

Cabinet

14 November 2012



Release of an Option Agreement and Acquisition of land at Aykley Heads, Durham City

Report of Corporate Management Team Ian Thompson Corporate Director Regeneration and Economic Development Councillor Neil Foster, Cabinet Portfolio Holder for Economic Regeneration

Purpose of the Report

- 1 The purpose of the report is to obtain approval to release an option agreement to acquire land held by the Police Authority and to the acquisition of an area of land at Aykley Heads in lieu of the release.

Background

- 2 In 1996 the Council entered into an agreement with the Police Authority to transfer a number of areas of land from the former Police Authority, which was a committee of the County Council at the time, to the Durham Police authority.
- 3 Contained as part of the transfer were the two areas of land shown by a dotted line, on the attached plan. This land was subject to an option in favour of the Council to acquire the two sites at any time within 80 years from the date of the transfer agreement for a nil consideration, subject to the right of the Police Authority to have the displaced sports facilities on the two sites relocated at the Council's expense on adjacent Council land.
- 4 The Police Authority have for some time been in negotiation with the Council as they would like to develop one of the sites for their new Headquarters. Currently the legal arrangements around this area are complex.
- 5 Government expectation is that all public sector agencies work together in respect of land and identifying infrastructure necessary to deliver quality public service to their residents. Agreement has therefore been reached for the Council to relinquish its right to exercise its option to acquire the land, subject to the Police Authority transferring the area of land shown verged on the attached plan which equates to 3.295 acres and equates to approximately 50% of the land subject to the option. The Council will also

have unrestricted access over the land shown hatched on the plan with the right to construct a vehicular access.

- 6 Officers consider that the acquisition of this site will facilitate the implementation of the master-planning of Aykley Heads, clarify land ownership and provide certainty in respect of the land. It is being acquired with no restrictions on use but is subject to an overage provision whereby if the Council sold the land the Police Authority would receive 100% of the increase in value, if any, between a B1(Office) use and the future use.
- 7 As an urgent decision was required to enable the Police Authority to let a contract for the development of their new Headquarters, the Corporate Director of Regeneration and Economic Development, following endorsement by the Leader and Deputy Leader of the Council, exercised a delegated authority to agree :-
 - I. the surrender of the option agreement relating to two areas of land shown by a dotted line on the attached plan at Aykley Heads as it would facilitate the development of a new Police Headquarters and
 - II. the acquisition of the area of land shown verged on the attached plan in lieu of surrendering the option agreement to facilitate the redevelopment of the Aykley Heads Estate.

Recommendations and Reasons

- 8 It is therefore recommended that Cabinet note and endorse the action taken.

Background Papers

Original Transfer agreement in Council deeds

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Appendix 1: Implications

Finance –

Each party to bear its own costs in the matter. On-going maintenance responsibility until the site is sold or developed.

Staffing –

None

Risk –

Any future development of the land which is being acquired is subject to planning and relevant consultation. The risk is that development will not be permitted on the land the Council is acquiring thereby resulting in a diminution in the value of the land.

Equality and Diversity / Public Sector Equality Duty –

None

Accommodation –

None

Crime and Disorder –

None

Human Rights –

None

Consultation –

Cabinet Portfolio Member for Regeneration and Economic development, and Leader and Deputy Leader of the Council

Procurement - None

Disability Issues –

None

Legal Implications –

Outlined in the report