

REPORT FROM: HOUSING, HEALTH AND ECONOMIC DEVELOPMENT
SERVICES MANAGER/LIBERATA PROPERTY SERVICES

TO: EXECUTIVE

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LAND AT LEEDS ROAD, NELSON and BRIERFIELD MILL REGENERATION

PURPOSE OF REPORT

To report on offers made for the disposal of the former Regent Cinema site at Leeds Road, Nelson and interest shown from a local business affected by the Clitheroe Road CPO and Brierfield Mill regeneration proposals.

RECOMMENDATION

That the Executive delegates approval to the Strategic Director to agree terms for the disposal of the Council's leasehold interest of land at Leeds Road, Nelson to Clitheroe Road Car Sales at Market Value.

REASON FOR RECOMMENDATION

To proceed with the regeneration of Brierfield Mill and retain a local business within the borough on land available for redevelopment. To ensure that the Council achieves "best value" for the land.

BACKGROUND

In 2009 the Council acquired the leasehold interest of the former Cinema building at Leeds Road, Nelson for £270,000. The building was located in an improvement area, was in very poor condition and was acquired for demolition. Discussions were held with the Surgery opposite to dispose of the site for car parking but the sale did not complete.

In the summer of 2016 the site was offered to the owners of Clitheroe Road Car Sales Ltd., as a potential land swap for their existing premises and car sales pitch, that the Council was acquiring by way of CPO in connection with Brierfield Mill regeneration scheme.

The land swap offer was not agreed and the business has been allowed to remain and operate from the Clitheroe Road site whilst agreeing compensation and securing new premises. The Council however now urgently requires possession of the Clitheroe Road premises to facilitate the next stage of development of Brierfield Mill.

The Leeds Road site was declared surplus in December 2016 and Liberata Property Services were instructed to market the land at Leeds Road by way of informal tender. As part of the tender procedure particulars were provided to the agent acting for Clitheroe Road Car Sales Ltd., in a further effort to secure their relocation. At a recent meeting held with all parties a potential land swap may now be acceptable and beneficial to both parties.

ISSUE

As part of the wider regeneration scheme at Brierfield Mill, the Council has advised that they will where possible assist Clitheroe Road Car Sales Ltd., in finding new premises as part of their compensation claim. There is however no legal obligation on the Council to provide the aforementioned business with alternative land.

The Council received nine tenders for the Leeds Road site including one late tender and a new formal offer of interest from Clitheroe Road Car Sales Ltd. to take the land as part of their compensation claim.

Any transfer of the Leeds Road site would be at Market Value, subject to negotiation between the parties, with provision for referral to an independent third party valuer if agreement is not reached. If the agreed value is acceptable to the Strategic Director the land may be transferred subject to agreeing other pertinent terms and conditions and receiving planning consent for the use proposed. This proposal would also ensure that Council meets its obligation to achieve “best value” for land disposals.

In order to enable the Brierfield Mill scheme to move forwards the Executive is recommended to abandon the marketing of the Leeds Road site and advise all tenderers accordingly. The Council is not under any obligation to accept any of the offers made nor proceed with the sale of the land.

It is recommended that the Strategic Director be given delegated authority to agree the Market Value and transfer the land to Clitheroe Car Sales Ltd., as part of the compensation claim. Such a transfer would be dependent upon the receipt of planning consent for the use proposed. If the transfer does not take place then the Council can commence re-marketing of the site for development.

IMPLICATIONS

Policy: To facilitate the Council’s regeneration policy and obtain the “best value” for surplus assets.

Financial: To agree Market Value for the land to off-set its obligation to compensate the proposed transferee in its claim for compensation for the enforced loss of premises on Clitheroe Road.

Legal: None directly arising from this report

Risk Management: None directly arising from this report

Health and Safety: None directly arising from this report

Sustainability: None directly arising from this report

Community Safety: None directly arising from this report.

Equality and Diversity: None directly arising from this report

APPENDICES

Plan

LIST OF BACKGROUND PAPERS

Report 7th November 2016; Executive Minutes 8th December 2016