

# Executive Member Decision



**REPORT OF:** Executive Member for Finance and Governance,  
Executive Member for Growth and Development

**LEAD OFFICERS:** Director of Growth & Development

**DATE:** Friday, 6 March 2020

**PORTFOLIO(S) AFFECTED:** Growth and Development Finance and Governance

**WARD/S AFFECTED:** Audley & Queens Park;

## **SUBJECT:**

Disposal of Plot 6 Carl Fogarty Way, Blackburn

## **1. EXECUTIVE SUMMARY**

1.1 To seek approval to appoint a preferred bidder for the sale of Plot 6 Carl Fogarty Way, Blackburn and enter into a building licence and subsequent agreement for sale.

## **2. RECOMMENDATIONS**

That the Executive Members:

2.1 Approve the appointment of the preferred bidder, entering into a building licence and subsequent agreement for sale.

2.2 Authorise the Director of HR, Legal and Governance to complete the necessary legal formalities

## **3. BACKGROUND**

3.1 Plot 6 Carl Fogarty Way, Blackburn comprises approximately 1.43 acres of commercial development land and was originally offered for sale by tender through the Council's framework development partners with a closing date of 03<sup>rd</sup> December 2019. The deadline for the tender returns was extended to the 17<sup>th</sup> December 2019 following requests from the framework partners.

3.2 Two bids were received via. CHEST by the deadline date. Both tender returns were made on the basis of the developers proposing a scheme of speculative starter units for commercial use. As this particular site is not a key gateway site in comparison to the other plots unlocked by the construction of Carl Fogarty Way, the proposed developments are considered reasonable.

3.3 Following clarification meetings, one of the parties is considered to have provided the most favourable tender return due to the higher value offered, and it is proposed they are appointed as preferred bidder. They intend to submit a planning application by June 2020 for 18 small units totalling between 17,880 sq ft without mezzanine, up to 23,780 sq ft with mezzanine areas included. The proposed construction start date is January 2021 with units being ready for occupation in 2022.

3.4 Construction will be carried out under a building licence, with the freehold of the site to be transferred to the preferred bidder upon completion, ensuring that the units are built out within an acceptable timeframe.

#### **4. KEY ISSUES & RISKS**

4.1 The proposed preferred bidder has submitted a compliant tender bid with an acceptable scheme and has offered the highest site value. It is recommended that the Council proceeds with the transaction.

4.2 Should the transaction not be completed then the Council will explore other options for the site and re-tender.

4.3 The access road to the site is currently unadopted and may need to be adopted in order to facilitate the development.

#### **5. POLICY IMPLICATIONS**

5.1 The disposal method accords with the Council's approved policy for disposals.

#### **6. FINANCIAL IMPLICATIONS**

6.1 The Council will receive a capital receipt.

6.2 The preferred bidder will cover the Council's legal and surveyor fees.

#### **7. LEGAL IMPLICATIONS**

7.1 The disposal method complies with the Council's legal obligations for such transactions and with the Council's Disposal Policy 2019.

7.2 The land comprises public open space. It will therefore be necessary to advertise the proposed disposal in the Lancashire Telegraph for 2 consecutive weeks under Section 123 (2A) Local Government Act 1972 so as to allow the public to raise any queries/objections. The Executive Member may be required to report further as a consequence of any queries or objections received.

#### **8. RESOURCE IMPLICATIONS**

8.1 Legal and surveyor resources will be required to complete the transaction

#### **9. EQUALITY AND HEALTH IMPLICATIONS**

**Please select one of the options below.**

Option 1  Equality Impact Assessment (EIA) not required – the EIA checklist has been completed.

Option 2  In determining this matter the Executive Member needs to consider the EIA associated with this item in advance of making the decision.

#### **10. CONSULTATIONS**

10.1 The proposal has been subject to consultations between Council Officers, Executive members, and Legal and Planning departments

## 11. STATEMENT OF COMPLIANCE

The recommendations are made further to advice from the Monitoring Officer and the Section 151 Officer has confirmed that they do not incur unlawful expenditure. They are also compliant with equality legislation and an equality analysis and impact assessment has been considered. The recommendations reflect the core principles of good governance set out in the Council's Code of Corporate Governance.

## 12. DECLARATION OF INTEREST

All Declarations of Interest of any Executive Member consulted and note of any dispensation granted by the Chief Executive will be recorded in the Summary of Decisions published.

<b>CONTACT OFFICER:</b>	Alex Wildman, Strategic Development Manager (Commercial)
<b>DATE:</b>	27 <sup>th</sup> February 2020
<b>BACKGROUND PAPER:</b>	None