



## Officer Decision Record – Key Decision

### Appendix A NOT FOR PUBLICATION

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

### **Proposed freehold disposal of Beacon House and Beacon Bungalow, Solomon Court, Cleethorpes, DN35 9HL**

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 8<sup>th</sup> 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 Council owns the freehold of the property which comprises a purpose-built former care facility with two distinct buildings – a single storey 30-bedroom former care facility and a separate detached bungalow. The total site area is circa 0.41 hectares (1.013 acres).

The property is currently vacant and has been declared surplus to the Council's operational requirements.

PPH Commercial have been marketing the site for sale on behalf of the Council. The marketing campaign has resulted in the submission of two offers, the full details of which are included in Closed Confidential Appendix A.

This report seeks approval to complete the disposal of the subject site to the highest bidder. The proposed sale is conditional on the purchaser obtaining planning permission to redevelop the property to provide supported living for over 50-year-olds together with community well-being space.

A sale of the freehold would generate a capital receipt and culminate in a substantial building being redeveloped and brought back into beneficial use, whilst simultaneously removing the empty building liability and void management costs. 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 of Beacon House and Beacon Bungalow.

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

**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**

The proposed sale of the freehold interest will result in a capital receipt and the vacant premises being redeveloped and brought back into beneficial use, delivering wider community benefits.

**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 forgo the potential capital receipt. The site is surplus to the Council's operational requirements and in retaining ownership, the Council would continue to be responsible for the void liabilities and costs associated with a substantial vacant building.

Disposal of the Freehold to the other bidder

After an open marketing campaign, the recommended preferred bidder submitted the highest financial offer, therefore if the alternative offer was accepted, this would represent a disposal for less than best consideration. In those circumstances, the Council would need to have regard to the statutory well-being powers i.e. assessing the specific social, economic or environmental wellbeing benefits being delivered, in lieu of accepting a price below market value. In this case, both offers for the property are predicated on the delivery of wider community benefits.

**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 A - 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 will and expectation of Cabinet. Legal colleagues will support with the disposal and any ancillary matters, as appropriate.

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

The sale of the freehold will generate a capital receipt for the Council and at the same time remove the current void management costs. The marketing exercise undertaken provides assurance that the Council has obtained the best consideration reasonably obtainable in accordance with S.123 of the Local Government Act 1972. Wider economic benefits are also anticipated through the redevelopment of the site

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

There are no direct HR implications arising from the contents of this report.

**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. The Council has received assurance that funds are in place to acquire the Site. 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 because it is the intention that the condition of the Site will be improved and thereafter maintained based on an operational use. 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

Name: Sharon Wroot

Title: Executive Director, Place and  
Resources

Signed: REDACTED

**15. Decision Maker:**

Dated: 28.01.25

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

Name: Cllr Stephen Harness

Title: Portfolio Holder for Finance,  
Resources and Assets

Signed: REDACTED

Dated: 28<sup>th</sup> January 2025