

Agenda Item 20

Cabinet

03 October 2012

12/1230



Elizabeth Hall Site - Award

Exempt Information

Para 3 Schedule 12A information relating to the finance or business affairs of any particular person

Summary

The Exmouth Town Centre and Seafront Masterplan were completed at the end of 2011 and the Elizabeth Hall site was identified as a priority project and opportunity in the Exmouth Masterplan and outlined to Cabinet on 30 November 2011. The Site was marketed for sale with an informal tender deadline set for 3 September 2012.

The marketing of the site to seek a suitable proposal and bid has now taken place. The selection panel met and has now scored the Informal Tenders based on the Selection Criteria approved by Cabinet in July 2012; three organisations were then interviewed on the 26 September.

This report seeks Cabinet approval for the Principal Estates Surveyor to instruct lawyers to progress with the disposal of this site.

Recommendation

1. To endorse the selection of [REDACTED] as the preferred bidder for the Elizabeth Hall Site and to allow the Principal Estates Surveyor to instruct lawyers to proceed with a conditional upon planning disposal of the site at the tendered value.

a) Reasons for Recommendation

The reasons for the recommendations are to enhance the area and support the Exmouth Regeneration agenda in general and realise the ambitions of the Exmouth Town Centre and Seafront Masterplan.

b) Alternative Options

Not to dispose of the site.

c) Risk Considerations

There has been a large petition submitted at September Cabinet and acknowledged by the selection panel. This was organised by the Friends of Elizabeth Hall, asking for the Hall to be transferred (gifted) to them to run as a community asset.

[TBA following panel conclusion- Reflect on risks associated with preferred option]

Or

Not to select a preferred bidder would involve the continued maintenance of an under used facility and a missed opportunity to promote regeneration, economic development and improved attraction to Exmouth's seafront. It would also send out a negative message about the District Council's resolve and commitment to change.

d) Policy and Budgetary Considerations

This project forms part of the Council's Regeneration commitment to Exmouth and the delivery of the aims and objectives set out in the Exmouth Town and Seafront Masterplan. £700,000 has already been identified under the Council's budget 2012/13 – 2015/16 of which £377,000 was already allocated in the Capital Programme for Exmouth regeneration projects.

The Council expects a fair return on the sale of the site which will offset spend on the implementation of the Masterplan. The private investment represented by [REDACTED] will secure the re-development of this site and help promote the wider regeneration of Exmouth.

e) Date for Review of Decision

N/A

1 Main Body of the Report**1.0 Background**

1.1 Exmouth Regeneration continues to be a Corporate Plan Priority. Having worked extensively with the local community to develop a Masterplan, there is an expectation that the Council will now turn the vision into reality through identified priority projects including the Elizabeth Hall Site re-development.

1.2 The consultation exercise around the Exmouth Town Centre and Seafront Masterplan was completed at the end of 2011. The Elizabeth Hall site was identified as a priority project identified in the Exmouth Masterplan and outlined to Cabinet 30 November 2011. The site is recognised as being a catalyst to kick-start regeneration of the seafront. The project has also been the subject of high profile local attention including a petition to retain the hall in its current form for continued community use.

2.0 Sales process

2.1 The Elizabeth Hall Site was put on the market on 3 May 2012 with our retained agents, Jones Lang Lasalle based in Exeter. Expressions of Interest were invited through a nationwide marketing campaign that included placing adverts in the

Estate's Gazette as well as more locally in Devon Life, The Western Morning News and the local newspaper.

2.2 After an initial marketing period of 8 weeks those organisations that expressed an interest were invited to put forward formal proposals that included the following:

- Design proposals including visual plans with full description of uses.
- Business plans outlining the sustainability of any development and showing the experience and evidence of previous projects.
- Details of financial standing and backing if required.
- A financial offer.

3.0 The Selection Process

3.1 The selection panel for assessing proposals were the Exmouth Project Executive, Cllr Mrs P Graham, Exmouth Town Ward, Principal Estates Surveyor and Jones Lang LaSalle and the Council's Project Manager as advisors.

3.2 The Project Executive consists of Councillor Andrew Moulding, Portfolio Holder, Strategic Development and Partnerships, Councillor Tim Wood, Exmouth Town Member Champion and Deputy Chief Executive, Richard Cohen.

3.3 Members scored the proposals against the Selection Criteria as approved at Cabinet in July 2012. The following principal elements by which an award was judged were:

- (i) The bid provides a quality mixed use development with active frontage and amenity that attract visitors and residents to the Seafront and will positively promote links between the Town Centre and Seafront.
- (ii) The bid is commercially viable and provides a deliverable and sustainable development.
- (iii) The bid includes a financial offer to the Council.
- (iv) Has a positive socio-economic impact upon the surrounding area encouraging further regeneration of Exmouth in line with the Exmouth Seafront and Town Masterplan.

3.4 All of the bidders were provided with the selection criteria document with weightings in order for them to be aware of how the Council intended to score the informal tender bids.

Legal Implications

The full terms of the conditional contract and transfer to be agreed upon between Michelmores Solicitors (instructed by the Council to document this transaction) and the Council's Estates Service.

The General Consent referred to in the previous report to Cabinet enables disposal at less than best consideration that can reasonably be obtained where the Council considers that the purpose for which the land is to be disposed is likely to contribute to the promotion or improvement of the economic, social or

environmental wellbeing of Exmouth and/or East Devon residents, workers or visitors.

In considering whether the sale of land meets the well-being criteria, regard must be paid to the community strategy of the Council. Our Sustainable Community Plan refers to the regeneration of Exmouth. A disposal of up to £2 million undervalue is permitted under the General Consent, the extent of any undervalue should be assessed in accordance with the valuation principles set out in the Circular.

Financial Implications

There are no financial implications other than any associated costs are to be met from the budget identified in the report.

Consultation on Reports to the Executive

n/a

Background Papers

The reports below have all been submitted to Cabinet and make reference to the sale of this site.

- ❑ Elizabeth Hall Site – Selection Criteria – July 2012
- ❑ Exmouth Regeneration: Masterplan Projects – March 2012
- ❑ Priority Disposal Programme – July 2011
- ❑ Exmouth Regeneration Report – November 2011
- ❑ [Elizabeth Hall site Sales Brochure](#)

In addition the Development Management Committee adopted the Exmouth Town and Seafront Masterplan in December 2011. The Masterplan can be viewed and downloaded at http://www.eastdevon.gov.uk/exmouth_masterplan.pdf

Richard Cohen
Deputy Chief Executive

Cabinet
03 October 2012

Lisa Timberlake
Development Surveyor Ext: 2732