

PCC Decision Report

Please ensure all boxes below are completed

Report reference number: (Please contact OPCC for reference number)	PCC/034/17
Classification : Restricted	
Title of report : Sale of Former Saffron Walden Police Station, East Street, Saffron Walden, Essex, CB10 1LX.	
Area of County/Stakeholders affected : Former Saffron Walden Police Station, East Street, Saffron Walden, Essex, CB10 1LX.	
Report by : Simon Curling, Head of Estate Services. Date of report : 20 th March 2017. Enquiries to : Simon Curling, Head of Estate Services.	

1. Purpose of report

- 1.1 This Decision Report seeks approval to the unconditional sale of the Former Saffron Walden Police Station, East Street, Saffron Walden, Essex, CB10 1LX at a price of £2,200,000 plus overage, with a target completion date of 30th June 2017.

2. Recommendations

- 2.1 To proceed with the unconditional sale of the Former Saffron Walden Police Station, East Street, Saffron Walden, Essex, CB10 1LX at a price of £2,200,000 plus overage, with a target completion date of 30th June 2017.

3. Benefits of Proposal

- 3.1 This proposal disposes of surplus Estate at the Former Saffron Walden Police Station, East Street, Saffron Walden, Essex, CB10 1LX.
- 3.2 This proposal delivers a substantial receipt to the Capital Funds of the Commissioner.
- 3.3 This proposal is for an unconditional sale and the sale is not dependent on the buyer obtaining planning permission.
- 3.4 This proposal is on a cash basis and is not dependent on another sale.
- 3.5 The proposal will assist early delivery of the Capital Programme.
- 3.6 The proposal will reduce the need for Capital Programme borrowing.
- 3.7 The proposal also offers an overage payment for a beneficial planning consent.

4. Background and proposal

- 4.1 The Former Saffron Walden Police Station comprises a detached building that was originally erected around 125 years ago as a purpose built Police Station. The site also includes a pair of semi-detached Police Houses and an area of tarmac hardstanding, along with large side gardens capable of accommodating further development.
- 4.2 The building was closed in 2015 due to concerns about a reported chemical leakage. Policing has been undertaken from Dunmow since then. Conversion of accommodation at Saffron Walden Civic Centre as a replacement Local Police Base is being finalised. Public engagement regarding the future of the Police Station has been undertaken, although no formal decision to sell has been undertaken.
- 4.3 The property was handed over for sale in late 2016.
- 4.4 The property has been marketed on a private treaty basis by Tucker Gardner.
- 4.5 The property has been exposed to the market by means such as a For Sale Board, newspaper advertising, Property Particulars, Direct Marketing and Internet Marketing. This range of marketing is considered to provide wide exposure. It has also been featured in editorial content to widen exposure.

[RESTRICTED]

- 4.6 The property has been marketed for several weeks with a guide price of offers in excess of £1,250,000. This period is also considered to provide wide exposure.
- 4.7 Following the marketing period a Best and Final Offers process was undertaken.
- 4.8 26 Best and Final Offers were received ranging from £1,000,000 to £2,300,000. 3 further offers were received after the deadline and have been disregarded.
- 4.9 The bidder at £2,300,000 is unconditional and funded. In addition they have submitted a further bid proposing an unconditional sale price of £2,200,000 with an additional overage payment of up to £437,500 subject to planning enhancement overage set out below. These are the 2 best bids.
- 4.10 Up to an additional £187,500 is proposed on basis of obtaining planning consent for 12,500 sq ft of new housing. If less than 12,500 sq ft obtained then the overage offer would be scaled back by £15 per square foot.
- 4.11 Up to an additional £250,000 is proposed on the basis that the affordable housing contributions will be scaled back to nil by preserving and enhancing the Listed Building on site. If the contributions are more than nil then that would be deducted pound for pound from the £250,000.
- 4.12 Any additional payment is likely to be at least a year away. It will depend on a detailed planning consent for a major scheme to a high profile Listed Building in a Conservation Area. Securing the contribution will require clear, and appropriate, contract documentation.
- 4.13 It is likely to be at least late Autumn before any planning application is decided by the Uttlesford Planning Committee and, even if a resolution to grant is made, longer before the contributions are settled and the actual consent issued.
- 4.14 We have not dealt with this developer before and cannot express a view on their performance. However this is a well-established developer specialising for many years in high-end development. They have an established record with Uttlesford District Council, including obtaining consent on a site in Great Dunmow for seven 4/5 bed houses.
- 4.15 It is likely that a fair proportion of the 12,500 sq ft new build will be deliverable and on that basis at least another £100,000 will be deliverable in around a year's time and, although not guaranteed, a higher total receipt will be most likely be achieved by selling at £2,200,000 now and taking an additional payment(s) in the future.

