

REPORT FROM: DIRECTOR OF PLACE

TO: NELSON, BRIERFIELD AND REEDLEY COMMITTEE

DATE: 30TH OCTOBER 2023

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20 SCOTLAND ROAD, NELSON

PURPOSE OF REPORT

To recommend that this Committee requests the Executive to consider whether to declare the property shown edged black on the plan surplus to requirements in order for it to be sold to the Tenant.

RECOMMENDATIONS

- (1) That this Committee requests the Executive to consider whether to declare the property surplus to requirements for a sale to be negotiated to the tenant. If the property is to be sold it is recommended that it be sold at market value and that there be a covenant restricting it to occupation by a Charity delivering services for the benefit of the community.
- (2) That if Committee agree with the recommendations the Director of Place be authorised to negotiate terms.

REASONS FOR RECOMMENDATIONS

The current Tenant has requested to purchase the property on two occasions, and a sale of the property would result in a capital receipt for the Council and an end to all liabilities.

BACKGROUND

1. The property was advertised 'To Let' by Liberata in January 2018 at an asking rent of £6,375 per annum and in June 2018 the Policy and Resources Committee accepted an offer from Building Bridges Pendle at a concessionary amount based on the benefit of their occupation to the community. They are a Charity and occupy the property on a lease from 15th October, 2018 to 31st March, 2022 at £2,172 per annum as an office to deliver their services, and they are currently holding over on the terms of the existing lease.
2. In early 2020 Liberata were requested by the Council's Chief Executive to carry out a valuation of the property as Building Bridges had requested to purchase it. The valuation figure of £82,600 was confirmed to them, but the interest did not progress due to the impact of the

Pandemic on their funding.

3. Building Bridges have submitted another request to purchase the property at the same valuation amount as they are able to obtain funding, and there has been no change in the value further to it being re-assessed.

ISSUES

4. There has been a request to purchase the property which would result in the Council receiving a capital receipt and would allow long term use by a Charity which provides a benefit to the community in Nelson.
5. The current rent is below market rent and at a concessionary amount reflecting their occupation, but a sale would still result in a loss of rental income for the Council. If the property was sold this would take away control from the Council of a Town Centre property which may affect any future redevelopment plans, but the Council does not own any of the adjoining buildings or land.

IMPLICATIONS

Policy: The Council seeks to identify surplus property for inclusion in its disposal programme to achieve capital receipts.

Financial: A capital receipt for the Council and an end to all liabilities.

Legal: No legal implications are considered to arise directly from this report.

Risk Management: On disposal of the property all risks and liabilities will cease for the Council.

Health and Safety: No implications are considered to arise directly from this report.

Climate Change: No implications are considered to arise directly from this report.

Community Safety: See Risk Management.

Equality and Diversity: No implications are considered to arise directly from this report.

APPENDICES:

Appendix 1 - Location Plan

LIST OF BACKGROUND PAPERS: None.