

**Appendix B is NOT FOR PUBLICATION
By virtue of paragraph 3 of Part I of Schedule 12A
of the Local Government Act 1972**

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| Mr Hunt, Cabinet Member for Finance | Ref No: FIN13 19/20) |
| November 2019 | Key Decision: Yes |
| Property Review: Disposal of land to the east of Rotherlea Care Home at Dawtrey Road, Littlecote, Petworth, West Sussex, GU28 0EA | Part I: Report Part II: Appendix B for Members Only |
| Report by Director of Property and Assets | Electoral Division: Petworth |
| <p>Summary</p> <p>To accord with Standing Orders, this report advises on the outcome of the marketing of the vacant development land to the east of Rotherlea Care Home at Dawtrey Road, Littlecote, Petworth, West Sussex, GU28 0EA and seeks the approval of the Cabinet Member for Finance and Resources to dispose of the County Council's freehold estate in the land. Ten offers have been received for the site and approval is sought to sell to the preferred and highest bidder.</p> | |
| <p>West Sussex Plan: Policy Impact and Context</p> <p>The County Council's Future West Sussex Plan set outs its ambition to minimise the burden of local taxation, delivering the best outcomes for residents with the money it spends, whilst living within its means. In 2018 the County Council agreed to adopt an Asset Management Policy and Strategy. An objective of the strategy is to acquire, manage, maintain and dispose of property effectively, efficiently and sustainably, together with optimising financial return and commercial opportunities. In line with this strategy the County Council now proposes to dispose of its freehold estate in the surplus land at Dawtrey Road, Petworth.</p> | |
| <p>Financial Impact</p> <p>The County Council will receive a capital receipt for the land and this will be used to fund the County Council's Capital Programme. Marketing agents' fees will be deducted from the sale proceeds.</p> | |
| <p>Recommendations: That the Cabinet Member endorses:</p> <ol style="list-style-type: none"> 1) That the County Council disposes of its freehold estate in the surplus land at Dawtrey Road, Littlecote, Petworth, West Sussex, GU28 0EA as set out in Appendix A of this report and 2) Authority is delegated to the Director of Property and Assets in conjunction with the Director of Law and Assurance to conclude the terms of the sale with the purchaser. | |

PROPOSAL

1. Background and Context

- 1.1 This land, in conjunction with the site of the Rotherlea Care Home, formerly comprised the site of Petworth Primary CE School. The Primary School was relocated to the nearby Herbert Shiner School site in 2006 and the Rotherlea Care Home, retained by WSCC but operated under contract with Shaw Healthcare, was constructed shortly thereafter and opened in 2008.
- 1.2 The remainder of the former school site, comprising approximately 0.6ha (1.5 acres) was declared surplus to operational requirements in January 2018.
- 1.3 Following a lengthy process involving external planning consultants and architects, a detailed planning consent for 34 residential dwellings was secured from South Downs National Park in June 2018
- 1.4 The site had previously been considered for incorporation within the Propco programme for direct WSCC development but, given the location of this site and the need for capital receipts, it was subsequently agreed to sell the site with the benefit of the planning consent. Sales agents, Henry Adams, were procured to market the property.
- 1.5 In response to the marketing which commenced in June 2019, ten offers were received and these are detailed in Appendix B Part II report, attached for members only.
- 1.6 All offers received have been investigated by the appointed selling agents in conjunction with the Valuation and Estates team and acceptance of the highest bid recommended.

2. Proposal Details

- 2.1 The proposal is to sell the development site to the preferred bidder as outlined in Appendix B Part II.
- 2.2 Should the offer be withdrawn the proposal is to sell to the next highest bidder or to another party at an agreed minimum value. Subject to the period of time that may have elapsed, it is possible that the property may have to be remarketed.
- 2.3 The sale remains subject to contract, due diligence and ground investigation.
- 2.4 It is proposed that the Cabinet Member for Finance agrees to this transaction being concluded by delegated authority to the Director of Property and Assets in conjunction with the Director of Law and Assurance.

FACTORS TAKEN INTO ACCOUNT

3. Consultation

3.1 The Member for Southwater (then acting as advisor to the Cabinet Member for Finance) and the local Member for Petworth have been consulted.

4. Financial (revenue and capital) and Resource Implications

4.1 The buyer will pay the agreed price for the property, although selling agents fees will be deducted from the capital receipt.

4.2 Revenue consequences of proposal

Savings in security and other ongoing holding costs associated with the holding of vacant property will be achieved.

4.3 Capital consequences of proposal

A capital receipt will be received.

5. Legal Implications

5.1 WSCC will dispose of the freehold estate in the property.

6. Risk Assessment Implications and Mitigations

| | Risk | Mitigating Action |
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| 1 | The sale does not proceed for whatever reason and the property needs to be re-marketed resulting in a decrease in offers and a reduced capital receipt. | A deadline of the 28 February 2020 to conclude the sale will be given to the purchaser. Should the sale to the preferred bidder not proceed, WSCC will offer the property to the next preferred bidder and so on. If none of the original bidders are able to proceed for a sum in excess of the agreed minimum, a decision will be made as to when best to remarket the property given the current Brexit uncertainty. |
| 2 | There is a continued financial risk in holding onto under-utilised assets, which can delay capital receipts or income, or where there is a no or limited service benefit. | The decision to dispose of the property within an agreed timeframe. |

7. Other Options Considered

7.1 Other options considered included WSCC progressing to bring the site forward for its own development. This option was discounted due to the likely low profit margins of developing the site, particularly given its location within the National Park, and the need to achieve capital receipts to fund the County Councils capital programme.

8. Equality and Human Rights Assessment

8.1 The Equality Assessment does not need to be addressed as this is a report dealing with an internal procedural matter only.

9. Social Value and Sustainability Assessment

9.1 The proposal will bring social, environmental and economic benefits by recycling vacant and surplus sites for new developments and uses.

10. Crime and Disorder Reduction Assessment

10.1 Not applicable

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APPENDIX A – Site Plan of the land at Dawtrey Road, Petworth

APPENDIX B – PART II attached for members only.