[RESTRICTED]

[RESTRICTED]

- 4.16 I accordingly recommend that the Former Saffron Walden Police Station, East Street, Saffron Walden, Essex, CB10 1LX should be sold at £2,200,000 plus overage, on the basis this offers the most likely maximum receipt.

5. Police and Crime Plan

- 5.1. The sale meets the Commissioner's Police and Crime Plan objective on Finance and Resources, with particular reference to rationalising Police Estate.

6. Police Operational Implications

- 6.1 There are no adverse Police Operational implications arising from the sale.
- 6.2 Completion of the sale will assist in delivering the Capital receipts to reinvest in improving Police Operational delivery.
- 6.3 If the sale is not progressed there will be a Capital receipt shortfall of at least £2,200,000 plus overage, which will inhibit the reinvestment into the Estate.

7. Financial Implications

- 7.1 If this sale is not undertaken the Capital Programme will need to be funded from elsewhere.
- 7.2 If this sale is not undertaken it is likely that the sale process will be more protracted.
- 7.3 A failure to maximise the sale value of the building could place the Commissioner in breach of the fiduciary duty to sell assets for best consideration.

8. Legal Implications

- 8.1 There are no legal implications arising from the sale.
- 8.2 A failure to maximise the sale value of the building could place the Commissioner in breach of the fiduciary duty to sell assets for best consideration.

9. Staffing and other resource implications

- 9.1 There are no internal staffing implications.
- 9.2 There are no employment legislation implications.

[RESTRICTED]

[RESTRICTED]

10. Equality and Diversity implications

10.1 No Equality Impact Assessment has been carried out for this sale.

10.2 It is not considered that an Equality Impact Assessment is required for this particular sale.

11. Background papers

11.1 Estate Strategy Strategic Options Analysis.

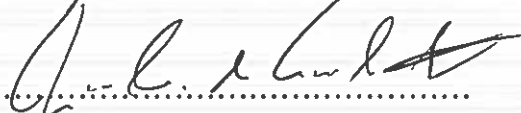
[RESTRICTED]

Report Approval

The report will be signed off by the OPCC Chief Executive and Treasurer, prior to review and sign off by the PCC / DPCC.

Chief Executive/M.O Sign: 

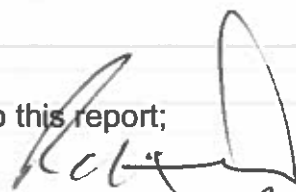
Print: S. Hancock,

Chief Financial Officer/Treasurer Sign: 

Print: CHARLES L. GANNETT

Decision

I agree the recommendations to this report;

Sign: 
Print: 8/17/17 R. Chas

PCC/Deputy PCC

Date signed:

I do not agree the recommendations to this report because;

.....
.....
.....

Sign:

Print:

PCC/Deputy PCC

Date signed:

Publication

Report for publication

YES

NO

Reasons for non-publication (state 'None' if applicable)

.....
.....
.....
.....
.....

Sign:

Print:

If the report is not for publication, the Chief Executive will decide if and how the public can be informed of the decision.

