



Author/Lead Officer of Report: Tammy Whitaker,
Head of Property Services

Tel: 07342 071141

Report of: *(Insert title of EMT member)*
Report to: *(Insert Committee name or title of Decision Maker)*
Date of Decision: 16 January 2017
Subject: Land between Rockingham Street and Newcastle Street, Sheffield.

Is this a Key Decision? If Yes, reason Key Decision:-

Yes No

- Expenditure and/or savings over £500,000

- Affects 2 or more Wards

Which Cabinet Member Portfolio does this relate to? Finance & Resources
Which Scrutiny and Policy Development Committee does this relate to?

Has an Equality Impact Assessment (EIA) been undertaken?

Yes No

If YES, what EIA reference number has it been given? *(Insert reference number)*

Does the report contain confidential or exempt information?

Yes No

"The full report is not for publication because it contains exempt information under Paragraph 3 of Schedule 12A of the Local Government Act 1972 (as amended)."

Purpose of Report:

This report seeks authority to proceed with the sale of the freehold reversionary interest in the land between Rockingham Street and Newcastle Street in Sheffield City Centre in order to permit the development of the site and adjoining land for student accommodation.

Recommendations:

That approval is granted to the sale of the freehold reversion in the land between Rockingham Street and Newcastle Street

Background Papers:

Location Plan attached.

Lead Officer to complete:-		
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.	Finance: Paul Schofield
		Legal: David Sellars
		Equalities: n/a
<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>		
2	EMT member who approved submission:	Eugene Walker
3	Cabinet Member consulted:	Councillor Ben Curran
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Decision Maker by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
	Lead Officer Name: Tammy Whitaker	Job Title: Head of Property Services
	Date: 06.01.17	

1. PROPOSAL

1.1 The land extends to 1,056 m² (0.26 acres) and is identified edged red on the attached plan.

1.2

1.3 The lease contains a restriction limiting the use of the land to office or industrial uses.

1.4 _____ have entered into a conditional contract to purchase the leasehold interest from _____ together with the freehold interest of adjoining land also from _____

1.5 Planning consent has been granted for the development of student accommodation over both sites providing 543 bed spaces and two commercial units.

1.6 _____ are seeking to acquire the Council's freehold reversionary interest in order to extinguish the lease and carry out their proposed development.

1.7 The Council is not legally obliged to sell their freehold reversionary interest, however in doing so the Council is facilitating the regeneration of part of the City Centre and receiving a capital receipt

2. HOW DOES THIS DECISION CONTRIBUTE ?

2.1 The proposal supports the Corporate Plan priority for the creation of a strong economy with major investment in the City Centre creating jobs, increasing the vibrancy and raising the profile of the City.

3. HAS THERE BEEN ANY CONSULTATION?

3.1 Only internal discussions have been held with officers within the Council at this stage.

4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Equality of Opportunity Implications

4.1.1 There are no direct equality of opportunity implications from the sale of the freehold reversion.

4.2 Financial and Commercial Implications

4.2.1 The financial benefits from the sale of the freehold reversion are a capital receipt and the payment of professional fees

4.2.2 It is anticipated that the capital receipt to the Council would be received in Q2 17/18.

4.3 Legal Implications

4.3.1 Pursuant to section 123 of the Local Government Act 1972 the Council is obliged to obtain the best consideration it can in respect of the disposal of the site. This does not necessarily require the Council to obtain the best consideration by way of a capital receipt. The Council may reasonably take other matters into consideration when considering its obligations under s123 of the LGA which may include but not be limited to the maximisation its potential revenue stream and the securing employment opportunities and much needed regeneration for the area.

4.4 Other Implications

4.4.1 N/a

5. ALTERNATIVE OPTIONS CONSIDERED

5.1 Do nothing – whilst this would allow the Council to retain the freehold interest and collect an annual rent there is a real possibility that the development potential of this and other sites and consequently their ability to contribute to the city's growth ambitions would be lost.

6. REASONS FOR RECOMMENDATIONS

6.1 The intended outcome is to secure a major investment in the City with the development of 543 student bed spaces and 2 commercial units.

6.2 The proposals will also deliver the financial benefits outlined in 4.2.1.

6.3 The alternative option is to do nothing but this may result in the loss of major investment in the City and the financial benefits not being realised.