinet Member with responsibility for
Asset Management


Signed and Dated

21/2/2013

16. Decision maker(s)



Signed and Dated

21/2/2013

Officer Decision Record – Property Transaction

1. Subject and details of the matter
<u>1b and 7 Kinloch Way, Immingham – Transfer to Shoreline Housing Partnership</u>
The above are two flats situated in a block of flats, the freehold of which was transferred over to Shoreline Housing Partnership under the Large Scale Voluntary Transfer (LSVT) in 2005. At the time 7 and 1b were leased out to Longhurst Housing and these leases, and the associated income, were retained by the Council.
Longhurst Housing's surrender of their lease completed in February 2009 with a surrender date of 31 January 2008 leaving a Council Tax liability from that date. Shoreline would not accept responsibility for the Council tax as they had not been in receipt of any income to off-set the liability.
The Council Tax issue has been resolved with the Council clearing the outstanding amounts up to 31 March 2013. Shoreline has also agreed to increase the number of properties it provides under the Temporary Accommodation Agreement from 20 to 22. The Council Tax will still be payable by the Council until the transfer takes place, at which point, the balance from the date of transfer up to 31 March 2014 will be re-charged to Shoreline.
2. Details of Decision
That numbers 1b and 7 Kinloch Way are transferred over to Shoreline Housing Partnership.
3. Is it a Key Decision as defined in the Constitution?
No.
4. Has the principle of the disposal been approved by Cabinet
Yes. The Housing stock transfer in 2005.
5. Is it an Urgent Decision? If yes, specify the reasons for urgency
No.
6. Anticipated outcome(s)
The properties are transferred and brought back into use and Shoreline will increase the properties provided under the Temporary Accommodation Agreement from 20 to 22.
7. Have the Premises been marketed by advertising or by auction? (if not why not)
No. It is unnecessary and counterproductive because these flats form part of a building that was transferred to Shoreline as part of the LSVT. Shoreline is therefore uniquely placed to bring these flats back into residential use as part of its housing stock and, by so doing, to increase the number of properties provided under the Temporary Accommodation Agreement.
8. Background documents considered:
None.
9. Does the taking of the decision include consideration of Exempt Information? If yes, specify the relevant paragraph of Schedule 12A and the reasons
No.
10. Monitoring Officer Comments (Strategic Director – Governance & Transformation or nominee)
The Scheme of Delegation empowers the Strategic Director Resources to approve decisions such as this involving the transfer of property not qualifying as a Key Decision or as a disposal at an undervalue.

This Decision is neither a Key Decision nor a proposed disposal at an undervalue because;

1. The unique relationship between the Council and Shoreline in terms of the building within which these flats enables Shoreline (and only Shoreline) to absorb these flats into its ownership and control of the building and into its housing stock. The building was transferred to Shoreline as part of the LSVT process and these flats would have been included in that transfer if it were not for the lease to Longhurst.
2. The LSVT was not for value because of the wider strategic housing considerations that applied and this Decision will enable a supplemental transfer to the LSVT to reconcile the ownership of these flats with the ownership of the building of which they form part. This proposed transfer to Shoreline will also not be for value because of those on-going strategic housing considerations which will be directly applicable to these flats by reason of the resulting increase to Shoreline's temporary accommodation portfolio.

11. Section 151 Officer Comments (Head of Finance & Assets or nominee)

The only financial implication on this transfer is that up until the date of transfer the Council is still liable for the council tax on these properties. Total liability to date for the whole period up to 31/03/2013 was £6961.88 (Feb 09 to March 13). Once the transfer is complete, the Council is no longer liable for council tax.

12. Human Resource Comments (Head of Governance & Business Support or nominee)

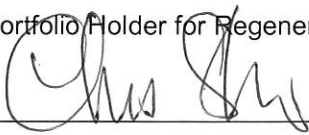

There are no direct HR implications arising from the transfer of these properties.

