

<b>Report of</b>	<b>Assistant Director Place and Client Services</b>	<b>Author</b>	<b>Elizabeth Simpson (CATL) Andrew Tyrrell (CBC) ☎ 508792</b>
<b>Title</b>	<b>Sale of 125 Gosbecks Road, Colchester</b>		
<b>Wards affected</b>	<b>Shrub End</b>		

## 1. Executive Summary

- 1.1 This report seeks approval for the sale of 125 Gosbecks Road. This property was previously occupied by Colchester Borough Homes (CBH) under a lease from the Council but has now been vacated and is deemed surplus to their requirements for space with post-Covid working (which will be met by Rowan House).
- 1.2 The property is being used temporarily as office space for the Council during the Rowan House refurbishment, after which it will be surplus to all requirements. The property has also been assessed for other Council uses, including for affordable housing, however for reasons which are more fully set out in the associated confidential (Part B) papers it is considered that, holistically, the disposal of the site offers the best value for money and social and environmental outcomes due to the unique considerations at this location.

## 2. Recommended Decision

- 2.1 To agree to the disposal of 125 Gosbecks Road on the terms set out in Parts A and B of this report.
- 2.2 To note the offers received as set out in Appendix A of Part B of this report and to agree to a disposal to an alternative bidder, in sequential preference, if the winning party does not perform.
- 2.3 To give delegated authority to the Assistant Director of Place and Client Services, in consultation with the Portfolio Holder for Resources to negotiate terms, conclude the legal documents or any relevant consequential matters to complete the disposal.

## 3. Reason for Recommended Decision

- 3.1 The property is surplus to requirements, including for alternative Council purposes. It has been fully marketed and a number of offers were received for the property. The receipt will be reinvested in the provision of public services and strategic projects that provide wider benefits than this site would be able to achieve on its own.
- 3.2

#### **4. Alternative Options**

- 4.1 Do nothing. This is not a viable option given the Council's vacant property strategy and vacant property costs.
- 4.2 CBC could continue to occupy the property. This is not a viable option as there is no operational requirement.
- 4.3 CBC could lease out the building for its current or an alternative use. However, the building would need a substantial amount of expenditure, for example to upgrade the mechanical and electrical services and demand for uses such as office is currently poor.
- 4.4 CBC could redevelop the site itself. This has been reviewed but the site does not currently fit within the required development scope of the Council, including those set for the New Council Housebuilding Programme, or its commercial companies.

#### **5. Background Information**

- 5.1 Until recently, CBH had a lease of 125 Gosbecks Road (see site plan below) from CBC which was due to expire in August 2023. This property became surplus to its requirements and a surrender of their lease was completed on 18 March 2022 when CBH vacated the premises. Their future requirements for space will be met in their leased space at Rowan House given post-Covid working practices.
- 5.2 From January 2022, the property has been used as temporary office space for CBC while Rowan House is refurbished and the antiquated gas boiler system is being replaced by a low carbon air source heating and ventilation system (to help meet CBC's carbon reduction targets for 2030). Once refurbishment works are completed, and staff have moved back into Rowan House, Gosbecks will be surplus to requirements for the Council too.
- 5.3 The premises were considered by a variety of services and purposes within the Council to see if it could be re-used. However, no services needed the property and any alternative uses did not provide better value for money than a site disposal on this occasion. Consequently, the site was fully and openly marketed, and a number of offers were received as detailed in the confidential Appendix A of Part B of this report.
- 5.4 It is recommended that delegated authority be given to the Assistant Director of Place and Client Services to conclude the disposal in consultation with the Portfolio Holder for Resources.
- 5.5 The selected purchaser would complete on the sale once CBC vacates the property and relocates back to Rowan House, which is anticipated to be in early 2023.
- 5.6 See Part B for more information on the bids, which is confidential because it contains sensitive financial and other business information.

#### **6. Equality, Diversity and Human Rights implications**

- 6.1 Section 149 of the Equality Act 2010 places a local authority under a legal duty ("the public sector equality duty") to have due regard to the following matters in the exercise of all its functions, namely the need to:

- a. eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act;
- b. advance equality of opportunity between persons who share a "relevant protected characteristic" (i.e. age, disability, sex, gender reassignment, pregnancy and maternity, race, religion or belief and sexual orientation) and persons who do not share it; and
- c. foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

6.2 The public sector equality duty is a continuing duty which Members must consider and review at all stages of decision-making. An EqlA report in respect of property disposals to which Members are referred to is as follows:

<https://www.colchester.gov.uk/equality-and-diversity/equality-impact-assessments/disposal-of-property/>

6.3 Breach of human rights - the property was fully and transparently marketed giving all interested parties the opportunity to bid.

## **7. Strategic Plan References**

7.1 There are no particular relevant references to the Strategic Plan. However, the sale of this building will contribute towards the financial resources needed to meet the Council's priorities as set out in the Strategic Plan.

## **8. Consultation**

8.1 The property has been fully marketed through a variety of mediums to ensure full exposure to all interested parties.

## **9. Publicity Considerations**

9.1 The premises have already been advertised for sale.

## **10. Financial implications**

10.1- See Part B  
10.3

## **11. Health, Wellbeing and Community Safety Implications**

11.1 There are no potential impacts to health, wellbeing and community safety.

## **12. Health and Safety Implications**

12.1 There is no potential impact to the Health and Safety of the public as a result of this sale. The purchaser would need to follow all relevant statutory health and safety protocols when developing the site.

## **13. Risk Management Implications**

13.1 The following risks are identified: -

- a. the selected purchaser may not perform or pull out. There was a lot of interest in the property and CBC can revert to alternative bidders.
- b. the Rowan House refurbishment may suffer some unexpected delays which could delay a sale. However, a good contingency would be built into any sale contract to allow for this.

#### **14. Environmental and Sustainability Implications**

- 14.1 There are some environmental and sustainability benefits associated with the preferred bid; however these cannot be fully stated in this public report as they may identify the bidder. They are outlined in the Part B report and would benefit the wider Colchester community.
- 14.2 The disposal of this building removes it from the Council's carbon emissions and reduces our carbon footprint as an organisation. The ongoing energy consumption would pass to the purchaser who would then need to consider improvements to meet the planning and building control processes that will provide the framework for the future use of the building and site.
- 14.2 The consolidation of CBH and CBC uses, to Rowan House, not only reduces the carbon footprint of operating two buildings, but also results in better access to public transport links, established travel plans/clubs, and a more sustainable town centre location; in turn minimising need to travel to/from sites by private car movement to travel to work. The sustainable travel plans for Rowan House are being updated to reflect this and maximise current opportunities for use of sustainable modes of travel as part of the Rowan House project. Travel between multiple sites during the operational day is also reduced.

#### **Appendices**

Appendix A – Bid Breakdown – See Part B (confidential)

Appendix B – Heads of Terms – See Part B (confidential)

Site Plan

