

**WARRINGTON BOROUGH COUNCIL****RECORD OF DECISION TAKEN BY AN OFFICER****DECISION TITLE: Public Sector PLC – Site 1**

Executive Board Decision No and/or Forward Plan No  (Executive decisions only)	EB 134/EB138 - Executive Board 11 March 2019  FP No 033/18
Directorate Ref No  (Non Executive decisions only)  If applicable	N/A
Decision detail	<p>Executive Board (<b>'EB'</b>) resolved on 11 March 2019 to:</p> <ol style="list-style-type: none"> <li>i. Approve the principle of the disposal of the property to PSP Warrington LLP ('the <b>'LLP'</b>);</li> <li>ii. Delegate authority to the Director of Growth, following consultation with the Monitoring Officer, Deputy Chief Executive &amp; Director of Corporate Services and the Leader of the Council responsibility for the final disposal terms, based on the principles and costs set out in the part 2 report.</li> <li>iii. Authorise the Monitoring Officer to enter into the contract and finalise any related documents to complete the transaction in accordance with the above.</li> </ol> <p>The LLP is a limited liability partnership between the Council and Public Sector PLC. Any sales receipts generated by the LLP are shared between the LLP partners in equal shares.</p> <p>Following the marketing of four sites ('the <b>'property'</b>) in October and November 2018, it was agreed that the Council sells the property to LLP in a way that is compliant with statutory compliance and best practice for the disposal of assets. The LLP will then sell on to the highest bidders as set out in the part 2 report to enable both a capital receipt for the Council and delivery of local social and economic benefits.</p> <p>Pursuant to the delegation at (ii) the Director of Growth and the Monitoring Officer have negotiated an option agreement with the LLP ('the <b>Option'</b>) for <u>one</u> of the four sites on the following principle terms ('the <b>Option Terms'</b>):</p> <p>The Council will grant to the LLP an option for a period of 36 months from the date the Option is entered into by which the LLP can call upon the Council to transfer its freehold estate in the site to the LLP. The Council's relationship with the LLP, post-disposal, will be governed by its partnership with the LLP and no new covenants or restrictions will be imposed by the sale. The purchase price to be paid by the LLP will be payable at the point</p>

	<p>the LLP call the site down. The Option provides that the Council and the LLP may revise the purchase price if additional information comes to light which affects the purchase price, but not mere changes in market conditions. In the absence of agreement, any revision to the purchase price shall be determined by an independent valuer.</p> <p>The Director of Growth is satisfied that:</p> <ol style="list-style-type: none"> <li>1. the Option Terms are consistent with the principles approved by EB at resolution (i) and will enable the LLP to facilitate the delivery of new housing and other social and economic benefits in Warrington; and</li> <li>2. the Option Terms are within the scope of the delegation to him and is willing to approve the Option Terms pursuant to the delegation to him by resolution (i).</li> </ol> <p>In accordance with the delegation at resolution (iii) the Monitoring Officer will give effect to the foregoing decision of the Director of Growth by:</p> <ol style="list-style-type: none"> <li>1. Formally completing the Option; and</li> <li>2. In the event that the LLP exercise the Option, formally completing the subsequent disposal of the site to the LLP in accordance with the terms of the Option.</li> </ol> <p>Any disposal of the other three sites identified as the property in the EB resolution of 11 March 2019 will be the subject of a separate officer decision notice.</p>
Reason for decision	<p>The Executive Board delegated the approval of the final disposal terms to the Director of Growth and the entering into the relevant contract documents to the Monitoring Officer.</p> <p>This Record confirms the decisions have been taken by the relevant officers in line with the Executive Board delegation.</p>
Decision Maker/Responsible Officer	<p>Steve Park – Director of Growth</p> <p>Matthew Cumberbatch – Head of Legal and Democratic Services</p>
Directorate	Growth
Lead Executive Board Member consulted (if applicable)	Leader of the Council.
Decision Date	7 January 2020
Date Decision was published / notified (normally within 2 clear	28 May 2020

working days of decision being made)	
Summary of options considered	The only other option would be to not proceed with the Option Agreement.
Interests declared	None
Background Papers (if applicable) <i>(period expires after 4 years from date of decision)</i>	Part 1 Executive Board Report.
Confidential / exempt information Category (if applicable)	Part 2 Executive Board Report - exempt by virtue of categories 3, Local Government Act 1972, schedule 12A.  Option Agreement - being exempt by virtue of categories 3 and 5, Local Government Act 1972, schedule 12A.

**NB. This form expires after 6 years.**