

**Report for Call In on the Sale of the Former Wilford Library, Ruddington Lane, Wilford, Nottingham, NG11 7AX**

**a) The decision is outside the policy/budgetary framework**

N/A

**b) Inadequate consultation relating to the decision**

Throughout this process the property directorate has been as transparent in its actions as possible (in consideration with data protection and professional ethics).

This report deals with the sale of the Former Wilford Library in 2014, the property having closed some years previously and despite interest from a number of organisations an earlier sale had not been possible. In 2014 the recommended method of sale was to be via auction on the 10<sup>th</sup> July 2014 with Savills. On the 15<sup>th</sup> May 2014 (see attachment 1) the three ward councillors for the area were contacted and advised that the property would be entered into the July auction.

The reason for putting the property through an auction was to maximise value and provide a quick sale which was important as the property had become increasingly dilapidated through lying vacant. The property directorate prepared a delegated decision in order to provide authorisation to sell the property by this method.

On the 22<sup>nd</sup> May 2014 (see attachment 1) Councillor Roger Steel contacted the Director of Property (Stuart Knight) to advise him that he had an interested party to take on the property for the purpose of community usage. In light of which the property directorate made arrangements to sell the property prior to auction and a set of heads of terms were prepared (subject to contract) with the prospective purchaser (Dean Kerry) put forward by Councillor Steel.

Following the decision to remove the property from the auction and sell it to Mr Kerry a further two parties advised the Council of their respective interest in the property.

Firstly, Mr Chris Throup who is a neighbour to the subject property and wished to buy the property on behalf of the community in order to stop any potential development that may be detrimental to his dwelling. Mr Throup was advised of Mr Kerry's proposed purchase he was happy that it was being sold for community usage and that the property would be refurbished.

The second party were The West Bridgford Spiritualist Church and they approached the Council by email on the 7<sup>th</sup> July 2014 (see attachment 2) stating they would like to buy the property for community usage.

In view of the competing interests for the property, it was decided that the most fair and transparent way to proceed and resolve the competing interests from community groups was to change the method of sale on the property to informal tender and to sell the property by way of a long lease. Seeking a 999 year lease it is easier for the Council to ensure that the property is continually used for a community benefit as compared to selling the freehold interest.

Officers drafted an invitation to tender (see attachment 4) which outlined the key requirements which were to be addressed in any tender submitted. The submissions were to be sent to the external agent who was previously instructed to sell the property by auction; thus providing further transparency within the process. All of the known parties that were interested in the property were contacted by the agent and advised of the informal tender process.

At this time the Director of Property informed all ward councillors of the intention to sell the property by informal tender. Within the email, dated 9<sup>th</sup> July 2014, (see attachment 3) he sent, it included the following statement *'I will organise a meeting of the ward councillors and Councillor Chapman to consider the proposals received, providing the opportunity for ward councillors to make their views known and to allow Councillor Chapman to reach a conclusion as to which organisation will secure the property.'* This was included to allow the views of ward councillors to be considered as part of the decision making process.

The date for all tender submissions to be completed and handed to the external agent was 25<sup>th</sup> July 2014 as documented within the invitation to tender document provided to the agent. Two officers from the property directorate met with the external agent to open the tenders and write down a summary of the tenders that had been received. In the event only two parties submitted tenders, Mr Kerry and The West Bridgford Spiritualist Church.

A meeting was held on the 10<sup>th</sup> September 2014 with Councillor Chapman, the ward Councillors and the Director of Property. At this meeting the Director provided a verbal summary of the tenders. Councillor Steel provided further explanation of the tender submitted by Mr Kerry.

The tenders themselves were very similar for example both included proposals to provide a café, a centre where the elderly could meet and even a bike repairing facility. As both parties were proposing services beneficial to the community it was appropriate to consider other aspects of the tenders. The West Bridgford Spiritualist Group, an established organisation submitted a financial offer of £60,000 for the property which compared to £30,000 from Mr Kerry, a private individual. A further difference was in respect of the support from third parties. Mr Kerry submitted 21 letters of support from numerous individuals and institutions such as local schools and the Police, whereas the West Bridgford Spiritualist Church stated they were looking to work with the Renewal Trust (another established organisation) to help set up a viable community group to run the centre.