13. Risk Assessment (in accordance with the Report Writing Guide)

Crime and Disorder – These properties have been vacant for a number of years and whilst have not attracted a great deal of crime and disorder, the potential once it is wider knowledge that these properties are not in use could attract targeted destruction and crime.

Diversity – The transfer of these properties will ensure the local community benefit from an improved street scene and two surplus properties will be brought back into use by those in need of housing.

Value for Money – The recommendation to transfer these properties within this report will remove the liabilities and costs associated with maintaining void buildings.

14. Notification of Ward Councillors (Immingham Ward)	Cllr D. Bolton Dated Comments:	Cllr M. Burton Dated Comments:	Cllr D. Watson Dated Comments:
15. Consultation with Portfolio Holder(s):	Name: Cllr C. Shaw Title: Portfolio Holder for Regeneration and Assets  Signed and Dated		
16. Decision maker(s)	 20/6/13 Signed and Dated		

Officer Decision Record – Property Transaction

1. Subject and details of the matter

Lindsey Lower Disposal to preferred bidder, Yorkare Homes Limited ("Yorkare").

On the 5th November 2012 Cabinet considered the attached report and resolved – *That, taking account of the evaluation of the bids and the comments of the Scrutiny Panel, Yorkare Homes be confirmed as the preferred bidder and the detailed terms of the disposal be delegated to the Strategic Director Resources to finalise, in consultation with the Leader (as Portfolio Holder for Assets).*

The comments of the Scrutiny Panel referred to in the above Cabinet decision relates to a decision made by the Policy, Performance & Resources Scrutiny Panel at its meeting on 24th October, 2012 (Minute Number SPPPR.40 refers) and a request for clarification from the preferred bidder on the following points as highlighted in bold:

- **Retention of the original 1925 structures, including the front and side elevations (wings);**
The marketing of this property was not subject to any conditions relating to the retention of the front or side elevations. A disposal without conditions ensures the best possible price is obtained by the Council. However, an investment brief was provided which encouraged proposals which sympathetically retained the original structures and the redevelopment from Yorkare supports this. Further comment added March 2013 - It should be noted however as no conditions to the sale of the site exist, once the site is sold, should the new owner deviate from the redevelopment proposal discussed with the Council, demolition could occur without planning permission and the Council would not be in a position to halt or prevent demolition of part or all of the site.
- **Clear understanding of the Social benefits and how this has been used in the scoring of bids;**
The Social benefits have been scored against the number of people who would benefit from the proposed development, and how this equates to the number of new 'units' of accommodation which will be provided within the Borough. In this case, 76 new units will be created.
- **Consideration of the Strategic provision of services proposed for the redevelopment of the site;**
Whilst Yorkare has yet to open dialogue with the Care Trust Plus, its proposal (attached for information) includes information from LGCE and CQC of the need for nursing care within this area of the Borough. It also includes the proposed increase in population and the need for residential or dementia 'beds' throughout the Borough.
- **Consideration of the bidders ability to fund and sustain the redevelopment proposals;**
The ability to fund the purchase price has been supported by a letter from Yorkshire Bank (attached). A meeting was held with a Director of Yorkare and a copy of its abbreviated financial statements for year ending 31st May 2012 is provided. This showed the financial ratios had improved in the last financial year assisted by a large influx of shareholder equity. It is important to note that the bid needs to be assessed purely on the offer (which is unconditional and supported by a bank letter). However, there appears no reason why there would be insufficient funds to deliver the redevelopment proposals. The proposal supports the need for this type of provision within the Borough which underpins income and job creation projections and secures on-going sustainability

2. Details of Decision

That the unconditional sale to Yorkare proceeds at the price of £750,000 with no covenants or restrictions on use of the site.

