

Report For:	Cabinet
Date of Meeting:	Cabinet 11 March 2019
Part:	Part 1 - Open Report with Part 2 Appendices
If Part 2, reason:	Para 3 - Information about the financial or business affairs of any particular person (including the authority holding that information).

<b>SUMMARY</b>	
<b>Title of Report:</b>	<b>HANDY X HUB PHASE 3B</b>
Cabinet Member: Officer Contact: Direct Dial: Email:	Councillor Steve Broadbent Charles Brocklehurst 01494 421280 charles.brocklehurst@wycombe.gov.uk
Wards affected:	All
Reason for the Decision:	The proposed disposal is above delegated authority levels.
<b>Proposed Decision:</b>	That: <ul style="list-style-type: none"> <li>(i) the freehold interest in Handy X Hub Phase 3B ('The Prow' site) be disposed of on the terms set out in the confidential Appendix A; and</li> <li>(ii) approval of the detailed terms of the disposal be delegated to the Corporate Director in consultation with the Major Projects Executive, the Head of Finance and their respective Cabinet Members.</li> </ul>
Sustainable Community Strategy/Council Priorities - Implications	<p><b>Risk:</b> Heads of Terms have been agreed. Whilst the proposed disposal is not subject to planning consent, it remains subject to contract.</p> <p><b>Equalities:</b> The proposed purchaser will be responsible for any EIA (if applicable) as part of their planning application.</p> <p><b>Health &amp; Safety:</b> The proposed purchaser will be responsible for appointing a Principal Designer under CDM regulations.</p>
Monitoring Officer/ S.151 Officer Comments	<b>Monitoring Officer:</b> Section 123 of the Local Government Act 1972 provides power for the Council to dispose of land in any manner it wishes. Other than in the case of a short tenancy for less than 7 years, the disposal must be for the best consideration that can reasonably be obtained, unless the Secretary of State

	<p>has first given explicit consent to the contrary, or the General Disposal Consent (England) 2003 permits it (i.e. if the undervalue is £2m or less).</p> <p><b>S.151 Officer:</b> The capital receipt as set out in the confidential appendix matches the amount anticipated in the approved capital programme.</p>
Consultees:	The proposed purchaser will be responsible for any fresh public / statutory consultations as part of their planning application.
Options:	The site has for the past couple of years been the subject of open marketing, with the benefit of planning consent for offices. The adjacent Phase 3A hotel site has already been sold freehold, to maximise its value / attract an investor-operator. This also applies to The Prow site (i.e. a ground lease is not an option).
Next Steps:	Instruct external solicitors to complete a Contract for Sale.
Background Papers:	None
Abbreviations:	None

Appendices to this report are as follows:

Confidential Appendix A – Offer & Draft Heads of Terms

### Detailed Report

1. The consented masterplan for Handy X Hub includes proposed 11,000 sq.m. (120,000 sq.ft.) of offices on the westerly tip of the site – the so-called ‘Prow’ site (see plan attached). For more than two years, the opportunity has been openly marketed to seek either occupiers or developers. The consented scheme is based on two buildings, with the western building being on top of multi-storey parking for the pair. It has not attracted market demand. This is because the developer market is not undertaking speculative office development, neither are substantial ‘pre-lets’ from office occupiers happening (a reflection of both economic uncertainty and the change in office demand, away from ‘headquarters’ buildings to more flexible space).
2. However marketing of the site has resulted in an offer to purchase the freehold from a substantial group, to develop integrated managed offices / self-storage. Comprising 3,250 sq.m. of small office suites on 4 floors, fronting a 10,000 sq.m. multi-storey self-storage block, the scheme is aimed at SMEs requiring both offices and storage for their businesses. The proposed scheme takes advantage of the site’s topography (it is at a low level, relative to the surrounding A404 southbound / Handy X roundabout / M40 eastbound slip roads), siting the proposed self-storage block in the tree-lined ‘hollow’, with its proposed linked offices fronting the HxH spine road.

3. The offer received is set out in the confidential appendix. It is unconditional and based on the site 'as is' (i.e. with responsibility for removal of the spoil heap transferring to the purchaser).
4. The proposed scheme has been the subject of the PreApp consultation by the purchasers. This has raised a planning policy issue. The emerging Local Plan allocates the site for 'headquarters offices', which (as stated above), the market will not deliver. Evidence to support this is being submitted to the Council's planners. Because of the mobile nature of potential occupiers (coming and going), the proposed scheme includes limited on site parking (less than the policy standards). There is surplus parking capacity in the adjacent Coachway Park&Ride car park. If the proposed purchasers were to be unsuccessful in obtaining planning approval, the Council will have the right to buy-back the site, at the agreed purchase price.

### **Conclusion**

5. The proposed scheme will establish offices at Handy X Hub and be an innovative product in the local economy. Coming on the back of the recent hotel disposal / development, it will add momentum to the completion of the Handy X Hub masterplan. The building is expected to accommodate 100 jobs.