



Belfast City Council

Report to: Strategic Policy and Resources Committee

Subject: Former Civic Amenity Site Boucher Road

Date: 18th March 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	The former Civic Amenity site at Boucher Road in Balmoral Industrial Estate is a 0.588 acre site with frontage to the Boucher Road close to its junction with Stockmans Lane. Location map at Appendix '1'. The site is held within the Corporate Landbank, held by the Strategic Policy & Resources Committee and managed by the Estates Management Unit.
1.2	Balmoral Industrial Estate contains a number of sites which are leased from the Council by way of long leases, usually 125 years, subject to the payment of reviewable ground rents. The rents receivable from this estate represent a valuable income stream for the Council with a rental income in 2010/11 of approximately £3.1M. The leases within the estate are proactively managed by the Estates Management Unit to ensure rent reviews and lease terms are adhered to and optimised for the benefit of the Council.
1.3	It is worth noting that an Economic Impact Study undertaken by Ipsos Mori in 2007 highlighted the important role that both Balmoral and Duncrue Industrial Estates played in supporting the continued urban and social regeneration of Belfast, as well as contributing significantly to employment in the wholesale and retail sectors within Belfast. In 2007 the total turnover in the two estates was estimated at approximately £680M per annum, employing 6495 people with over 2.2M customers visiting the estates per annum.

2	Key Issues
2.1	It is now proposed to place the subject site on the open market to let by way of a long lease, and a firm of chartered surveyors would be appointed to market the site. Planning permission for any proposed development on the site would be the responsibility of the lessee. The site would be offered on the basis of a 125 year lease, subject to a ground rent with five yearly rent reviews, in common with the majority of the other sites within the Estate.
2.2	It is also worth pointing out that all of the leased sites in the Balmoral Industrial Estate have similar rent review provisions. The basis of the rental payment is the current open market letting value of the land. Other than the recent letting of the a site at Boucher Crescent, there have been no open market lettings of land in the Balmoral Industrial Estate for some years. There is therefore, little rental evidence to support the rent review position. Therefore if this site is let on the open market it could provide a valuable benchmark of an open market rental for use in future rent reviews in the Balmoral Industrial Estate.

3	Resource Implications
3.1	<p>Financial There will be a fee for marketing the site.</p> <p>The disposal of this site would result in an increase in the annual income received from the letting of sites at Balmoral Industrial Estate and provide further evidence of open market value lettings at the Balmoral Industrial Estate which should assist in the rent review process throughout the Estate.</p>
3.2	<p>Human Resources Staff resources required from the Estates Management Unit and subsequently from the Legal Services Department following approval to any letting.</p>
3.3	<p>Asset and Other Implications The site when let will continue to generate rental income for the Council over the period of the 125 year lease.</p>

4	Equality and Good Relations Implications
4.1	There are no equality implications to this proposal.

5	Recommendations
5.1	It is recommended that the Committee agree that the land at the former Civic Amenity site on the Boucher Road be advertised to let on the open market on the basis of a 125 year lease subject to five yearly rent reviews, subject to a further report being taken to Committee in due course for approval to the terms of any proposed letting..

6	Decision Tracking
6.1	Director of Property & Projects (Estates Unit) to action by 30 th April 201

7	Key to Abbreviations
7.1	N/A

8	Documents Attached
8.1	Plan at Appendix '1'