

Record of officer decision

Decision title:	Approval to conclude sale of the barns at Magnolia Farm, Canonbridge
Date of decision:	5 November 2020
Decision maker:	Director for Economy and Place
Authority for delegated decision:	Cabinet decision of 3 October 2016 item 42 recommendation (8) to take all operational decisions necessary to implement the [disposals programme] and, following consultation with the relevant cabinet member and section 151 officer, to conclude sales.
Ward:	Stoney Street
Consultation:	The cabinet member and s151 officer were consulted on the 3 rd November and the 16th October 2020 and were supportive of the decisions
Decision made:	To approve the negotiations to exchange and complete the transaction in respect of the sale of the barns at Magnolia farm
Reasons for decision:	<p>The record of officer decision dated the 10 February gave approval to dispose of the site using the existing contract with Fisher German. The site was offered for sale by private treaty and by way of an informal tender process to maximise financial return, to support the local economy (including the agricultural sector), to support the welfare of the tenants, to minimise timescales and for community benefits.</p> <p>The site was marketed in accordance with agreed promotion strategy. The closing date for offers was midday, Friday 18 September 2020.</p> <p>In assessing bids against the policy to ensure best value is achieved and an open market value is realized, specific account was taken of many factors including:</p> <ul style="list-style-type: none"> • The monetary value of offers • The nature of stipulated priorities (numerous prospective purchasers submitted offers on multiple properties with an order of preference stated) • Accommodating the plans of current tenants and likely ongoing landlord/tenant relationships • Financial references • The ability to proceed to timescales requested • Levels of preparatory work undertaken including viewings, interaction with Fisher German, legal investigations and data room usage, and • Risk factors including projected contract numbers and the likely complexity of proposed transactions <p>When considering which offer delivers best value when assessing against the 'Councils Criteria' the recommendation from the councils appointed agents is that we go to a Contractual Best and Final. All the parties' lawyers are issued with the necessary sale documentation and they then submit their offer on a signed contract with the requisite 10% deposit with completion a month later. This will ensure transparency that the council is obtaining the best value for the sale of its assets.</p>

Highlight any associated risks/finance/legal/equality considerations:	<p>Financial The cabinet decision stated that the agent fees, legal fees and other associated fees will be deducted from the gross value received, up to a maximum of 4%. The current spend only represents 1.28% of the agreed 4%.</p> <p>Legal The site is vacant so there are no tenancy issues. The sale documents will be managed by the council's in house legal team.</p> <p>Equality There are no equality issues, the site is vacant.</p>
Details of any alternative options considered and rejected:	<p>Not proceeding with the sale.</p> <p>Advantages None</p> <p>Disadvantages Would not comply with the approved disposals policy and would adversely impact the council's ability to achieve the outcomes expected from the sales</p>
Details of any declarations of interest made:	<p>None</p>

Signed
2020

Richard Ball
Director for Economy & Place

Date: 5 November

