

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, 11 December 2020

PORTFOLIO(S) AFFECTED: Growth and Development

WARD/S AFFECTED: Audley and Queens Park;

SUBJECT:

Disposal of Plot 1 Carl Fogarty Way, Blackburn

1. EXECUTIVE SUMMARY

1.1 To seek approval to appoint a preferred bidder for the sale of Plot 1 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 and progress with the statutory process under the Local Government Act 1972 in connection with the proposed disposal of 'open space'.

2.3 Authorise the Growth Programme Director to finalise details of the building licence and heads of terms.

3. BACKGROUND

3.1 Plot 1 Carl Fogarty Way, Blackburn comprises approximately 1.49 acres of commercial development land and was offered for sale by informal tender on 29th September 2020 with a closing date of 23rd November 2020.

3.2 A compliant bid was received from Bidder A by the deadline date. The tender return proposed a unit of 18,000 sq ft showroom space with 12,000 sq ft 1st floor office space together with associated service yard and car parking. The development will accommodate the bidder's companies.

3.3 The tender submission confirms that the bidder has successfully delivered similar schemes in the borough, has an appropriately experienced delivery team, and has the necessary funds to acquire the site and complete the development.

3.4 Following this exercise, it is proposed that the Council proceed with Bidder A, due to the quality of the tender submission, scheme and financial offer. They propose to secure planning

approval by May 2021 and start construction in June 2021, with the unit being ready for occupation in 2022

3.5 Construction will be carried out under a building licence, with the freehold of the site transferred to the developer under completion, to ensure the units are built out within an acceptable timeframe.

4. KEY ISSUES & RISKS

4.1 Bidder A has submitted a compliant tender bid with an acceptable scheme and have offered the highest site value. It is recommended that the Council proceeds with the transaction, with Bidder A as preferred bidder.

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

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 calculated as a percentage of the offered land value, up to an agreed cap.

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 While the Council is not aware of any known or substantial use of this land as open space due to its location, because the land is open and technically accessible to the public, it is more legally secure to consider it to be "open space" and undertake the process following s.123(2A) of the Local Government Act 1972. This requires the Council to advertise the proposal twice over two consecutive weeks in a newspaper circulating in the area, and consider any objections to the proposed disposal which may be made to them. "open space" is defined in section 336(1) of the Town and Country Planning Act 1990 as: "means any land laid out as a public garden, or used for the *purposes of public recreation*, or land which is a disused burial ground" (emphasis added).

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.

CONTACT OFFICER:	Alex Wildman, Strategic Development Manager (Commercial)
DATE:	03 rd December 2020
BACKGROUND PAPER:	None