3. Is it a Key Decision as defined in the Constitution?
No, it is a decision on the details relating to the Key Decision taken by Cabinet on 5 th November 2012 as per the delegation of even date.
4. Has the principle of the disposal been approved by Cabinet
Yes – Minute Number CB88 dated 5 th November 2012 (copy attached)
5. Is it an Urgent Decision? If yes, specify the reasons for urgency
N/A
6. Anticipated outcome(s)
There are no conditions attached to the disposal which maximises the value which can be obtained with disposing of a surplus asset. The offer is unconditional and a capital receipt of £750,000 will be received. Through the proposal submitted by the preferred bidder it is expected that the original front and side structures will be retained and the rear of the property redeveloped which will retain the characteristics of this iconic building and only enhance the current street scene.
7. Have the Premises been marketed by advertising or by auction? (if not why not)
Yes – the Council engaged Scott's (a local firm of Chartered Surveyors) to market the premises and report on the interest and bids received.
8. Background documents considered:
<ol style="list-style-type: none"> 1. Documented outcome of the evaluation of all bids received; 2. Report to Cabinet on 5th November 2012 including comments made by the Scrutiny Panel on (attached); 3. Decision of Cabinet dated 5th November 2012 (as set out in italics at 1 above); 4. Valuation Report From Balfour Beatty Workplace Limited dated 21st February 2013 (copy attached)
9. Does the taking of the decision include consideration of Exempt Information? If yes, specify the relevant paragraph of Schedule 12A and the reasons
Yes - NOT FOR PUBLICATION. - Exempt information within paragraph 3 of Schedule 12A to the Local Government Act 1972 (as amended).
10. Monitoring Officer Comments (<i>Strategic Director – Governance & Transformation or nominee</i>)
The exercise of this delegated power arises out of the decision of Cabinet made on 5 th November 2012 and relates only to the disposal of these particular premises to Yorkare.
11. Section 151 Officer Comments (<i>Head of Finance & Assets or nominee</i>)
The attached decision of Cabinet on 5 th November 2012 authorises the Strategic Director Resources to make this decision in consultation with the Leader (as Cabinet Member with responsibility for Asset Management). The viability of the bid has been assessed in line with the requirement of the tender process which required confirmation from their bankers of ability to fund the purchase. In addition, Yorkare provided (following a request from the Council) a set of abbreviated accounts for their most recent financial year which indicate funds will be available to progress the required development as stated. Based on the original invitation to tender requirements and information supplied by Yorkare, the unconditional bid from Yorkare should be approved with no conditions.
12. Human Resource Comments (<i>Head of Governance & Business Support or nominee</i>)
None.

13. Risk Assessment *(in accordance with the Report Writing Guide)*

Crime and Disorder – The site has been repeatedly targeted through vandalism and destruction, mitigated in part by the boarding up of the buildings and daily security measures in place.

Diversity – The potential redevelopment opportunities received in respect of the disposal of the site will ensure the local community benefit from an improved street scene and for a sympathetic solution to positively contribute to the area.

Value for Money – The recommendation to dispose of this property within this report will remove the costs associated with maintaining a void building and secures a capital receipt to support future capital projects.

14. Notification of Ward Councillors
(Croft Baker Ward)

Cllr M. Brown

Dated

Comments:

See attached -
Appendix 1

Cllr M. Burnett

Dated

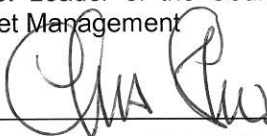
Comments:

None

Cllr T. Thurogood

Dated

Comments:

See attached -
Appendix 1**15. Consultation with Portfolio Holder(s):****Name:** Cllr C. Shaw**Title:** Leader of the Council and Cabinet Member with responsibility for Asset Management

12/4/2013

Signed and Dated

16. Decision maker(s)

Signed and Dated

Officer Decision Record – Property Transaction

Appendix 1: Ward Councillor comments

From: Fox, Jack

Sent: 04 April 2013 09:43

To: Cllr - Terry Thurogood; Cllr - Brown, Matthew; Cllr - Burnett, Michael

Subject: RE: Lindsey Lower disposal - officer decision record

Good Morning Councillors

Further to your emails (below), could I please assure you that we are progressing as per the information shared at Scrutiny. I have amended the attached officer decision record to capture your concerns regarding potential demolition of the front and side elevations, to ensure both decision makers and Consultees are not under any false impression that the buildings cannot be demolished without planning permission. My understanding is that demolition could occur without planning permission. The record also reflects the original clarity required to questions raised by the Scrutiny panel.

