

<b>Key Decision Required:</b>	<b>Yes</b>	<b>In the Forward Plan:</b>	<b>Yes</b>
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## CABINET

### REPORT OF THE ASSET MANAGEMENT AND CORPORATE SERVICES PORTFOLIO HOLDER

25 SEPTEMBER 2015

#### **A.2 FREEHOLD DISPOSAL OF THE WORKS AT SOUTH STRAND, LAWFORD** (Report prepared by Aileen Middleton)

#### **PART 1 – KEY INFORMATION**

##### **PURPOSE OF THE REPORT**

To seek Cabinet approval for the freehold disposal of The Works, situated at South Strand, Lawford.

##### **EXECUTIVE SUMMARY**

The Works at South Strand in Lawford has been let on a lease to a skip hire company for over 20 years. The tenant has asked to purchase the freehold.

The initiation process of disposal of this site was not carried out and, as such, officers have incorporated the feasibility and initiation report into this Cabinet report.

##### **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 adjacent to part of a site that was used by the previous freeholder 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 the only remaining section. The Council remains liable for underlying contamination over the whole area because it is the successor in title 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 the tenant is a potential special purchaser. No formal marketing has been carried out but the offer is at the higher end of the valuations and as such officers consider it 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 Works is a piece of waste ground in Lawford near Manningtree, which is let on a lease. The lessee has formal ongoing rights over the land because of the terms of his lease.
- The ground at the yard is likely to be contaminated following the former use of the adjacent land as a waste tip and this 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 storage and skip hire and the planned future use is for the same activity.
- The lessee is a potential special purchaser.
- Two valuations of the site for sale have been carried out but no formal marketing has taken place.

### **CURRENT POSITION**

- The current Lessee has submitted a realistic offer for the freehold of the site.
- It is proposed that the current lessee 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

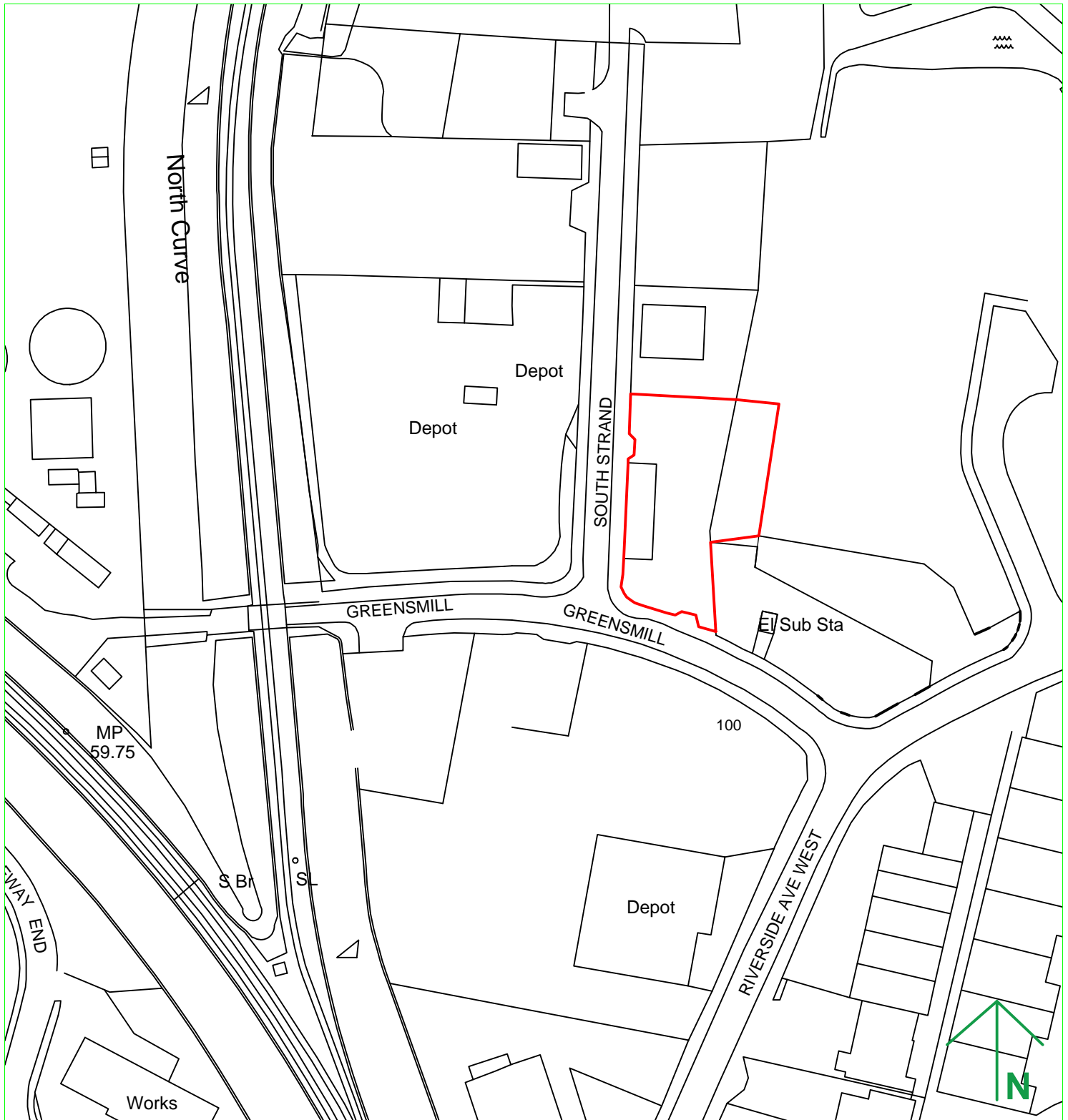
### **BACKGROUND PAPERS FOR THE DECISION**

None

### **APPENDICES**

- **Appendix A – Location Plan**
- **Appendix B – Feasibility Study**

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**TENDRING DISTRICT COUNCIL**

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

**Title**

Sandman Skip Hire, South  
 Strand, Lawford

**Date:** 20 August 2015

**Scale:** 1:1250

**Drawn By:** J. Weavers

**Drawing No. & Revision**

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A

Assessment of Acquisition/Disposal Feasibility

<b>Assessed by:</b>	A.Middleton
<b>Date:</b>	20 <sup>th</sup> August 2015
<b>Site:</b>	The Works, South Strand, Lawford
<b>Reason for consideration:</b> request from current tenant to purchase the freehold of the land.	
<b>Location:</b> Lawford, Nr Manningtree	
<b>Adjoining uses:</b>	
<ul style="list-style-type: none"> <li>• Industrial</li> </ul>	
<b>Planning designation:</b>	
<ul style="list-style-type: none"> <li>• Inside Settlement Limits</li> <li>• Industrial</li> </ul>	
<b>Current use:</b>	
<ul style="list-style-type: none"> <li>• Skip Hire Yard</li> </ul>	
<b>Legal constraints:</b> Not yet researched	
<b>Service usage/issues:</b> The land is currently used as a skip hire business and related storage	
<b>Request for purchase/lease:</b> Request to purchase the land from the tenant.	
<b>Corporate Priorities:</b>	
Promoting sustainable economic growth Creating sources of employment.	
<b>Property Strategy Issues:</b> The site is not identified for action in the draft property strategy.	
<b>Valuation:</b> £85k - £106k	
<b>Other Issues:</b> The land may be contaminated from an adjacent use as a landfill site.	
<b>Conclusion:</b> The disposal of the freehold of this land would offer the Council a substantial capital receipt.	