Following consideration of the tenders, noting the similarities and the differences, Councillor Chapman advised the meeting that he was pleased that both proposals would deliver community use, but on balance favoured the tender from an established organisation and the one with the highest financial offer, i.e. the tender submitted by The West Bridgford Spiritualist Church.

It is to be noted that this level of engagement with ward Councillors in the actual decision making meeting is unusual, not least of all as Councillor Steel was a clear advocate for the proposal from Mr Kerry.

### **c) Relevant information not considered**

***The terms of the lease, in particular those in relation to covenants on the building and those ensuring the community use of the property are maintained, and not discussed within the decision.***

Within the invitation to tender (see attachment 4) for the property it was made clear that there would be a covenant to only use the property for a community purpose. This would be enforced through the granting of a 999 year lease, as opposed to a freehold sale.

***Relevant information could not be considered as full details of tenders have not been disclosed to all ward councillors***

Although, ward councillors were not provided copies of the actual tenders, the Director of Property did summarise the tenderer's proposals at the meeting, thus providing the opportunity for the Portfolio Holder and the ward Councillors to consider the similarities and differences between the tenders. This protected the confidentiality of the parties whilst allowing for consideration of the tenders.

***All ward councillors and the Portfolio Holder expressed a preference for a post office counter to be part of the plans, no information relating to this is publicly available at the time of the decision***

Mr Kerry's tender included a proposal for a Post Office, although as with all aspects of each tenderer's submission the future uses are proposals rather than guarantees. The Spiritualist Church also included a proposal for a banking facility, although their solicitors have subsequently confirmed that, *'my clients are aware that there has been talk of the need for a replacement Post Office facility and they confirm that they will examine the feasibility of providing that within the premises'* (see attachment 5).

***Newspaper reports (see attachment 4) before the decision is final suggest that the building will be demolished and rebuilt. There was nothing suggesting this in the information given to Councillors so this has not been considered.***

In the initial tender response both parties advised their intention to refurbish the former library building. It was always open for either tenderer to advise whether redevelopment or refurbishment was proposed, please see the Invitation to Tender (see attachment 4).

It is understood The Spiritualist Church has considered demolishing and rebuilding the structure on the site. Although currently it is understood that refurbishment is still proposed. If redevelopment is desired it will be necessary for the prospective purchaser to seek the consent of the Council in accordance with the terms of the lease.

***Tender documentation requested 'letters of support'. No details are considered of the letters of support from local residents and organisations***

Letters of support and other forms of support were considered with the bids that were received from each party. A summary of these can be found in the summary of the proposals listed in the exempt appendices of the decision.

***The original proposal from West Bridgford Spiritualist Church (see attachment 5) was for a 'non-denominational church' facility – in part. This is not confirmed in the current bid as outlined in the decision.***

The proposed purchaser has advised that it is its intention to use the property to provide their normal church activities from the property as well as other community facilities for other times when the property is not used for church purposes. This is set out in the appendix to the decision (see attachment 6), the summary of tenders.

#### **d) Viable Alternatives not considered**

***Alternative bid which includes a Post Office counter and facilities based upon the consensus of views expressed by local residents as the result of a survey by Wilford Community Group (see attachments 2 and 3)***

The meeting on the 10<sup>th</sup> September 2014 considered both tenders, noting the differences and similarities between them. Both in effect providing similar community based facilities. The proposed purchaser has through its solicitor advised that the feasibility of a Post Office will be examined (see attachment 5).

**e) Justification for the decision open to challenge on the basis of evidence considered**

***Ward councillors were assured that they would have the opportunity to jointly scrutinise the proposals offered and report back should they not be satisfied the provision of community facilities were not being adequately served (see attachment 1). The justification for the decision is open to challenge as this did not take place.***

The Director of Property's email of the 9<sup>th</sup> July 2014 (see attachment 3) set out clearly the process that would be followed. Including the intention to *organise a meeting of the ward councillors and Councillor Chapman to consider the proposals received, providing the opportunity for ward councillors to make their views known and to allow Councillor Chapman to reach a conclusion as to which organisation will secure the property.* This is exactly what happened. In addition the ward Councillors were afforded the opportunity to listen to the reasoning behind the decision as well as to provide any comments on the decision of the Portfolio Holder.