



Belfast City Council

Report to:	Strategic Policy and Resources Committee
Subject:	Disposal of land at M2/Duncrue Place to DRD
Date:	21 st Jan 2011
Reporting Officer:	Gerry Millar, Director of Property and Projects
Contact Officer:	Celine Dunlop, Estates Surveyor, Property and Projects

1	Relevant Background Information
1.1	<p>Belfast City Council own the lands shaded yellow on the attached plan at Appendix '1'. The land is leased to a number of different tenants for periods of either 99 or 125 years. The area of land consisting of 685.8 sq metres outlined red on the attached plan at Appendix '1' had been retained by the Council. In March 2002 the area outlined red on the plan at Appendix '1' was erroneously sold for £10,000 by the Department for Regional Development(DRD) to Ravenblack Developments Ltd by way of a 999 year lease. The Estates Management Unit (EMU) became aware of DRD's mistake in December 2003 and despite claims by DRD that they owned it, EMU and Legal Services successfully proved that the Council did have title to the land.</p> <p>DRD initially suggested that they return the £10,000 consideration monies (received from Ravenblack in 2002) and that in return the Council would execute a Deed of Rectification in favour of Ravenblack on the same terms as between DRD and Ravenblack.</p> <p>Under the terms of the Local Government Act (NI) 1972 the Council can only dispose of land on the best terms (etc) available, and Council officers were firmly of the view that if DRD simply give the Council the money received by them from Ravenblack this would certainly not represent disposal on the best terms available.</p> <p>Following protracted discussion with the Department of Finance (DFP), DFP agreed in July 2007 to pay the full current market value of the land that DRD had erroneously sold and they subsequently appointed Land and Property Services Agency (L&PS) to assess the market value.</p>

	<p>In May 2010 L&PS reported the following valuations to DFP solicitors:</p> <ol style="list-style-type: none"> 1. Estimated 2002 value - £50,000 2. Estimated 2007 value - £170,000 3. Estimated 2010 value - £80,000 <p>Following further protracted negotiations the Estates Management Unit obtained DFP/DRD agreement to the sale of the land at 2007 values, namely £170,000.</p>
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2	Key Issues
2.1	Council officials have agreed to the sale of the land at Duncrue Place/M2 motorway outlined red on the plan at Appendix '1' to DRD for £170,000 subject to Council approval.

3	Resource Implications
3.1	<p>Financial</p> <p>The sale of these assets will result in a capital return to the Council of a total sum of £170,000 which could be used in furtherance of the City Investment Fund or other corporate priorities.</p>
3.2	<p>Human Resources</p> <p>Staff resource required from the Estates Management Unit and Legal Services.</p>
3.3	<p>Asset and other Implications</p> <p>The proposal to sell this area to DRD resolves to the satisfaction</p>

4	Equality and Good Relations Implications
4.1	There are no equality or good relations implications to this disposal.

5	Recommendations
5.1	It is recommended that the Committee grant approval for the Council to dispose of the lands at Duncrue Place and as outlined red on the plan at Appendix '1' to DRD for £170,000.

6	Decision Tracking
6.1	Action to be completed by Legal Services by 31 st March 2011.

	Key to Abbreviations
DFP Department of Finance and Personnel DRD Department for Regional Development L&PS Land & Property Services Agency EMU Estates Management Unit	

	Documents Attached
Plan at Appendix'1'	