Just as a matter of background in terms of process, the marketing and sale of the site was not subject to any conditions which may have prevented any new owner from demolishing any part of the site, a decision taken to ensure the best possible price is obtained by the Council. However, accompanying the sale particulars was an investment brief which outlined a desire that the front and side elevations of the main structure were retained given local listing and architectural features. Following the receipt of bids and an officer evaluation process which took on board these considerations, a preferred bidder was selected that could give assurances that these elevations would be retained, which the Council received in respect to the redevelopment proposals presented by the preferred bidder.

Could I please ask that you consider the revised record attached as soon as possible as I need to forward this and your comments to Liz Jones under delegated authority and the Leader Cllr Shaw who has cabinet responsibility for Assets who will make the final decision whether to progress with the sale.

Many thanks,

Regards

**Jack Fox, Technical Professional, Advanced Practitioner (Corporate), Assets, North East
Lincolnshire Council**

Civic Offices, Knoll Street, Cleethorpes, DN35 8LN | ☎: 01472 323388 / 07730 014287 | ✉:

jack.fox@nelincs.gov.uk

Not Protectively Marked

From: Cllr - Brown, Matthew

Sent: 22 March 2013 18:50

To: Cllr - Terry Thurogood; Fox, Jack

Cc: Cllr - Burnett, Michael

Subject: RE: Lindsey Lower disposal - officer decision record

Dear Jack,

I would like to support Cllr. Thurogood's comments. It was agreed (I was a sub at the time) on the PPR Scrutiny Panel that the frontage and the original part of the wings from what I remember were retained. I would not support dispensing of the building in any other circumstances as it is a landmark building close to many people's hearts in the area that we represent.

Kind regards

Cllr. Matt Brown

From: Cllr - Terry Thurogood

Sent: 22 March 2013 16:04

To: Fox, Jack

Cc: Cllr - Brown, Matthew; Cllr - Burnett, Michael
Subject: RE: Lindsey Lower disposal - officer decision record

Jack,

I have no wish to hold up the sale but I would be concerned if the PPR Scrutiny Panel's wishes, that the whole of the building along the Clee Road frontage be retained, were not carried out. My original comment was that this could be sorted out on the planning application. I appreciate that the building has no statutory protection but any alterations and extensions will require planning permission and that would include partial demolition. Provided everybody, including the Planners, is aware of this background I have no further comments to offer. Please give me a ring if you wish to discuss this further.

Regards,
Terry

From: Fox, Jack
Sent: 22 March 2013 10:29
To: Cllr - Terry Thurogood
Subject: FW: Lindsey Lower disposal - officer decision record

Good Morning Cllr Thurogood

Sorry to chase – but can I take if I do not hear from you by close of play Monday 25th March that you have no further comments to add and the sale of the above site can progress.

Many thanks,

Regards

Jack Fox, Strategic Asset Management Coordinator, Assets, North East Lincolnshire Council
Civic Offices, Knoll Street, Cleethorpes, DN35 8LN | ☎: 01472 323388 / 07730 014287 | ✉:
jack.fox@nelincs.gov.uk
Not Protectively Marked

From: Fox, Jack
Sent: 19 March 2013 14:14
To: Cllr - Terry Thurogood
Subject: FW: Lindsey Lower disposal - officer decision record

Good Afternoon Cllr Thurogood

I am keen to progress the disposal of the above and instruct legal to finalise the paperwork. Further to my email, could I please clarify you have no further comments to add.

