



Belfast City Council

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| Report to: | Strategic Policy and Resources Committee |
| Subject: | Disposal of Land at Musgrave Street |
| Date: | 18 March 2011 |
| Reporting Officer: | Gerry Millar, Director of Property and Projects, Ext. 6217. |
| Contact Officer: | Cathy Reynolds, Estates Manager, Property & Projects Department, Ext. 3493. |

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| 1 | Relevant Background Information |
| 1.1 | The Council was approached in December 2000 by the then RUC Estate Services Business Unit, regarding the potential acquisition by the Police of a small area of land in Council ownership at Musgrave Street. Discussions have taken place since that time regarding the potential value of the land, which extends to approximately 238 square metres (2563 square feet). |
| 1.2 | The land in question has for a long period been under the control of the police and a single storey brick building has been constructed on the land. It is claimed this building dates from the 1970s. The Estates Services Business Unit wish to consolidate their title to the site and therefore wish to purchase the land at market value. |

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| 2 | Key Issues |
| 2.1 | PSNI are seeking to clear their title across the Musgrave Street site and have recently re-engaged Land & Property Services (LPS) to agree terms with the Council. Following lengthy discussions a disposal price of £50,000 (fifty thousand pounds) has been agreed with the District Valuer. The agreement also provides for a clawback arrangement whereby the Council would benefit from any disposal of the land by PSNI over a period of ten years following the sale. |
| 2.2 | The above disposal is considered to be the best price obtainable for the land given: i) the location of the site within the Musgrave Street complex and PSNI's position as the only adjoining land owner who has ready access to the land for development purposes. ii) the land lies along the periphery of the PSNI site. If PSNI do not purchase the land they could still readily develop the remainder of their site and are not dependant upon this portion. |

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| | <ul style="list-style-type: none"> iii) proposed clawback arrangements provide a means of recouping a proportion of any additional value resulting from any subsequent disposal of the land by PSNI over a ten year period. iv) the District Valuer had previously offered a figure of £7000 for the land in 2004. v) the market for city centre development land is currently running at a very low level with few transactions. In any case the value of the subject land is in the main limited by the combination of the factors referred to at i) and ii) above. |
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| 3 | Resource Implications |
| 3.1 | <p><u>Financial</u></p> <p>Modest capital receipt. No other financial resources required.</p> |
| 3.2 | <p><u>Human Resources</u></p> <p>Resources from Estates Management Unit and Legal Services required in drafting appropriate legal documents associated with any disposal of the lands.</p> |
| 3.3 | <p><u>Asset and Other Implications</u></p> <p>There are no records of this land being used for Council purposes since Belfast City Council succeeded the previous Belfast Corporation in 1973. The last known Belfast Corporation use of the land appears to have been for Markets purposes. The location of the land, surrounded by Musgrave Street Police Station, renders it of little or no operational value to the Council, either presently or in the future. Any sale remains subject to the Council proving good title to the land.</p> |

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| 4 | Equality and Good Relations Considerations |
| 4.1 | No known equality or good relations issues associated with this proposed transaction. |

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| 5 | Recommendations |
| 5.1 | Committee is recommended to authorise disposal of approximately 2563 square feet (238 square metres) of land, outlined red on the attached map (Appendix 1) to the Police Service of Northern Ireland, for the sum of £50,000 (fifty thousand pounds) subject to a suitable legal agreement to be prepared by Legal Services, to include appropriate clawback arrangements in the event of any subsequent disposal of the land by the purchaser within ten years. |

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| 6 | Decision Tracking |
| Director of Property and Projects to ensure completion of the disposal within six months. | |

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| 7 | Key to Abbreviations |
| RUC – Royal Ulster Constabulary LPS – Land and Property Services PSNI – Police Service of Northern Ireland | |

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| 8 | Documents Attached |
| Appendix 1 – Map showing the land for disposal outlined red. | |