

Classification: Open	Decision Type: Key
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Report to:	Cabinet	Date: 07 June 2023
Subject:	Sale of Former Police Station, Irwell Street, Bury, BL9 0HE	
Report of	Leader and Cabinet Member for Strategic Growth	

Summary

This report presents Cabinet with the results of a recent tender exercise for the sale of Former Police Station, Irwell Street, Bury. The site is part of the Accelerated Land Disposal Programme and has been vacant for many years. The sale will bring forward the redevelopment of the land bringing in a capital receipt.

Recommendations:

That Cabinet:

1. Notes the results of the tender exercise for the sale of the Former Police Station.
2. Approves the grant of the freehold to the selected purchaser, upon the gaining of planning permission, which is to be submitted within 3 months of exchange of contracts. Following Cabinet approval, the exchange of contracts to be completed within 12 weeks of receiving the contractual documentation.
3. Delegate the signing of all contracts required to complete sale of the site the Director of Law and Democratic Services.

Reasons for recommendation(s)

To bring forward the sale of the Former Police Station.

Options considered and rejected

Option 1 - Do Nothing

- In this scenario the property would be left vacant, its condition may further continue to attract anti-social behaviour. The Council would be responsible for ongoing security and maintenance. The property is within the Accelerated Land Disposal Programme and ongoing security and maintenance costs would have to be incurred if the sale did not proceed. This option would not ensure the on-going rejuvenation of the Town Centre. As such, this option has been discounted.

Option 2 – Accept the tender from the highest ranked bidder

- This option would see the site developed and location renovated and brought back into use as a viable property within the next 27 months. This option would also bring in a significant capital receipt to the Council in the 2023/24 financial year.

Report Author and Contact Details:

Name: Alexandra Hinchly
Position: Strategic Asset Manager
Department: Business Growth & Infrastructure
E-mail: a.hinchly@bury.gov.uk

Name: Roger Frith
Position: Head of Land & Property
Department: Business Growth & Infrastructure
E-mail: r.frith@bury.gov.uk

Key considerations**1. Background**

- 1.1 The Former Police Station off Irwell Street has been vacant since 2016 when its former use as GM Police Headquarters ceased. It was approved for demolition at cabinet on 12th April 2017 and the demolition started in 2018. Since this time the site has been part of the accelerated land programme, which had final tenders invited to CBRE on the 8th of February 2023.
- 1.2 CBRE (the Councils agents) were formally instructed to market the Former Police Station with bids invited for the 8th February 2023. CBRE created in-house sales particulars, that were approved by Bury Council. The sales particulars included details of the property, planning context and disposal process. These were circulated amongst CBRE's database of active developers and investors in the Northwest, Yorkshire and Nationwide. Environmental and technical information was provided via CBRE File Transfer link.
- 1.3 The offers were accepted with planning briefs and tender packs of what the bidders would offer giving an indication of what uses the Council should deem acceptable from several perspectives including planning, abnormal deductions, scheme idea and bidding criteria.
- 1.4 It is proposed that the site is offered on a freehold basis to the purchaser, which will contain restrictions on use for residential development.
- 1.5 Tender documents were issued in September 2022, with a return date of 8th February 2023.

- 1.6 Six compliant tenders were received and have been assessed by CBRE on behalf of the Council. One bid was received after the deadline and therefore was not able to be accounted.

2. Current Position

- 2.1 Full details on the submitted bids can be found in the Part B version of this report.

3 Winning Bid Proposal

- 3.1 Full financial details of the winning bid can be found in the Part B version of this report.
- 3.2 The site is proposed to be divided into 2 no 40 bed care homes, each circa 2680m². Proposed to be positioned in good size plots both buildings have adequate parking facilities and turning for large vehicles with associated landscaping for communal gardens, subject to planning.
- 3.3 The building to the north of the site is parallel to Irwell Street and Lower Bank Street providing a strong relationship to the existing street scene. Orientated to promote north-south connectivity and ensure that streets and open spaces are active, overlooked and safe. The building to the south of the site is positioned to face onto Jubilee way.
- 3.4 The building's mass will be broken up with bays and potential lower elements of roofline subject to further design development. The developer studied the site in the Bury Masterplan brought together by the council and have replicated the development areas as indicated with large green areas.
- 3.5 Typical elevation for a three storey Health Care building is shown below. The buildings tend to be three storey and have a mixture of different materiality depending on the location. They use a mixture of window styles depending on the use of the room, windows in bedrooms have multiple openings for ventilation and to reduce overheating along with larger windows/curtain walling in communal areas for light.



Typical Elevation

3.6 The former police station was circa 6+ stories in height and it is felt that the previous massing and scale of the site would require a new proposal of scale on the site particularly to Jubilee way. With developer's typical 3 storey design the site would have presence without overshadowing the properties on Irwell Street.

4.0 Links to Housing Strategy

4.1 This is an opportunity for the Council to progress the development of a Brownfield site which will lead to a significant housing development in line with the Councils Housing Strategy.

