21<sup>st</sup> October 2008



# Executive

# Report of the Corporate Landlord

# Edmund Wilson Pool, Thanet Road

## Summary

1. This report seeks approval to sell the Edmund Wilson Pool site to T.E. Beteiligungs GmbH.

# Background

- 2. The Edmund Wilson Pool is to close when a new pool at York High School opens in October 2009 and the site will then be surplus to service requirements. The location of the Edmund Wilson Pool site (the Site) is shown verged black on the plan attached as Annex 1.
- 3. The Site was purchased in 1952. In 1957 the then council wanted to use part of Hob Moor Stray for a development purpose, so the Site along with other council land was appropriated to become part of Micklegate Stray. In 1964, when the decision to build the Edmund Wilson Pool was made, the Site was appropriated out of Micklegate Stray and replaced with an equivalent area of land adjoining Hob Moor Terrace. In summary, the Site was part of Micklegate Stray for 7 years but not since 1964.
- 4. The council recently commission the City of York Retail Study 2008 and from the report, it can be concluded the Site is not within a 5 minute walk from an existing food store and that a new food store in this residential area would be preferable than further expansion of the large supermarkets within this sector of the city.
- 5. As a result of this assessment, the Site was advertised on a national basis and sale particulars invited informal tenders for the purchase of the Site for a potential food store.

## Information

6. Four tenders were received and the highest was from T.E. Beteiligungs GmbH, which trades under the name LidI UK GmbH. Details of this offer are included as Confidential Annex 2.

## Consultation

7. Ward members have been appraised throughout the sale process and are supportive of a proposal that would see a food store on this Site.

# Options

- 8. The following three options are available:
  - a. Sell the Site for a proposed food store;
  - b. Sell the Site for an alternative development use;
  - c. Put the land into the Hob Moor Nature Reserve.

### Analysis

9. Option a) – Sell the Site for a food store.

#### Advantage:

It will provide additional food retail space in this socially deprived residential area by a deep discount food operator and provide a capital receipt in excess of the estimate value.

Disadvantage: None

Option b) – Sell the Site for an alternative development use.

#### Advantage:

An acceptable alternative use would be a residential development, the Site could accommodate approximately 20 family houses.

#### Disadvantage:

In the current residential market a site of this size and in this location would not attract substantial interest, and even if a sale were delayed until the residential market returned to normality, the Site would not achieve the potential receipt offered by this food store retailer.

Option c) – Put the Site into the Hob Moor Nature Reserve.

#### Advantage:

It would return the Site to its former open space use.

#### Disadvantage:

A lost opportunity to provide a large food retail space in this socially deprived residential area and obtain a much needed capital receipt.

## **Corporate Priorities**

10. A Lidl store will provide a large range of food at reasonable prices and this location can be reached by a substantial number of people walking to the store, this should improve the health and lifestyles of the residents within the catchment area of the proposed store.

### Implications

- 11. The following information is provided:
  - Financial

Details of the financial implication of the proposed sale are included in Confidential Annex 2.

• Human Resources (HR)

There are no HR implications.

Equalities

There are no Equalities implications.

Legal

The legal documentation for the sale will be a development agreement prepared by the Legal Services.

• Crime and Disorder (C&D)

There are no C&D implications.

• Information Technology (IT)

There are no IT implications.

Property

The Property implications are included within this report.

• Planning

The Head of Planning and Design supports in principle the location and capacity of a proposed food store, however, any recommendation for planning approval will be subject to design and other planning criteria and a report on the impact of the store on the Acomb Centre.

### **Risk Management**

12. The sale will not complete until Lidl obtains a satisfactory planning permission for its proposed food store and therefore there is a risk that the sale will not happen, however, in this event, the council will retain the Site and therefore will be in no worst position then when it started the process. The development agreement will provide a timetable to ensure Lidl carries out the development process in a timely manner.

### Recommendation

13. Members are asked to:

Approve Option 1: to accept the tender submitted by T.E. Beteiligungs GmbH on the terms and conditions included in Confidential Annex 2 and the Chief Officer responsible for Property Services to be given delegated authority to sell the freehold of the Edmund Wilson Pool site, Thanet Road on the best terms available.

Reason: This was the outcome following a market testing exercise.

#### **Contact Details**

#### Author:

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#### **Specialist Author:**

Ross Brown Accountant-Strategic Finance Tel No. (01904) 551207 Chief Officer Responsible for the report: Neil Hindhaugh Assistant Director of Property Services and Corporate Landlord.

Report Approved tick Date

Date 7<sup>th</sup> October 2008

Wards Affected: Westfield Ward

For further information please contact the author of the report

#### **Background Papers:**

The City of York Retail Study 2008. All other information is held on the Property Services file, subject to any confidential or exempt information.

#### Annexes:

Annex 1 - Plan showing the extent of the Site. Annex 2 - Confidential -The offer for the purchase of the Site. Annex 3 - Confidential - A plan.