
A separate report is submitted in the private part of the agenda in respect of this item, as it contains details of financial information required to be kept private in accordance with Schedule 12A of the Local Government Act 1972. The grounds for privacy are that it refers to the identity, financial and business affairs of an organisation and the amount of expenditure proposed to be incurred by the Council under a particular contract for the supply of goods or services.

Name of Cabinet Member:

Cabinet Member for Business Enterprise and Employment – Councillor Maton 1 December 2014

Director Approving Submission of the report:

Executive Director of Place

Ward(s) affected:

Canley

Title:

Freehold Disposal: The Curriers Enterprises Unit, 2 Curriers Close, Canley.

Is this a key decision?

No

Executive Summary:

Following a review of the Council's property holdings in 13 August 2013, land and buildings having no future operational benefit to the Council were identified for disposal. The Curriers Enterprise Unit is one of such properties, which has been declared surplus to Council requirements and earmarked for disposal as part of the Council's capital receipts programme for 2014/2015.

Following a six month marketing campaign three offers were received. This report is seeking approval to dispose of the property to a local engineering company. It is considered that this offer represents best value in accordance with the Council's requirements set out under Section 123 of the Local Government Act 1972, for the asset in the current market.

Recommendations:

The Cabinet Member is recommended to:

1. Authorise the freehold disposal of the property to a local engineering company in the terms as detailed in the private report.

2. Delegate authority to the Assistant Director for City Centre and Development Services following consultation with Cabinet Member for Business Enterprise and Employment for any subsequent variation in terms.
3. Delegate authority to the Executive Director of Resources and in particular officers within Legal Services to complete the necessary legal documentation in this matter and collect the agreed consideration

List of Appendices included:

Appendix 1-Site Plan

Other useful background papers:

None

Has it been or will it be considered by Scrutiny?

No

Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?

No

Will this report go to Council?

No

Report title: Freehold Disposal: The Curriers Enterprises Unit.

1. Context (or background)

- 1.1 The Curriers Enterprise Unit is an Industrial workshop premises with ancillary office space having a gross internal area of 13,440 square feet (1,250 square metres) and a site area of approximately 0.60 acres (0.24 hectares), shown edged red on the attached plan. ("The Property") is located in Charter Avenue Industrial Estate, Canley.
- 1.2 Constructed as an industrial warehouse premises, latterly the Property was occupied by The Employment Support Service and Social Services, which used the Property as a social facility for providing care for people with physical, mental or social impairments. The property became vacant following the departure of both Council departments on the 8th June 2014.
- 1.3 The Council has received considerable interest in the Property during a marketing period of 6 months, however, only 3 offers were made for the Property.
- 1.4 The preferred offer received was from an indigenous engineering company which specialise in the manufacturing of motor vehicle parts for such clients as Jaguar Land Rover.

2. Options considered and recommended proposal

- 2.1 **Accept the Offer-** The offer under consideration is the best offer available in the market at this time, and should be accepted as it will contribute towards corporate resources, and has been approved by the Council's Valuation Panel as representing best value under Section 123 of the Local Government Act 1972. The sale of the Property will also contribute to the economic regeneration of the area, through the occupation and use of the Property by Powergrade Ltd, and hence the retention of jobs in the Canley area.
- 2.2 **Decline the Offer-** If the offer is declined, the Council would be left with on-going maintenance liabilities and void rates expenses as outlined in your private report. The local engineering company who have made an offer for the property, have also indicated that they will have to relocate out of Coventry as there are no other suitably sized premises currently available to purchase in the City, the local economy may suffer due to a loss of skilled manpower, and hence there will be a net loss of economic activity in the Canley area of Coventry. The Council would also forgo the capital receipt, which would have been allocated for corporate resources.
- 2.3 **Recommendation -** It is recommended that the Council accept the offer for the freehold disposal of the Property.

3. Results of consultation undertaken

- 3.1 The sale is not subject to any planning applications or any consultations process.

4. Timetable for implementing this decision

- 4.1 Providing Cabinet Member approval is secured, it is expected that the capital receipt will be received within this financial year.

5. Comments from Executive Director of Resources

5.1 Financial implications

The capital receipt will contribute towards corporate resources and it is expected to be received within this financial year.

To retain the building awaiting a better offer will incur revenue costs as outlined in your private report.

5.2 Legal implications

The financial consideration for the freehold disposal of the Property to the local engineering company, represents the best value reasonably obtainable by the Council as verified by the Council's Valuation Panel. This satisfies the Council's requirements to obtain best value under Section 123 of the Local Government Act 1972.

The Executive Director of Resources (officers within Legal Services) will complete the legal documentation in connection with the freehold disposal in accordance with appropriate procedures and will collect the agreed financial consideration upon completion of the disposal.

6. Other implications

6.1 How will this contribute to achievement of the Council's key objectives / corporate priorities (corporate plan/scorecard) / organisational blueprint / Local Area Agreement (or Coventry Sustainable Community Strategy)?

The capital receipt will contribute towards corporate resources and the sale will ensure that a vacant Council property is fully operational and thus contributing to the economic development of area.

6.2 How is risk being managed?

The risks have been identified in paragraph 2.2, the Council would have to forgo the capital receipt, which would have been allocated for corporate resources. The Council would also be left with significant maintenance liabilities and void rates expenses.

