

EXECUTIVE SUB-COMMITTEE FOR PROPERTY

A meeting of the Executive Sub-Committee for Property was held on 17 January 2014.

PRESENT: Councillors D Budd (Chair), M Carr, C M Rooney and B Thompson

OFFICIALS: Michael Canavan, Tim Wake and Sharron Brown

APOLOGIES FOR ABSENCE: Councillor J Rostron, Councillor N J Walker

13/87 **MINUTES OF THE MEETING HELD ON 16 DECEMBER 2013**

That the minutes of the Executive Sub Committee for Property held on the 16 December 2013 were taken as read and signed by the chair as a true record.

13/88 **THE FUTURE OF LAND AT ROSEBAY CLOSE**

The Executive Director of Neighbourhoods and Communities submitted a report that gave an update on the current position with regard to Rosebay Close, and to consider holding the site for a possible extension to Rosewood Primary School.

Rosebay Close was marketed as part of the Coulby Newham Plots for Sale in October 2011. The development guidance identified that the site had potential to deliver up to 10 large detached residential units. The Council received only one offer for the site. Since the granting of planning permission Yuill Homes were unable to complete the purchase of the site at the agreed date, following an extension, so the Council formally withdrew from the sale.

Due to the lack of initial interest in the site, the Council had withheld remarketing the site.

The site at Rosebay Close sits immediately adjacent to the playing fields at Rose Wood Primary School. The school had a surplus of outdoor area so there was some potential to increase capacity there within the existing site boundary to accommodate an increase in children numbers, which the report outlines in further detail.

The report outlined that there were two options available:

1. **Option 1** - Retain the site at Rosebay Close for an extension to Rose Wood Primary School – this would ensure that if school numbers increased as projected the school could extend to accommodate the extra demand, without the threat of Secretary of State refusal. Sufficient school places close to the proposed Coulby Newham development would also increase the sites desirability amongst families.
2. **Option 2** - Re market the site for residential development - the sale of the site would deliver a capital receipt to the Council and would also have further monetary benefits through an increased Council Tax base and New Homes Bonus. However this would place increased pressure on school numbers. In this scenario the scope for an extension at the school would be limited, meaning that the school would be full to capacity in 2022/3. Places would have to be provided at schools further afield.

ORDERED

1. **That the report be considered; and**
2. **That the decision for the land at Rosebay Close be retained to facilitate a possible extension at Rose Wood Primary School, be approved.**

REASON

The decision was supported by the following reason:

This would provide an option for the school to extend within its current boundary, enabling school places for children from the surrounding area.

- 13/89 **TO CONSIDER PASSING A RESOLUTION EXCLUDING THE PRESS AND THE PUBLIC FROM THE MEETING DURING CONSIDERATION OF THE FOLLOWING ITEM OF BUSINESS ON THE GROUNDS THAT, IF PRESENT, THERE WOULD BE A DISCLOSURE OF EXEMPT INFORMATION FALLING WITHIN PARAGRAPHS 1 AND 3 OF SCHEDULE 12A OF THE LOCAL GOVERNMENT ACT 1972.**

That the decision to exclude all members of the press and public was agreed.

- 13/90 **SITE L (NORTH) AND ARUNDALE SITE, PARKWAY CENTRE, COULBY NEWHAM, MIDDLESBROUGH – PROPOSED FREEHOLD SALES**

The Executive Director of Neighbourhoods and Communities Submitted a report that sought approval for the sale of the Council's freehold interest in the Arundale site and Site L (North) at the Parkway Centre (shown by red verge on plan attached) on the terms outlined within the report.

The report outlined in detail further information on:

- Site L (North)
- Arundale Site
- Covenant

The report outlined in detail that there were four options available.

ORDERED

That the both sites be sold to Jomast Developments Limited on the terms outlined at paragraph 22 of the report and in accordance with option 1 (at paragraph 29 above).

REASONS

The decision was supported by the following reasons:

1. **The unconditional sale of the Arundale site to Jomast upon simultaneous completion of the conditional contract to sell Site L (North) to Jomast will enable the construction of the Aldi supermarket to occur within Aldi's desired timescale;**
2. **The sale of the Arundale site on the terms reported will not guarantee that Jomast will buy Site L (North) for £626,500. However, if it fails to do so, the Council will benefit from the capital receipt of £250,000 for the Arundale site and also from the retention of the £50,000 non-refundable deposit for Site L (North);**
3. **If Jomast completes both purchases it will suffer no financial disadvantage in that it will acquire the Council's freehold interest in the Arundale site and Site L (North) for £250,000 and £626,500 respectively (plus fees);**
4. **The sales of the sites are to be conditional upon Jomast giving the Council a suitable legally binding indemnity, otherwise the Council risks facing legal action for permitting construction of a supermarket with a gross internal floor area over 10,000 sq. ft; and**
5. **The sales of the sites will result in capital receipts for the Council and lead to the development of both sites, providing investment, job opportunities, increased business rates and additional local facilities for the local community.**

The decisions will come into force after five working days following the day the decisions were published unless the decision becomes subject to the call in procedures except for Agenda Item 6 which is not subject to scrutiny call-in procedures.