

PROPOSED SALE OF NORTH LODGE , ALEXANDRA PARK.

Report of Executive Director, Economy, Place and Skills

Portfolio Responsibility:
Regeneration and Environment

November 2011

Delegated Item

Officer Contact: Bernard Summers (Surveyor)
Ext No: 4301

Executive Summary/Purpose of Report

The purpose of this report is to;

- i) Seek approval to a sale of the above premises by way of informal tender or public auction.

Recommendation

2.1 It is recommended that;

- i) Approval be given to a sale of a 250 year lease in the premises.
- ii) Authority be given to the Council solicitor to complete the legal formalities.

PROPOSED SALE OF NORTH LODGE ALEXANDRA PARK.

REPORT OF EXECUTIVE DIRECTOR, ECONOMY, PLACE AND SKILLS

STRATEGIC PROJECTS AND INVESTMENT PORTFOLIO

1.0 PURPOSE OF REPORT

- 1.1 The purpose of this report is to seek approval to the sale of a long lease in the above-mentioned premises.
- 1.2 The lease would be granted on the basis of a capital premium and peppercorn rental.

2.0 RECOMMENDATION

- 2.2 It is recommended that approval be given to:-
- The sale of Alexandra Park Lodge.

3.0 INTRODUCTION OR BACKGROUND

- 3.1 The land and premises shown edged black upon the attached plan, containing 300 sq. yds. (250.1 sq.m.) or thereabouts is a former gatekeepers Lodge currently utilised as a base for the Parks & Streetscene Service.
The Lodge is a Grade II listed structure.

4.0 CURRENT POSITION

- 4.1 The Parks & Streetscene Service intend to re-locate their mess facilities and security operations to the side of the boathouse café at which point the Lodge will be surplus to operational requirements.

5.0 OPTIONS/ALTERNATIVES

- 5.1 The options are :-
- (i) Proceed with the sale of the property by way of private treaty .
 - (ii) Proceed with a sale of the premises at Public Auction

6.0 PREFERRED OPTION

- 6.1 It is suggested that a sale should be pursued by way of an informal tender and in the event of a limited response after a suitable period of marketing , that a sale by way of public auction should be considered.

- 6.2 Pedestrian rights of access would be limited to the use of the main drive at the front of the premises during park opening hours whilst vehicular access would be obtained from Queens Road subject to the requirement of the purchaser to obtain planning permission to construct a new vehicular access.

7.0 CONSULTATION

7.1 Planning Comments

This is an attractive building with Grade II listed status. It has permission for use as an area office), though it appears to be in a state of disrepair.

No problems are envisaged with regard to residential use, as this was the building's original purpose and it had rights for uses as such until 1994.

Use as a dwelling would offer passive surveillance for the Park, during hours of closure.

Any external alterations, including those to the Lodge's curtilage will need to be sympathetic in relation to the building's listed status and the setting of Alexandra Park. (Jim Bennett)

8.0 FINANCIAL IMPLICATIONS

8.1 Capital Comments

- 8.1.1 The proposal would be a part disposal, via the grant of a 250 year lease, of asset number 1129 which has a current net book value of £948,120 and the part to be disposed valued around £30,500 as at 31st March 2011 in the Council's asset register and balance sheet. The asset is classed as land & buildings.

- 8.1.2 The disposal, by way of a lease premium, would realise a potential capital receipt of £70,000 as per para 12.2 of this report. This capital receipt is not included in current or future estimates, which in turn would be wholly available to support the Council's capital programme.

(Vijya Gorasia)

8.2 Revenue Implications

N/a

9.0 LEGAL SERVICES COMMENTS

- 9.1 By virtue of section 123 of Local Government Act 1972 the Council has the necessary statutory powers of disposal.
- 9.2 On a disposal of its land the Council are under a statutory obligation to obtain the open market value and the best consideration that can reasonably be obtained.
- 9.3 A disposal by way of informal tender allows the Council to identify one preferred bidder with whom it may then negotiate further detailed terms. This process is particularly useful where the proposals may need to be developed in co-operation with the preferred bidder to meet the Council's corporate objectives and to achieve the best consideration that can be reasonably obtained. A binding legal agreement will not be created until exchange of contracts between the Council and the chosen tenderer.
- 9.4 The Council's Land and Property Protocols have been observed Peter Oliver

10.0 HUMAN RESOURCES' COMMENTS

10.1 None.

11.0 IT IMPLICATIONS

11.1 None.

12.0 PROPERTY IMPLICATIONS

12.1 Given the prominent position of the premises within Alexandra Park it is proposed that a 250 year lease be granted on the basis of a one-off capital consideration with a peppercorn rental reserved.

12.2 The lease will contain both positive and negative covenants which are easier to enforce when compared to a freehold transfer .It would also comply with the Land and Property protocols.

12.3 The proposed purchaser will be required to meet the Council's reasonable legal costs plus surveyors fees at 5% of the purchase price, subject to a minimum fee of £5,000, which shall be apportioned between the joint Agency and the Council's instructing surveyors.

12.4 After making a due allowance for costs in marketing the premises the value of the interest on offer is estimated to be in the order of £70,000 (Seventy thousand pounds)

12.5 Ward Members have been advised of the impending disposal.

13.0 ENVIRONMENTAL AND HEALTH AND SAFETY IMPLICATIONS

13.1 None

14.0 COMMUNITY COHESION IMPLICATIONS (INCLUDING CRIME AND DISORDER IMPLICATIONS IN ACCORDANCE WITH SECTION 17 OF THE ACT)

14.1 None

15.0 KEY DECISION – NO

Signed	Dated
Cabinet Member for Environment and Infrastructure	
Signed	Dated

