

**NORTH EAST LINCOLNSHIRE COUNCIL
LAW AND DEMOCRATIC SERVICES**

**Scrutiny call-in mechanism on Cabinet/Portfolio
Holder decisions**

Date	23rd May 2024
Cabinet Item (title)	Freehold disposal of former Council depot site, Weelsby Avenue, Grimsby, DN32 0BZ
Decision Notice No.	Cabinet date 8th March 2023 CB.121 – PROPERTY AND LAND DISPOSALS
Reason(s) for Call-in	<ul style="list-style-type: none"> • The priority need for housing in North East Lincolnshire is for one and two bedroomed homes for social housing and affordable housing to rent close to the town centre that provides affordable homes for young people and starter homes for young families. This would help reduce the number of young people leaving the borough due to a lack of housing affordable to and suitable for their needs. • The economic benefits from retaining our young people will offset any reduction in the amount realised from the proceeds of the sale.
Desired outcome for Call-in	<ul style="list-style-type: none"> • A discussion on the benefits of increasing the supply of suitable and affordable housing for young people, and families on incomes of or close to the National Minimum Wage. • A condition as part of the sale that either all or a large proportion of housing built on the site should be suitable and affordable for young people and families with incomes on or close to the National Minimum Wage.
Intended Recommendation to Cabinet	That homes on the site be offered to social housing providers or other providers of low-cost rental housing.
Details of estimated/actual cost	Costings unavailable
To be referred to which Scrutiny meeting?	Economy

SIGNATURES OF TWO MEMBERS OF THE COUNCIL

(signature)

(printed name)

E. Bunn.

(2) P. Bright

PAUL BRIGHT



Officer Decision Record – Key Decision

Appendix B NOT FOR PUBLICATION

Exempt information within paragraph 3 of Schedule 12A to the Local Government Act 1972 (as amended)

Freehold disposal of former Council depot site, Weelsby Avenue, Grimsby, DN32 0BZ

Key decisions taken by an officer are subject to the 5-day call in period from circulation to Members, and therefore the decision will be released for implementation following the call-in period and no call in being received.

1. Cabinet date and copy resolution this key decision relates to

Cabinet date 8th March 2023

CB.121 – PROPERTY AND LAND DISPOSALS

Cabinet considered a report from the Portfolio Holder for Finance, Resources and Assets seeking authority for the Council to dispose of a number of property and land assets that provided a low commercial return and/or that were surplus to the Council's requirements.

RESOLVED –

1. That the principle of the disposal of property and land assets that either provide a low commercial return and/or are deemed surplus to the Council's requirements, as set out within the report now submitted and as outlined within Appendix One, supported by the reasoning as set out in the report now submitted, be approved.
2. That the Executive Director Place and Resources, in consultation with the Portfolio Holder for Finance, Resources and Assets, be delegated authority to dispose of the

assets identified in the report now submitted at the Executive Director's discretion and on such terms as the Executive Director thinks fit, and to ensure that all necessary actions are conducted in order to approve detailed terms as appropriate, and thereafter complete such disposal.

3. That the Assistant Director Law and Governance (Monitoring Officer) be authorised to complete and execute all requisite legal documentation in relation to the matters outlined above.

2. Subject and details of the matter (to include reasons for the decision)

The subject property comprises a cleared development site of circa 1.02 hectares (2.51 acres), and was formerly used as a Council depot, which has since been demolished. The site is shown edged red on the location plan in Appendix A. The site does not currently have planning permission but is allocated for residential development in the prevailing Local Plan under Policy HOU140A.

The Council own the freehold interest and the property has been declared surplus to the Council's operational requirements. PPH Commercial have been marketing the property for sale on behalf of the Council since October 2023. A summary of the offers received, are set out in Closed Confidential Appendix B.

Approval is sought to accept the highest offer and sell the freehold interest in the site as detailed in the Closed Confidential Appendix B. The proposed sale is conditional on the purchaser obtaining planning permission for residential development.

A sale of the freehold would generate a capital receipt whilst simultaneously facilitating the delivery of new housing development. The site has been openly marketed, therefore by accepting the highest offer, the Council would be able to demonstrate that it has obtained the best consideration reasonably obtainable in accordance with S.123 of the Local Government Act 1972.

3. Decision being taken

That the Executive Director Place and Resources, in consultation with the Portfolio Holder for Finance, Resources and Assets, settle all terms and ensure that all necessary actions are carried out to complete the freehold disposal.

4. Is it an Urgent Decision? If yes, specify the reasons for urgency. Urgent decisions will require sign off by the relevant scrutiny chair(s) as not subject to call in.

No.

5. Anticipated outcome(s)/benefits

A sale of the freehold will result in a capital receipt and facilitate the delivery of new housing development.

6. Details of any alternative options considered and rejected by the officer when making the decision (this should be similar to original cabinet decision)

Retain the Freehold

The Council could retain the Freehold and in doing so would forgo the potential significant capital receipt and the site would continue to remain undeveloped. The site is surplus to the Councils operational requirements and in retaining ownership, the Council would continue to be responsible for the ongoing upkeep.

7. Background documents considered (web links to be included and copies of documents provided for publishing)

Cabinet Report - [12.-Property-and-Land-Asset-Disposals-Cabinet-Report.pdf \(nelincs.gov.uk\)](#)

Cabinet Minutes - [14.-Cabinet-Minutes-8th-March-2023-PDF-191KBicon-namepaperclip-prefixfa.pdf \(nelincs.gov.uk\)](#)

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

Yes - Appendix B - Paragraph 3 - Information relating to the financial or business affairs of any particular person (including the authority holding that information).

9. Details of any conflict of interest declared by any Cabinet Member who was consulted by the officer which relates to the decision (in respect of any declared conflict of interest, please provide a note of dispensation granted by the Council's Chief Executive)

N/A

10. Monitoring Officer Comments (Monitoring Officer or nominee)

The decision is consistent with the expectation of Cabinet and the duty under s123 of the Local Government Act 1972.

11. Section 151 Officer Comments (Deputy S151 Officer or nominee)

The sale of land will generate a capital receipt that can be invested into the Council's Capital Programme. There will also be no further ongoing revenue liabilities or investment requirements once the site is sold.

12. Human Resource Comments (Head of People and Culture or nominee)

There are not direct HR implications.

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

The risk to the Council in progressing with a freehold disposal to the preferred bidder is considered minimal. With any conditional sale there is an element of risk that the conditionality won't be satisfied. In this case, the proposed sale is conditional on the buyer obtaining planning permission, so if the planning application was unsuccessful the sale wouldn't complete.

Following completion of the sale, all future risks and obligations associated with ownership of the site, will be passed to and remain with the purchaser.

There are no identifiable environmental sustainability implications as development of the site will be controlled through the statutory planning process. The investment and usage will be a positive reflection to the street scene and will remove the financial commitments of the Council.

14. Has the Cabinet Tracker been updated with details of this decision?

N/A

15. Decision Maker:

Name: Sharon Wroot

Title: Executive Director, Place and
Resources

Signed: REDACTED

Dated: 20/05/2024

**16. Consultation carried out with the
Portfolio Holder:**

Name: Cllr Stephen Harness

Title: Portfolio Holder for Finance,
Resources and Assets

Signed: REDACTED

Dated: 20th May 2024

Appendix A – Location Plan

