

THE HIGHLAND COUNCIL

01 March 2007

Agenda Item No	
Report No	
Restricted	

DISPOSAL OF COMMON GOOD LAND AT NAIRN SANDOWN

Report by the Director of Property & Architectural Services

SUMMARY

This report informs members of current progress and seeks approval to proposals for disposal of Common Good land at Sandown, Nairn.

1. BACKGROUND

1.1 The Nairnshire Local Plan identifies Common Good land at Sandown, Nairn for development and Outline Planning Consent has been obtained in this regard.

1.2 Following resolution of a dispute with the Agricultural Tenant, a closing date was set as 18 January 2007 for receipt of Offers for acquisition of the subjects.

2. SUMMARY OF OFFERS RECEIVED AT CLOSING DATE

2.1 A total of 12 submissions were received by Noon on 18 January 2007.

I am delighted to report that amounts offered by prospective purchasers exceeded expectations. The Council's Marketing Agent (Knight Frank) had anticipated a top offer in the region of £14 million (subject to Planning). This amount was exceeded by several of the bidders.

Consistent with the existing Outline Planning Consent, and contents of the relevant Development Brief, all proposals related predominantly to housing development and amenity land.

3. ANALYSIS OF OFFERS

3.1 Clarification was subsequently obtained from bidders on matters such as the proposed number of Housing Units/extent of Amenity Land and percentage of Affordable Housing to be built.

After analysis, the clear recommendation of the Council's appointed Marketing Agent (Knight Frank) was that the highest bidder be nominated as the "preferred bidder" and that the Council seeks to conclude missives within the coming weeks. It was also recommended that two "underbidders" were informed that the Council may wish to revert to them should negotiations with the preferred bidder fail. I fully support this

recommendation.

- 3.2 The highest bid was submitted by Deveron Homes Ltd. As this offer was submitted on a “commercial and in confidence” basis, Deveron Homes Ltd have requested that the offer price remain confidential until missives have been concluded.

4. REQUIREMENT FOR APPROVAL BY COUNCIL

- 4.1 As the proposal relates to disposal of Common Good Fund assets, approval of The Highland Council to the sale is required.

5. CONSULTATION

- 5.1 The Nairnshire Area Committee, on Thursday 22 February 2007, considered and supported proposals for disposal of the subjects.

6. RESOURCE IMPLICATIONS

- 6.1 After deduction of all associated costs, sale of the land at Sandown will result in a substantial capital receipt to the Nairn Common Good Fund.

RECOMMENDATION

Members are invited to;

1. note that offers received for acquisition of Common Good land at Nairn Sandown exceeded expectations.
2. instruct the Director of Property & Architectural Services to progress exclusive negotiations with the highest bidder, Deveron Homes Ltd with a view to concluding missives of sale.
3. further instruct the Director of Property & Architectural Services to inform the top two “underbidders” that the Council may wish to revert to them should negotiations with the preferred bidder fail.

Signature:

Designation: Director of Property & Architectural Services

Date: 20 February 2007

Author/Reference: John Clarke, Head of Property.