

REDDITCH BOROUGH COUNCIL

**EXECUTIVE
COMMITTEE**

2nd December 2010

**DISPOSAL OF LAND – “TEAR DROP” ADJ. A441 ALVECHURCH HIGHWAY,
REDDITCH**

Relevant Portfolio Holder	Cllr Michael Braley, Portfolio Holder for Corporate Management
Relevant Head of Service	Teresa Kristunas, Head of Finance and Resources
Key Decision	

1. SUMMARY OF PROPOSALS

To seek formal approval to the disposal of the land known as the “Tear Drop”.

2. RECOMMENDATIONS

The Committee is asked to **RESOLVE** that

- 1) the land known as the “Tear Drop” be disposed of for the purposes detailed in the report; and
- 2) Officers be instructed to proceed with the offer from Party E as detailed in the confidential Appendix 2 to the report.

3. BACKGROUND

The Council’s has previously considered the disposal of the site known as the “Tear Drop” as part of the former Atlantic Beacon proposal for the redevelopment of the Abbey Stadium. The proposal was for the site to be developed for hotel use and possibly a pub which would have been acceptable in Planning terms. It was envisaged in March 2008 that once an agent had been engaged to market the site that there may be a start on site as soon as early 2009.

4. KEY ISSUES

- 4.1 Despite an agreed proposal for the site officers have been unable to locate a formal approval by members for the disposal of the site. However, action has been taken to progress the disposal of the site.
- 4.2 Following local, regional and national advertising and several meetings with interested parties 5 offers have been received for the site. There is a very significant range in the value of the bids. The variation in the bids is due to

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the proposed use for the site. The lowest bid being from a purchaser with no immediate plans for development.

- 4.3 The highest bid is from a purchaser who already has a business in the Borough and is interested in acquiring the site to enable them to unlock existing expansion plans for which they have already been granted planning permission. The offer is conditional upon planning, survey and searches for the proposed development.
- 4.4 The potential capital receipt for the site will be subject to clawback to English Partnerships of approximately 50%, assuming an early 2011 completion. English Partnerships have previously agreed to waive the clawback but it was blocked by the then Office of the Deputy Prime Minister. Officers will be reopening discussion with English Partnerships regarding the clawback and the potential for its waiver.

5. FINANCIAL IMPLICATIONS

The disposal of the "Tear Drop" has the potential to generate a significant capital receipt for the Council.

6. LEGAL IMPLICATIONS

The Council is required to dispose of any interest in land including leases for the best consideration possible under Section 123 of the Local Government Act 1972.

7. POLICY IMPLICATIONS

It is envisaged that the proposed develop of this site will comply with existing policy.

8. COUNCIL OBJECTIVES

The Council will be able to use the capital receipt from this disposal to invest in its priorities.

**9. RISK MANAGEMENT INCLUDING HEALTH & SAFETY
CONSIDERATIONS**

There is risk that the proposed purchased is unable to obtain planning permission and that survey and search results are unsatisfactory thereby affecting the proposed purchase price.

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10. CUSTOMER IMPLICATIONS

There are no customer implications.

11. EQUALITIES AND DIVERSITY IMPLICATIONS

There are no equality and diversity implications.

**12. VALUE FOR MONEY IMPLICATIONS, PROCUREMENT AND ASSET
MANAGEMENT**

The disposal of surplus assets to enable the reinvestment in priority areas is considered good practice in terms of asset management. The site has been advertised widely and this has result in a good range of interest.

13. CLIMATE CHANGE, CARBON IMPLICATIONS AND BIODIVERSITY

There are no climate change, carbon implications or biodiversity implications with the immediate disposal. There may however, be such issues with the proposed development.

14. HUMAN RESOURCES IMPLICATIONS

There are no human resource implications.

15. GOVERNANCE/PERFORMANCE MANAGEMENT IMPLICATIONS

There are no governance/performance management implications.

**16. COMMUNITY SAFETY IMPLICATIONS INCLUDING SECTION 17 OF
CRIME AND DISORDER ACT 1998**

There are no community safety implications.

17. HEALTH INEQUALITIES IMPLICATIONS

There are no health inequalities implications.

18. LESSONS LEARNT

None.

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19. COMMUNITY AND STAKEHOLDER ENGAGEMENT

There has been no community or stakeholder engagement in the preparation of this report. This disposal has been discussed by the Leisure Contracts Advisory Plan and the Development Group.

20. OTHERS CONSULTED ON THE REPORT

Portfolio Holder	No
Chief Executive	No
Executive Director (S151 Officer)	No
Executive Director – Leisure, Cultural, Environmental and Community Services	No
Executive Director – Planning & Regeneration, Regulatory and Housing Services	Yes
Director of Policy, Performance and Partnerships	No
Head of Service	No
Head of Resources	Author
Head of Legal, Equalities & Democratic Services	No
Corporate Procurement Team	No

21. WARDS AFFECTED

Abbey Ward.

22. APPENDICES

- Appendix 1 - Plan of the site.
- Appendix 2 - Confidential appendix.

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23. BACKGROUND PAPERS

Bids held by Worcestershire County Council Property Services
(Confidential).

AUTHOR OF REPORT

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