

# Police, Fire & Crime Panel Report

January 2020



## Sale of Former Northallerton Police Station

### Introduction

Since the move of Northallerton Police Station to Alverton Court the disposal of the Former Police Station has been planned. The Former Police Station is located at the north end of the main High Street, which is the main arterial route within in the town centre. It sits within close proximity to residential and retail properties. In its current configuration the property had been used as the main police station for Northallerton providing offices and custody suite with large garages/workshop to the rear. Following the relocation to Alverton Court the property is now vacant and surplus to requirements.

The site was placed on the market on 23/05/2019 for 12 weeks. After several viewing days four bids of varying amounts were received

### How is Best Value/Value for Money to be determined

Local authorities, which include Police, Fire and Crime Commissioners, are usually required to dispose of land (and buildings) on the basis of the best consideration reasonably obtainable. But there are cases where local authorities may dispose at less than the best consideration.

Guidance sets out that disposals at less than best consideration may only be justified if they involve indirect benefits and those cannot be taken into account in assessing best consideration. On occasions, such disposals may be vital tools of local authorities and Local Strategic Partnerships in maximising value for money in pursuit of wider strategic objectives and outcomes.

There are many instances where this may arise, provided always that the local authority has the powers to seek the benefits involved.

Examples of where it might arise are:

- providing affordable housing in excess of that which would be required by planning policy
- disposing of an interest in property to a not-for-profit organisation, designed to achieve social and economic benefits

- disposal of an interest in property designed to achieve specific physical, economic or cultural regeneration in excess of that which would normally be required by national or local planning policy
- seeking environmental sustainability benefits in excess of those that would normally be required by planning policy or statute.

In these cases, if a local authority is to meet its legal obligations (and avoid legal challenge), it is important to be able to demonstrate that a consistent, transparent and well-structured approach has been taken, that value for money will be obtained.

## Property Valuation

Prior to the site being placed on the market a professional valuation of the property was undertaken along with an assessment of potential likely uses of the building and what options may be possible to potential bidders in terms of planning permissions and/or change of use of the building based on recent developments within Northallerton.

## Bids Received

Four bids were received for the property, 2 were significantly below the property valuation and 2 met/exceeded the price the property was valued at.

There was nothing contained within any of the bids that the organisation has the powers to seek any benefits from that could potentially result in a less than best consideration disposal.

As such the decision was made to proceed with the disposal based on the best consideration (price) bid through the sale process.

## Next Steps

Heads of Terms for the sale have been drafted along with contracts.

Once conditional contracts have been exchanged the purchaser must submit a planning application within 3 months.

The purchaser has a target date of 18 months for planning to be accepted but they anticipate this to be much sooner. However it is hopeful that completion of the sale will proceed more quickly as we understand the purchaser has held positive talks with the council.

It is expected that the planning application should be submitted by March 2020 and thereafter further information is likely to become available.

## Conclusion

Best consideration for this disposal has been achieved through the pro-active marketing of the site with the highest price option being chosen to ensure that the Police, Fire and Crime Commissioner meets their obligations in this respect. There was nothing within any of the other bids for the site that would have justified not accepting the highest price.