

PROPOSED DISPOSAL – LAND (0.297 HA/0.73 ACRES APPROX), SITUATED MARKET DRAYTON ROAD, LOGGERHEADS, NEWCASTLE-UNDER-LYME

Submitted by: Executive Director – Regeneration and Development

Portfolio: Regeneration and Planning

Ward(s) affected: All

Purpose of the Report

To seek authority for the freehold sale of 0.297 hectares (0.73 Acres) of Borough Council owned land situated off Market Drayton Road, Loggerheads to facilitate the development of a community fire station as part of the Staffordshire-wide improvement programme of such facilities.

Recommendations

That Cabinet:-

- (a) approves the release of the property which is required by Staffordshire Fire & Rescue Authority (SFRS) for the construction a new community fire station subject to the granting of planning permission; and**
- (b) approves the provisionally agreed sale terms.**

Reasons

Staffordshire Fire and Rescue Service (SFRS) need to provide a new fire station, (being a replacement for the exiting fire station located in Ashley) and they have identified this land as the most suitable development site in the area to meet their operational requirements. Your officers are satisfied that the disposal is in the public interest and that market value will be obtained.

1. Background

- 1.1 The Staffordshire Fire and Rescue Service (SFRS) has undertaken a strategic review of the operational premises that support the delivery of its services and is in the process of rolling out a programme of new and improved premises (through a Private Finance Initiative programme) to better meet modern-day requirements, including community/partner use of such properties. Members will be aware of emerging facilities elsewhere in the Borough (notably the recently-completed new station at Knutton Lane) and the proposal before you relates to the provision of improved facilities to meet the needs of the rural community in this part of the Borough (to replace the outdated facility located at Ashley).
- 1.2 Following 'sequential testing' of alternative option sites, this land and location has been identified by SFRS as the most suitable for replacement of the current Ashley site. A request has therefore been received from Property Consultants, who act on behalf of the SFRS, to purchase the Borough Council's freehold interest in the land which will provide a site of about 0.297 Ha (0.73 acres). It is the SFRS's intention to use this land for the development of a new community fire station.
- 1.3 For Members' information, as part of the site selection, assessment, and community consultation process SFRS has undertaken the following;

- Local media press release, an electronic newsletter, distribution of posters to local shops businesses, inclusion on their Service website and leaflet distribution.
- Contact, meeting and discussions regarding the proposed site with Ward Councillors on 19 July 2011.
- A visit to Loggerheads on 25 July at the Community Information Shop with whom there is on-going dialogue (with Loggerheads Parish Council's appointed spokesperson).
- Public Events were held on the afternoon and evening 26 July 2011
- Issues raised at Public Events will be put onto SFRS website and will inform the precise nature and use of the facility..
- Future consultation and engagement is planned but dates are yet to be confirmed.

1.4 The subject land, which is identified edged red on the attached plan, (see Appendix A) is part of a larger area, which extends in total to approx 4.98Ha (12.32 Acres) All of this land, (areas edged red and blue on the plan) is currently subject to a Farm Business tenancy. Should approval be given to the disposal of the subject land to SFRS it will be necessary to complete a new tenancy agreement which will exclude the area of land which they have requested.

1.5 Negotiations have taken place and SFRS has provisionally agreed to pay the market value for the Borough Council's freehold interest, subject to contract, a satisfactory planning permission and the results of a ground investigation survey. Should the results of the latter survey demonstrate the existence of abnormal development costs, then these, once agreed, will be deducted from the sale price.

1.6 The SFRS have advised that their PFI timetable means that it is essential for them to have certainty in respect of the availability of the subject land by October 2011..

2. **Issues**

2.1 In its capacity as owner of land/property the Council should keep under review the potential for disposal in accordance with the approach set out in the current Asset Management Strategy. In this instance the Council is being asked by a public sector partner organisation (i.e. the SFRS) to facilitate the roll-out of an improvement programme to their operational premises as described above.

2.2 The salient extract from the Council's Asset Management Strategy is as follows:

Para 6.2 Criteria for recommending disposal

Land and property identified as potentially surplus will be recommended for disposal if it satisfies one or more of the following criteria (see paragraph 4.4.2).

