

To: Estates Sub Group

From: Elly McKee: Estate Management Surveyor

Date: 24th January 2019

Land at Enterprise Way, Bretton, Peterborough

1.0 Purpose

1.1 To seek approval to the disposal of the freehold interest.

2.0 Background

2.1 The site comprises 3.24 acres of land located some 2 km from the NW of Peterborough City Centre and in close proximity to the A47 Peterborough ring road.



2.2 The site is accessed via rights of access over adjoining land to both the front and rear of the site. Bretton Industrial Area consists of the usual business uses. The site comprises an undeveloped Greenfield site which was previously used as sports pitches.

2.3 The site was originally acquired in January 2006 for £850,000 (which devalues to £262,345 per acre).

2.4 The site was identified as a General Employment Area within the Local Plan and planning permission was originally acquired for use as a Police Investigation Centre (sui-generis) which did not proceed.

2.5 The site was marketed from July 2011 with very little interest. Offer of £500,000 received from Eagle Foods in May 2012 equating to £155,000 per acre. This offer was reflective of the market at the time where there was little demand for sites over 1 acre as speculative

development was rare due to oversupply and difficulty securing finance.

- 2.6 The Police Authority declined the offer wanting to await improvement in the market. Subsequently the Police and Crime Commissioner confirmed that the site value should be kept under review until such time the disposal of the freehold of the site could realise a similar figure to the purchase price.
- 2.7 A temporary (5 year) planning consent for use of the land as a lorry and trailer park was granted on 24 August 2017 when the leasing of the site was under consideration. This did not proceed as the temporary nature of the consent prevented reasonable pay back on expenditure required on initial capital works.
- 2.8 In 2016 the right of access to the front of the site was acknowledged (through our solicitors) by the adjoining owner despite him blocking the right of access with cars being sold from his adjoining business premises. It was considered appropriate to await further detail of the potential use of the site before physically claiming the right of access.

3.0 Current Position

- 3.1 An offer for the Freehold purchase of the site has been made on the following terms:
 - **Proposed Purchaser:** Commercial in confidence.
 - **Purchase Price:** £850,000 subject to contract **only**.
 - **Finance:** Cash purchase
 - **Planning:** Unconditional
 - **Programme:** Exchange contracts/complete within 4 to 6 weeks.
 - **Use:** Speculative development of small industrial units (proposed purchaser currently developing a similar scheme in Lincoln).
- 3.2 The proposed purchaser's solicitor has already carried out a thorough review of the title and planning history.
- 3.3 Julian Welch of Barker Storey Matthews has been providing 6 monthly reviews of this site in full knowledge that we will only be in a position to market the site when values reach the levels at which we acquired it. He advises that the market is healthy for freehold land with a distinct lack of supply. The subject site does, however, have its limitations with a slope to the railway line, access issues with the school using the road for parking and have erected entrance gates and the lack of services. In addition, it has a limited planning use (temporary 5 year consent for lorry storage) and any purchaser would need to take a view on achieving a better planning consent.

If the site was subject to full marketing there is a chance that £850,000 could be exceeded but the access would be a limiting factor.

4.0 Summary

- 4.1 This is an opportunity to generate a significant capital receipt from an unconditional offer with a 6-8 week contract exchange. Regular reviews have ensured the market has been tracked and that this is a fair and reasonable offer.
- 4.2 In the event that the sales does not proceed it is evidenced that a similar offer might be achievable following formal marketing. This would, however, take significantly longer and is likely to be subject to planning.

5.0 Recommendation

- 5.1 That ESG approve the disposal of the freehold interest in the site for a minimum price of £850,000 with all other agreed terms to be signed off by the s151 Officer and Police and Crime Commissioner.

Bibliography

Source Document(s)	Contact Officer	Location
Estate Management – Property Files	Elly McKee(Estates Management Surveyor) or 01480 422423 (EM)	Cambridgeshire Constabulary