If not pursued, the local engineering company may relocate out of Coventry, the local economy may suffer due to a loss of skilled manpower, and hence there will be a net loss of economic activity in the Canley area of Coventry.

6.3 What is the impact on the organisation?

The impact to the organisation will be minimal however it will generate additional work for officers within the Resources Directorate (Legal Services) in processing the freehold disposal of the property to the local engineering company.

6.4 Equalities / EIA

An equality impact assessment is a process designed to ensure that a policy project or service does not discriminate against any disadvantaged or vulnerable people. Section 149 of the Equality Act 2010 imposes an obligation on Local Authorities to carry out an equality impact assessment when the local authority is exercising a public function.

An equality impact assessment has not been undertaken by officers as the proposal set out in this report related to the granting of or the creation of a legal interest in the property, and does not constitute a change in service delivery policy or the exercise of a public function.

6.5 Implications for (or impact on) the environment

The impact will be positive, as the Property will be made fully operational which will prevent illegal occupation of the property, and possible infestation of the property by pests.

Implications for partner organisations?

There are no partner implications **Report author(s):**

Name and job title:

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Place Directorate

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Names of approvers for submission: (officers and members)				
Finance: Helen Williamson & Mark Williams	Lead Accountant Business Partner	Place Finance Team, Resources Directorate	11.11.2014 11.11.2014	No comment from Helen Williamson Mark Williams approved on 11.11.2014
Legal: Julie Sprayson		Place and Regulatory Team-Legal Services, Resources	11.11.2014	11.11.2014

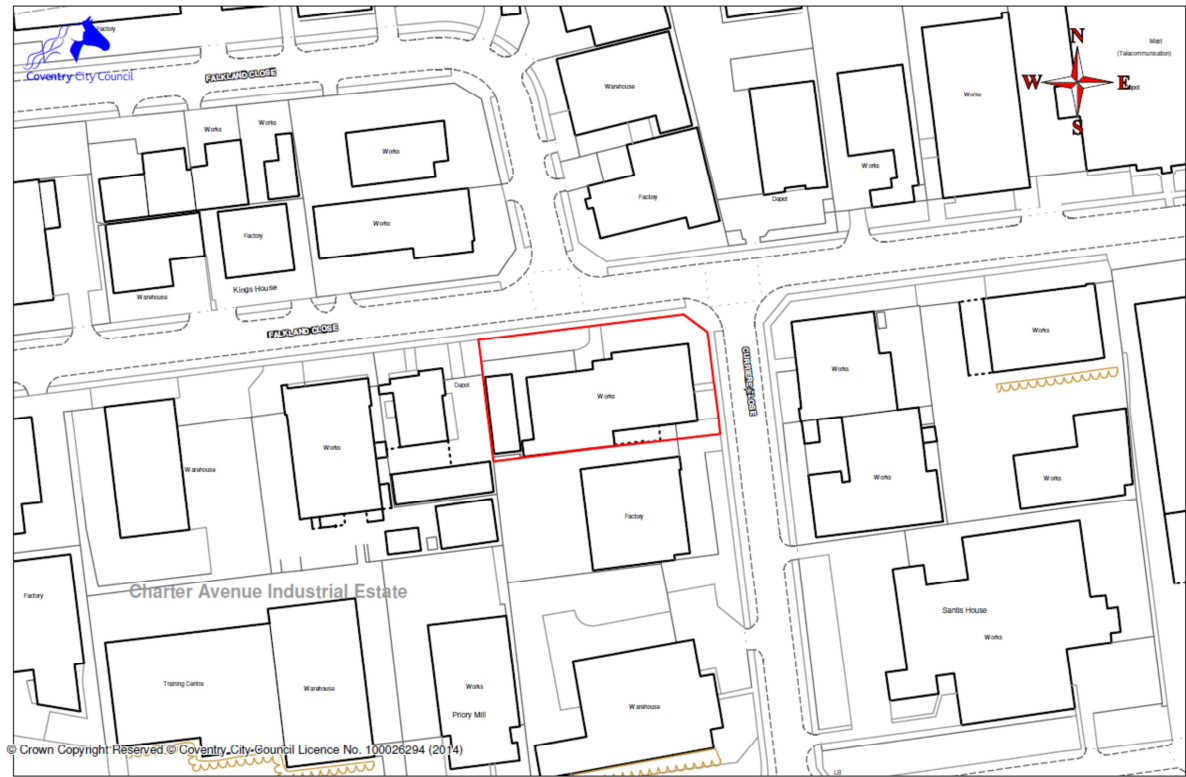
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David Cockroft	AD City Centre & Development Services	Place	12.11.2014	12.11.2014
Suzanne Bennett	Governance Services Team Leader	Resources	12.11.2014	12.11.2014
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Members: Councillor Maton	Cabinet Member (Business, Enterprise and Employment)		18.11.14	18.11.14

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Appendices

Curriers Enterprise Unit, Coventry.

Scale at A4 1 : 1250



Plan Production Date: 21/03/2014

Drawn by E.N

This plan is for identification purposes only.

Curriers Enterprise Unit, Coventry.

Scale at A4 1 : 1250



Plan Production Date: 11/03/2014 This plan is for identification purposes only.