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| Key Decision Required: | No | In the Forward Plan: | No |
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CABINET

24 JANUARY 2014

REPORT OF THE FINANCE AND ASSET MANAGEMENT PORTFOLIO HOLDER

A.8 FREEHOLD DISPOSAL OF THE HAULAGE YARD AT SOUTH STRAND, LAWFORD

(Report prepared by Aileen Middleton)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To seek Cabinet's approval for the freehold disposal of the haulage yard situated at South Strand, Lawford.

EXECUTIVE SUMMARY

The haulage yard at South Strand in Lawford has been let on an informal licence to a neighbouring owner for some years and he has asked to purchase the freehold. Another adjoining owner has also offered to purchase the freehold. Both neighbouring owners are potential special purchasers accordingly officers have asked both parties to make best and final bids for the site.

This process closed on 4th November 2013 and one of the parties has submitted a more financially advantageous bid, subject to Cabinet approval.

RECOMMENDATIONS

That Cabinet authorises the freehold disposal, in principle, subject to its decision on terms set out in the report in Part B of this agenda.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

The disposal will have the potential to deliver on the following Council priorities:

- Ensuring people have the knowledge and skills to secure good employment.
- Promoting sustainable economic growth.
- Regenerating the District and improving deprived areas.

FINANCE, OTHER RESOURCES AND RISK

Finance and other resources

The freehold disposal will result in a capital receipt for the Council. Details of this are contained in Part B of this agenda.

Risk

The land is part of a site that was used by the Council's predecessor organisation as a landfill site. Since the closure of the landfill the area has been largely developed for industrial use and sold in parts.

The land in question is one of only two remaining sections. The Council remains liable for underlying contamination over the whole area because it is the successor to the original polluter. It would be impractical to attempt to pass on this liability to the purchaser of just one section of the land.

LEGAL

Section 123(1) Local Government Act 1972 indicates that, a local authority may dispose of land held by it in any way it wishes so long as the land is disposed for a consideration not less than the best that can reasonably be obtained.

In this case there are two potential special purchasers. A limited competition between them has led to an offer which officers consider to be the Best Consideration Reasonably Obtainable.

In coming to decisions in relation to management of assets, the Council must act in accordance with its statutory duties and responsibilities. Under Section 120 of Local Government Act 1972, the Council is obliged to ensure that the management of its assets are for the benefit of the district.

OTHER IMPLICATIONS

Consideration has been given to the implications of the proposed decision in respect of Crime and Disorder, Equality and Diversity, Health Inequalities, Consultation/Public Engagement and Wards; and any significant issues are set out below.

None

Ward

Lawford

PART 3 – SUPPORTING INFORMATION

BACKGROUND

- The haulage yard is a piece of waste ground in Lawford near Manningtree which is let on an informal licence to a neighbouring owner. The licensee has no formal on-going rights over the land because of the terms signed some years ago when he first took over the yard.
- The ground at the yard is contaminated land following its former use as a waste tip and will be costly to clean thus the site will not be an attractive investment for anyone not already in the area.
- The yard is currently used for vehicle storage in conjunction with the adjoining business.
- The Licensee has offered to purchase the land on several occasions but this has never been considered viable in the past.
- The other adjoining owner has also offered to purchase the land..
- Both adjoining owners are potential special purchasers

- Agents have valued the site for sale and a limited competition between the two owners has been conducted.

CURRENT POSITION

- Both adjoining owners were asked to provide their best and final bids for the site by 4th November 2013.
- The current Licensee submitted the highest bid.
- It is proposed that the current licensee be allowed to proceed to purchase the freehold of the site.
- The financial details are contained in Part B of this agenda.

