

POLICY & FINANCE COMMITTEE

31 MARCH 2022

POSSIBLE PURCHASE OF LAND – BOWBRIDGE ROAD, NEWARK

1.0 Purpose of the Report

1.1 To update Members following the 28 November 2019, 2 April 2020, and 27 January 2022 Committee meetings of the opportunity to purchase land adjacent to Newark Hospital, on land off Bowbridge Road. This report is to be read in conjunction with the Exempt Appendix included on this agenda.

2.0 Update

2.1 Members will recall authorising delegated authority for the Director – Planning & Growth to make a bid for the freehold purchase (capped at a maximum level) of two parcels of land (see **Appendix**, Parcels 1 and 2) for a site adjacent to Newark Hospital for the purposes of the Council then leasing the land to Sherwood Forest Hospitals NHS Foundation Trust (Trust). The Trust have advised that whilst the feedback from patients in terms of care and services at the hospital is often positive, the lack of car parking is consistently raised as a criticism. A lack of car parking is also a key restriction to being able to increase the range of clinical services which can take place from the site.

2.2 Following a lengthy period of negotiation Members will be aware that the landowners were seeking a further uplift in the value of the land, principally given the passage of time which has elapsed since the original offer and the corresponding increase in land values. The Council, at its meeting on 27th January 2022, resolved to again re-affirm its commitment to a Maximum Offer, which did not increase given rises in construction costs which must be legitimately weighed against any land-value increase.

2.3 The Maximum Offer previously agreed and re-presented following the January 2022 meeting has been declined by the landowners. Further negotiations have led to a Revised Offer that would be acceptable to both parties, allowing for completion of the sales as quickly as possible.

3.0 The Proposal

3.1 Members will be aware that the reason the Council is involved in this proposal is in order to allow the Sherwood Forest Hospitals NHS Foundation Trust to access additional car parking capacity. The Trust is willing to work with the Council to secure this, with the Council effectively operating as broker to secure the land and back-to-back terms with the Trust.

3.2 The Trust have been clear in discussions with the Council that securing additional operational car parking capacity remains a high priority in order to allow the hospital to continue to expand what it can offer in terms of range of clinical services for patients. Without this land being secured and car parking provided the hospital will be unlikely to increase its range of services.

3.3 Given the above, and an ability to take a longer term fiscal view the Revised Offer is considered acceptable, subject to an unconditional purchase being concluded quickly. It is therefore recommended that the Council submits a Revised Offer for the unconditional and unencumbered freehold purchase of both land parcels. The lease deal with the trust will conclude simultaneous to or shortly after the land purchases.

4.0 Equalities Implications

4.1 The purchase of the land at Bowbridge Road would provide the opportunity to provide more car parking (including disabled) for the hospital, increasing its reputation and future ability to increase its range of clinical services.

5.0 Financial Implications (FIN21/22 – 486)

5.1 The financial implications of the proposal are set out in the Exempt Appendix for Member's consideration.

6.0 RECOMMENDATION that:

The Director – Planning & Growth, in consultation with the Business Manager – Corporate Property be given delegated authority to:

- (a) confirm to the land agent representing both landowners that the Revised Offer is the full and final offer from this Council to purchase unconditionally (and without restriction) the two freehold interests detailed at Appendix A;**
- (b) subject to the Revised Offer being accepted as detailed at a) above to enter into a Lease Agreement with the Sherwood Forest Hospital Trust on the terms set out in the Exempt Report; and**
- (c) amend the Council's Capital Program to reflect a purchase in accordance with the Revised Offer and capital costs of implementing a car park for the Trust, as detailed in the Exempt Appendix.**

Reason for Recommendation

To secure additional car parking in order to support the function and reputation of Newark Hospital.

Background Papers

Previous Reports to the Policy and Finance Committee on:

28 November 2019

2 April 2020

27 January 2022

For further information please contact Matt Lamb on Ext. 5842

Matthew Lamb

Director – Planning & Growth

