



## Operational Officer Decision Record

Where the decision has a financial value of between £100k - £350k and does not have a **significant** impact on two or more wards

**1. Subject and details of the matter** (to include reasons for the decision and detail of any previous cabinet decision)

**Proposed freehold disposal of Welholme Galleries, Welholme Avenue/Hainton Avenue**

**Background**

The Council own the freehold interest of the property which comprises a Grade II listed former united Reform Church. The total built accommodation extends to circa 1,268 square metres (13,645 square feet) and the total site area is circa 0.47 hectares (1.16 acres).

The property was included in the previous cabinet decision on 8<sup>th</sup> March 2023 (Forward Plan Reference: CB 03/23/08) where it was 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.

The property is generally in a poor state of repair and condition. Remedial works were undertaken in 2019 to make the property weather tight and remove it from the Heritage At Risk Register. The property is surplus to the Council's operational requirements and PPH Commercial have been marketing the property for sale. A copy of the sales brochure is appended to this briefing note.

### **Progress**

The property has been on the market for a considerable length of time having originally been marketed at the start of October 2020. Since marketing commenced, there has been limited interest in the site and whilst there have been offers, a sale has not come to fruition. Earlier this year, there was renewed interest in the property from several prospective purchasers. PPH therefore invited best and final offers, which culminated in four offers being received. Full details of the bids are included in Closed Confidential Appendix 1.

Approval is sought to accept the highest offer and sell the freehold interest to the highest bidder as detailed in Closed Confidential Appendix 1.

A sale of the freehold would generate a capital receipt and culminate in a substantial building being renovated 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.

## **2. 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.

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.

## **3. Anticipated outcome(s)/benefits**

The proposed sale of the freehold interest will result in a capital receipt together with a long term vacant property being renovated and brought back in to beneficial use. This will also improve the street scene in this area of the Borough.

#### **4. Details of any alternative options considered and rejected by the officer when making the 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 listed building.

##### Disposal of the Freehold to one of the other bidders

After an open marketing campaign, the preferred bidder submitted the highest financial offer, therefore a disposal to one of the other bidders 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.

#### **5. Background documents considered** (web link to be included or copies of documents for publishing)

N/A

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

Yes. The information in closed confidential appendix is exempt information within paragraph 3 Schedule 12A to the Local Government Act 1972 (as amended).

#### **7. 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)**

No conflicts declared.

#### **8. Monitoring Officer Comments (Monitoring Officer or nominee)**

The decision is an operational one and is within the remit of the named Director and Portfolio Holder. The decision remains consistent with the will and expectation of Cabinet.

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

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

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

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

#### **11. 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.

Following completion of the sale, all future risks and obligations associated with ownership of the property, 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.

#### **12. If the decision links to a previous one taken by Cabinet, has the Cabinet Tracker been updated?**

Not applicable.

**15. Decision Maker:**

Name: Sharon Wroot

Title: Executive Director Place and  
Resources

Signed: REDACTED

Dated 20.11.24

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

Name: Cllr Stephen Harness

Title: Portfolio Holder for Finance,  
Resources and Assets

Signed: REDACTED

Dated: 20<sup>th</sup> November 2024