Many thanks,

Regards

Jack Fox, Strategic Asset Management Coordinator, Assets, North East Lincolnshire Council
Civic Offices, Knoll Street, Cleethorpes, DN35 8LN | ☎: 01472 323388 / 07730 014287 | ✉:
jack.fox@nelincs.gov.uk
Not Protectively Marked

From: Fox, Jack
Sent: 14 March 2013 16:21
To: Cllr - Terry Thurogood
Subject: RE: Lindsey Lower disposal - officer decision record

Good Afternoon Cllr Thurogood

I have been advised from our lawyers (who have been in dialogue with planning lawyers) that demolition would be permitted development and therefore planning would not be able to control the extent of the demolition.

Would you have any further comments to add in light of this or are you happy to proceed on the basis of the original officer decision record.

Regards

Jack Fox, Strategic Asset Management Coordinator, Assets, North East Lincolnshire Council

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jack.fox@nelincs.gov.uk

Not Protectively Marked

From: Cllr - Terry Thurogood

Sent: 27 February 2013 17:06

To: Fox, Jack

Subject: RE: Lindsey Lower disposal - officer decision record

Jack,

Disappointed that there are no conditions but pleased that the disposal is now going ahead. I assume that Planning will control the extent of the demolition.

Regards,

Terry

From: Fox, Jack

Sent: 25 February 2013 14:52

To: Cllr - Burnett, Michael; Cllr - Brown, Matthew; Cllr - Terry Thurogood

Subject: Lindsey Lower disposal - officer decision record

Good Afternoon Cllrs

Please see the attached officer decision record in relation to the disposal of Lindsey Lower School, Clee Road, Cleethorpes. Could I please ask you to review the document submit any comments.

Regards

Jack Fox, Strategic Asset Management Coordinator, Assets, North East Lincolnshire Council

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jack.fox@nelincs.gov.uk

Not Protectively Marked

Officer Decision Record – Property Transaction

Appendix 2: Ward Councillor comment (between Keith Thompson & Cllr Thurogood)

From: Cllr - Terry Thurogood
Sent: 25 March 2013 15:16
To: Thompson, Keith
Subject: RE: Lindsey Lower disposal - officer decision record

Keith,
I did understand this and I'm fine with your comment
Regards,
Terry

From: Thompson, Keith
Sent: 25 March 2013 10:05
To: Cllr - Terry Thurogood
Subject: FW: Lindsey Lower disposal - officer decision record

Dear Councillor Thurogood,

Jack Fox has made me aware of your exchange of emails with him. I note your comments of 22nd March namely that any alterations and extensions to the building would require planning permission and that any demolition that was incidental to this would therefore be covered by the Planning process. However if a future owner was not looking to apply to alter the existing buildings but simply wished to demolish then, as I am sure you are aware, this would not need planning permission as demolition is permitted development, although I am told that the methods of demolition would require approval.

The future owners would then be able to submit a planning application once the site was demolished. Given your comments I wanted to make sure you had this in mind and ask if you have any further comment to make. Your comments will be included on the decision record and therefore all other Consultees will be made aware of them before the decision is made.

Kind regards

Keith

Keith Thompson, Property Solicitor, Resources, North East Lincolnshire Council
Municipal Offices, Town Hall Square, Grimsby, DN31 1HU DX13536 Grimsby 1 ☎: Telephone number 01472 324010
✉: <mailto:Keith.Thompson@nelincs.gov.uk>

From: Cllr - Terry Thurogood
Sent: 22 March 2013 16:04
To: Fox, Jack
Cc: Cllr - Brown, Matthew; Cllr - Burnett, Michael
Subject: RE: Lindsey Lower disposal - officer decision record

Jack,
I have no wish to hold up the sale but I would be concerned if the PPR Scrutiny Panel's wishes, that the whole of the building along the Clee Road frontage be retained, were not carried out. My original comment was that this could be sorted out on the planning application. I appreciate that the building has no statutory protection but any alterations and extensions will require planning permission and that would include partial demolition. Provided everybody, including the Planners, is aware of this background I have no further comments to offer. Please give me a ring if you wish to discuss this further.
Regards,
Terry