FURTHER HEADINGS RELEVANT TO THE REPORT

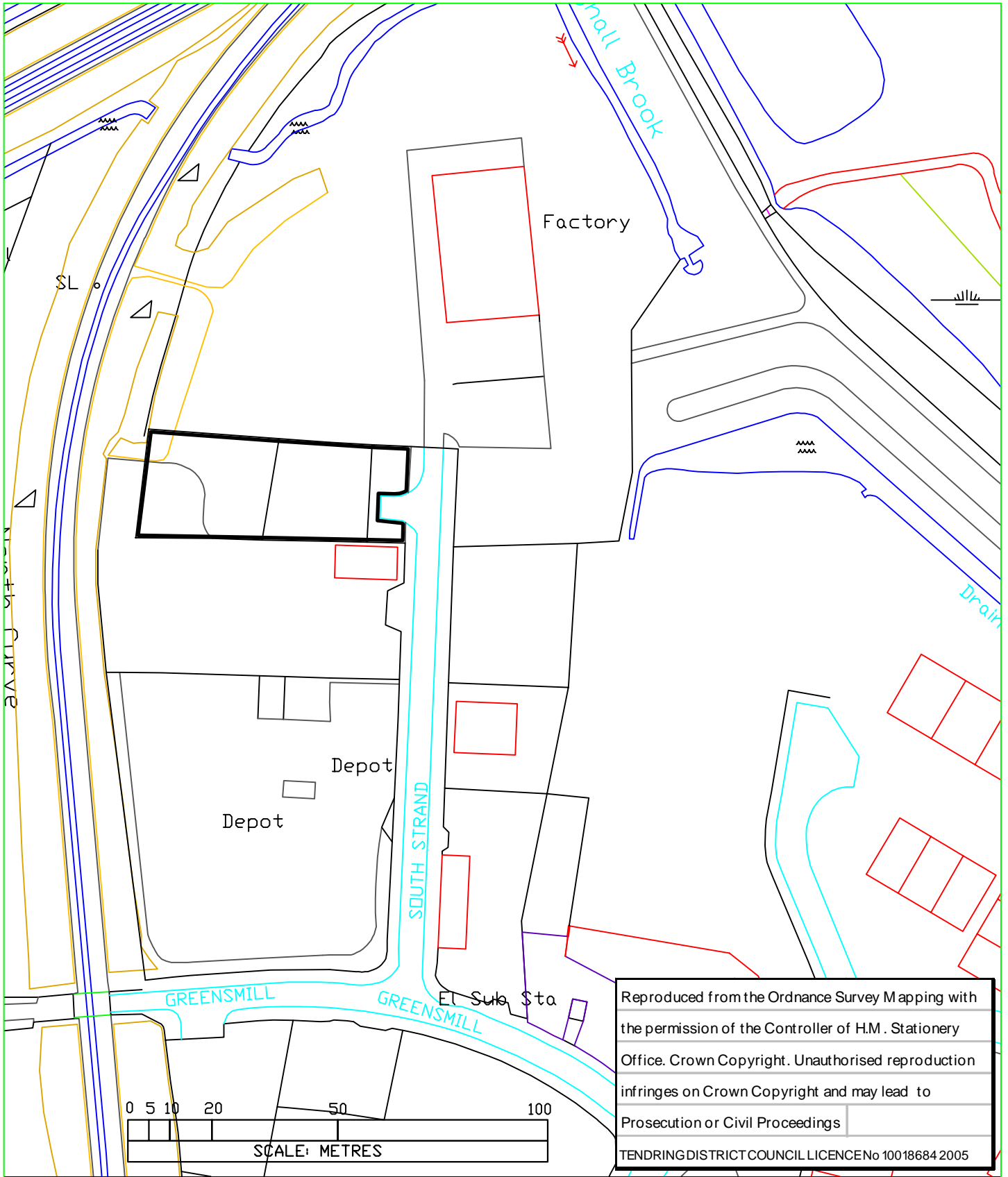
None

BACKGROUND PAPERS FOR THE DECISION

None

APPENDICES

- **Appendix A – Location Plan**



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TENDRING DISTRICT COUNCIL

M. KNAPPETT
BA(hons), DMS.
HEAD OF CORPORATE PERFORMANCE

title: HAULAGE YARD SOUTH STRAND
LAWFORD

drawing: LOCATION PLAN

scale: 1:1250

drawn by: AR WHITE

date: 21 SEPT 2009

| drwg.No. | revision |
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