

Extract from minutes of –

MEETING OF STRATEGIC POLICY AND RESOURCES COMMITTEE

23rd March, 2012

**“Former Grove Primary School Site
and Old Grove Leisure Centre**

The Director of Property and Projects submitted for the Committee’s consideration the undernoted report:

‘1 Relevant Background Information

- 1.1 The former Grove Primary & Nursery School site at North Queen Street was recently declared surplus to the requirements of BELB. The buildings on site have been demolished and the site is currently fenced. The site which extends to approx 2.5 acres directly adjoins the Council owned Grove Playing Fields & is opposite the Old Grove Leisure Centre.**
- 1.2 LPS trawled availability of the site amongst public sector bodies (including the Council) and there was a tight timeframe for responding to LPS. The Council expressed an initial interest in the site given that it adjoins the playing fields and is directly opposite the former Grove Leisure Centre, which the Council were considering in terms of future development options.**
- 1.3 LPS have now provided an indicative value for the site of £130,000. This is however very much an indicative value & will be subject to a further more detailed valuation to take account of any relevant planning, title and site survey issues, and it would also be subject to negotiation.**
- 1.4 In terms of the Old Grove Leisure Centre site (which is located directly opposite the school site) a report was previously brought to the Strategic Policy & Resources Committee on 21 October 2011 and approval was given to demolition of the building; to undertaking an updated needs analysis report for business accommodation & incubation space in Belfast focusing on this particular location; and approval for officers to take forward discussions with BELB regarding any scope for joint disposal/development options for both the old Grove Leisure Centre site and the school site. A copy of the minutes is enclosed at appendix 2.**

- 1.5** However, at the request of Alderman Browne this decision was taken back for further consideration by the Council on 1 November 2011. The Director of Property & Projects subsequently met with various elected members from the area & the DSD Minister, Nelson McCausland. There were concerns that demolition of the building may lead to problems with anti social behaviour. It was proposed that a workshop be convened in the New Year to explore development opportunities at both this site & other sites in the area, with participants at the workshop to include BCC, DSD, BELB, DRD & NIHE. The Strategic Policy & Resources Committee, on 9 December 2011, agreed to this approach and demolition of the former Grove Leisure Building was to be considered following the outcome of the workshop. The Director of Property & Projects has since met with DSD, who were to lead on the proposed workshop, but to date there had been no workshop.
- 1.6** There remain, however, two potential (unsolicited) interests in the former Grove Leisure Centre site, one from North City Business Centre and the other from the Ashton Centre. North City Business Centre are a local enterprise agency and are considering expansion of their current social economy business park located at Duncairn Gardens and potential redevelopment of a further site. They advise that their current business park is 99% let and has a wide range of businesses located there. They had also enquired about the possibility of the Grove School site being available. The Ashton Centre have also registered an interest in the former leisure centre site and are potentially interested in developing the site to include office, retail and workshop units and a childcare centre.
- 1.7** There are ongoing security & maintenance issues with the Old Grove Leisure Centre building with continual break ins and this has an associated staff and financial resource, as well as potential liability issues for the Council.
- 1.8** In the interim period BELB have progressed with declaring their school site surplus and if there is no public sector interest shown via the LPS trawl process the next stage will be to advertise it for sale on the open market.
- 1.9** If the Council were to now acquire the former Grove Primary School site, subject to further investigation as to the site's development potential and planning status it could potentially also be offered for disposal via a Development Brief process in tandem with the former Grove Leisure Centre site.

Planning will however be key in determining future development potential and this will need to be investigated further. This Development Brief process would essentially offer the sites on the market for disposal/development (often by way of long lease) subject to certain criteria; a development agreement would be entered into with the successful applicant/developer requiring them to develop within a certain timeframe & subject to certain criteria, and on practical completion title would be granted, which could be on the basis of either a capital premium or alternatively a ground rent (as with Balmoral & Duncrue Industrial Estates) or an equity rent (as with the Gasworks Business Park).

- 1.10 The Development Department are currently undertaking an updated needs analysis report on business accommodation and incubation space in Belfast (to also focus on this particular area) and it would inform the Development Brief process.
- 1.11 Demolition & progressing of future use/redevelopment options for the old Grove Leisure Centre site is included within the Council's draft Investment Programme 2012 -2015. Given the delay in DSD taking forward the proposed workshop of the wider stakeholder group and the continued interest by potential parties in the redevelopment of the site it is now being recommended that members give approval to proceed with demolition of the Old Grove Leisure Centre building and thereafter take forward disposal via a Development Brief process.
- 1.12 In addition, it is also being recommended that members grant approval to progress with negotiations to purchase the BELB former Grove Primary School site. This will be subject to further investigations in relation to title; site surveys, planning etc as well as agreement on valuation and a report would be brought back to committee on this. If agreement is reached on the purchase of this land, then subject to further investigation as to development potential and its planning status, it could potentially also be offered for disposal via this Development Brief process.

2 Key Issues

- Proposed purchase by BCC of former Grove Primary School site. Approval is being sought from Members to progress negotiations.
- Demolition and future redevelopment /disposal of old Grove Leisure Centre site is in the Council's draft Investment Programme 2012-2015.

- Members are being asked for further approval to demolish the old Grove Leisure Centre site & progress thereafter with disposal of the site via a Development Brief process. This could potentially also include the former school site.
- Two parties have already expressed a potential interest in the Old Grove Leisure Centre site; North City Business Centre and the Ashton Centre. The recommendation is to openly market the site via a Development Brief process.

3 Resource Implications

3.1 Finance

An indicative value of £130,000 has been provided by LPS for the BELB site, but this is very much indicative and is subject to further investigations & negotiations. The Director of Finance & Resources has advised that funding can be made available to purchase.

The Council's uncommitted Capital Programme shows a provisional estimate of £500,000 for demolition of the old Grove Leisure Centre & associated works, although this is subject to a detailed invasive survey of the building. The cost will be offset in part by the ongoing costs of insuring and maintaining the existing building. Any financial return on disposal of the site will reflect that the developer/ purchaser will not have to undertake demolition

3.2 Human Resources

Staff Resource, primarily from Property & Projects in progressing negotiations for purchase of the BELB site & in progressing demolition & future use/disposal options for the Old Grove Leisure Centre site.

3.3 Asset & Other Implications

Future redevelopment should have economic, regenerative & financial benefits.

4 Recommendations

Members are asked to approve that the Council:

- i) Progress with negotiations to purchase the BELB owned former Grove Primary School site, with a further report to be brought back to Committee on the proposed terms of acquisition and

- ii) Progress with the demolition of the Old Grove Leisure Centre building and proceed with the invitation of tenders for the demolition works and the award of contract to the most economically advantageous offer received and**
- iii) Thereafter progress with disposal via a Development Brief process with a further report to be brought back to Committee with details of the Development Brief criteria and process'**

The Committee adopted the recommendations.”