4.2 Changing the use of some retail sites to create an aspirational housing offer that includes affordable homes with good access to leisure facilities, parks, culture, art and a wide range of community facilities, could be one route to realising our ambition for '15- minute neighbourhoods'.

4.3 In every place there is scope to remodel the public spaces between the homes to provide more congenial spaces for people to meet and enjoy together.

4.4 The results of the Housing Strategy analysis and housing needs assessment is telling us that new extra care housing and remodelled sheltered housing has a significant part to play in housing our frail population going forward. Along with peer-led, networked communities of support wherever possible for people with a wide range of needs such as learning disabilities, mental health issues, experience of homelessness or addiction.

4.5 As we consider how to best remodel our sheltered schemes, and plan for new extra care schemes, over the coming years we will consider with our Community Hubs how these schemes might develop closer connections to a range of local facilities including health centres, shops, schools, leisure, community and faith centres. This will make it easier for people living in the schemes and in the surrounding areas to connect with other local

residents and access informal support, facilities and activities. We will also consider how these neighbourhoods might support intergenerational connections and recreational activity. We will learn from the COVID-19 experience to make sure these hubs can enable high levels of support while maintaining social distancing.

- 4.6 Bury has a lack of Adult Social Care complex needs care home provision, resulting in often high-cost placements having to be made out of borough. This opportunity allows for the development of an in-borough provision that will meet the current and future needs of Bury residents. As outlined in the Council's Adult Social Care Market Position Statements, demand for complex need services continues to rise and this provision supports our wider development of the provider market to ensure people have services that will meet their needs, in their locality.

5. Social Value

- 5.1 **Jobs:** Based on the experience of delivering 35 specialist nursing homes across the UK, the Health Care developers can expect that the Proposed Development of 2 x 40 bed facilities will provide employment for up to 100 people, with these being a mix of full-time and part-time jobs. A proportion of those employed at the Proposed Development will probably live locally in Bury. There is a need for new local employment opportunities in Bury in light of the ongoing economic impacts of the coronavirus pandemic and cost of living crisis.
- 5.2 **Growth:** The Health Care developer promotes responsible regional business, for example we procure with locally based small and medium enterprises (SME), support sub-contractor opportunities and open up opportunities to SMEs and the third sector.
- 5.3 **Social:** Their specialist care homes are designed with future residents in mind, not only to provide amenity but to also create nodes in communities which create sense of place and have a direct impact on health and wellbeing. Through the nature of delivering complex needs care homes, they create healthier, safer and more resilient communities, for example, supporting vulnerable people and marginalised communities, working with community groups and projects, and volunteering. The Health Care developer engages with local communities and facilitates community cohesion. The developer model encourages social cohesion, incorporating communal living space and access to dining, activity and therapeutic areas. It also provides step down bed facilities to seek to rehabilitate back into the community.

Links with the Corporate Priorities:

The proposal:

- Will bring a plot of disposal land back into use and mitigate the current costs of security and maintenance that the Council is currently incurring.
- Provide training opportunities during the construction period.
- Provide provision for adult services within the area.

Equality Impact and Considerations:

The proposal for supported living accommodation addresses a need in Borough and positively supports the elderly and residents with a disability.

Environmental Impact and Considerations:

The proposal involves a low carbon design where the building fabric, the building services and the management of a building determine the energy use of a building. In understanding this, the design team can take measures to advance sustainable design from the earliest stages of a development.

The potential measures that can be incorporated into the design and construction of the development to reduce its energy requirement and carbon footprint. Within the Energy Hierarchy these measures are classified as lean, clean and green and permanently reduce the energy requirement.

Assessment and Mitigation of Risk:

Risk / opportunity	Mitigation
That the sale fails to proceed	The purchaser has indicated that they can exchange conditional contracts within 12 weeks of contract papers being received by the purchaser’s solicitors. Submit a planning application for the proposed development no later than 3 months from exchange. Contract period to obtain planning permission – 9 months from exchange of contracts. Completion no later than 30 days upon satisfactory planning. In the event of a refusal of planning permission the contract will be extended for 12 months to allow the purchaser to consider the planning outcomes.
The purchaser has insufficient funds to complete the renovation works	The prospective purchaser has provided proof of funds for the purchase.
The purchaser seeks change use to a commercial development	The site is to be sold upon the granting of residential planning permission and is to be restricted to residential use.

Legal Implications:

The financial details of the bids are set out in the accompanying part B report. This tender exercise is legally compliant, legal advice and support will be provided throughout.

Financial Implications:

This site was included within the accelerated land disposal programme and as part of the Capital programme that was approved by Council in February 2023 was anticipated to generate a capital receipt in quarter 4 of this financial year. This capital receipt will then be used either as part of the flexible use of capital receipts policy to fund transformation or to fund future capital projects.

The provision of additional extra care accommodation within borough should also provide social and benefits for residents within the borough requiring this type of accommodation and potential financial benefits to adult social care and health budget depending upon the needs of those residents living in the accommodation.

Background papers:

None