In disrepair, and not capable of renovation at reasonable cost;

No alternate occupancy or usage viable including community occupancy (reference Quirk report);

Condition of land/property is a cause of complaint and/or breaches statute or Health and Safety requirements

The property does NOT support the Corporate Plan or;

Value, through disposal or, development agreement, will produce significant receipt to help fund the Corporate Plan

2.3 In this instance your officers are satisfied that retaining the land would serve no purpose in terms of Corporate Plan objectives and the disposal would generate a significant receipt (at best consideration), that would support the Council's capital programme requirements.

Additionally the disposal would help to achieve the Council's community safety objectives by facilitating the improvement of SFRS' operational facilities.

- 2.4 The next issue relates to community consultation/engagement. The Council recognises that the disposal of any Council-owned land or property must be undertaken with due regard to the views of local residents (outwith any public consultation undertaken by the Council as a local planning authority). In this instance, given that the Council is responding to a request from a prospective purchaser the responsibility for public consultation properly rests with the SFRS as the intended developer of the site. In this regard the activity undertaken to date is summarised at paragraph 1.3 and your officers are satisfied with the steps taken, along with a clear commitment for further community engagement to shape the precise nature and use of the facility.
- 2.5 The other issue relates to the potential displacement of the current tenant who operates a small-scale agricultural business on the site. Your officers feel confident that the latter business could continue to operate effectively on the balance of the wider site area thereby enabling retention of a small-scale local business.

3. **Options Considered**

- 3.1 A disposal of the subject land at market value to a partner organisation that will provide the Council with a capital receipt and contribute towards delivery of its corporate priorities.
- 3.2 Associated with the latter, a reduction in the size of the current tenant's demise from 4.98 Ha to 4.68Ha (i.e. by the area requested by SFRS) and granting him a new tenancy of the balance of the wider site will enable his business to continue whilst at the same time allowing land to be released for the development of a new community fire station.
- 3.3 To refuse the Fire Authority's request, the consequence of which would mean the loss of an opportunity to deliver a new community fire station for the benefit of the local community.

4. **Proposal**

- 4.1 Your officers are satisfied that a freehold disposal of the area requested by SFRS at market value, for the development purposes summarised above, represents good value for money and would contribute positively to the community's well-being.
- 4.2 Submission of a detailed planning application is imminent and of course, it will be determined on its merits (i.e. this disposal decision does not prejudice the outcome).

5. **Reasons for Preferred Solution**

- 5.1 The proposed disposal will contribute to the Council's success in enabling improved service delivery through partnership working whilst achieving good value for money. Additionally the planned development of a community fire station would contribute positively to the Council's community safety objectives.

6. **Outcomes Linked to Sustainable Community Strategy and Corporate Priorities**

- 6.1 The disposal will enable the provision of modern, purpose-designed, accommodation for the SFRS that will contribute to the Council's priority relating to Safer and Stronger Communities whilst providing the Council with a capital receipt that can be used to deliver its corporate priorities. Also it will assist a partner organisation in the delivery of its own strategic objectives.

7. **Legal and Statutory Implications**

- 7.1 The disposal of the subject land must accord with the provisions of specific legislation relating to the disposal of public land (including the requirement to achieve 'best consideration'), whilst taking account of the general powers of well-being conferred by the Local Government Act 2000.

8. **Equality Impact Assessment**

- 8.1 There are no direct implications arising from this report.

9. **Financial and Resource Implications**

- 9.1 Upon completion of the sale of this land the Council will obtain a significant capital receipt (that represents market value) whilst there will be a small loss of rental income from the present tenant. The said receipt will support the Council's capital programme.

10. **Major Risks**

- 10.1 Failure of the SFRS to secure a suitable site (to meet their locational and v.f.m. criteria) will jeopardise the provision of a new, modern, fire station facility to serve this part of the Borough. In turn, this would have potentially adverse consequences for community safety.

11. **Key Decision Information**

None

12. **Earlier Cabinet/Committee Resolutions**

None

13. **List of Appendices**

Appendix 'A' - Site plan showing subject land in context of wider land parcel.

14. **Background Papers**

NBC's Asset Management Strategy 2011/12 to 2012/13
Confidential briefing note containing relevant but commercially sensitive information.