



EXECUTIVE MEMBER DECISION

REPORT OF:	Executive Member for Finance and Governance Executive Member for Growth and Development
LEAD OFFICERS:	Director of Growth and Development
DATE:	22 nd May 2019

PORTFOLIO/S AFFECTED: Finance and Governance

WARD/S AFFECTED: Darwen East

SUBJECT: Disposal of land and buildings at Charles St Darwen rear of former Access Point Building.

1. EXECUTIVE SUMMARY

Multevo occupy premises at Charles St Darwen which they rent from Blackburn with Darwen Borough Council. The access to the site is shared with that of the former Access Point building previously disposed of by the Council. The company have expanded and are looking at long term options for their business premises. They have approached the Council and expressed a desire to purchase the freehold interest of the premises they occupy and additional adjacent land to allow growth without vacating the Borough.

2. RECOMMENDATIONS

That the Executive Member:

1. Grants the tenant 'special purchaser' status in accordance with the Council's disposal policy; and
2. Approves the disposal of land and buildings referred to in this report on the terms recommended.

3. BACKGROUND

Multevo currently hold the premises under the terms of a 3-year lease commencing March 2017. They have expanded significantly in recent years but need to further expand and are currently considering their future options. The options available include extending the current premises which require an increase to the site footprint; they are reluctant to incur the expenditure required unless they hold the freehold. They have also considered re-location of the business to a site they hold in Yorkshire. Currently the company employs over 20 individuals who reside in the Borough.

4. KEY ISSUES & RISKS

The proposed sale would encourage the company's continued expansion within the Borough and protect existing jobs as well as helping to create conditions that would encourage the creation of additional opportunities. Negotiations have been conducted and terms have been provisionally agreed.

5. POLICY IMPLICATIONS

The disposal method accords with the Council's approved policy for disposal in that a sale to an existing tenant is a typical example of where it is appropriate to grant the special purchaser status.

6. FINANCIAL IMPLICATIONS

The Council will receive a capital receipt but lose the annual rent.

7. LEGAL IMPLICATIONS

The reasoning and consideration as to the Council's disposal policy has been discussed elsewhere. Under s123 of the Local Government Act 1972 the Council is obliged to obtain best consideration reasonably obtainable.

8. RESOURCE IMPLICATIONS

Legal and surveyor resources are required to complete the transaction.

9. EQUALITY AND HEALTH IMPLICATIONS

Please select one of the options below. Where appropriate please include the hyperlink to the EIA.

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. (*insert EIA link here*)

Option 3 ☐ In determining this matter the Executive Board Members need to consider the EIA associated with this item in advance of making the decision. (*insert EIA attachment*)

10. CONSULTATIONS

The proposal has been subject to extensive consultations between Council Officers and relevant members of the Growth Board.

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 and published if applicable.

VERSION:	1
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CONTACT OFFICER:	Cindy Rhodes
DATE:	20 th May 2019
BACKGROUND PAPER:	