

TEST VALLEY BOROUGH COUNCIL

HEAD OF SERVICE'S DECISION

Committee: Executive
Chairman: Councillor I Carr
Head of Service: B G Nicholas

SUBJECT

Plot 81 Walworth Industrial Estate Andover
Proposed relocation of Andover Household Waste Recycling Centre (HWRC)
from Shepherds Spring Lane to Plot 81 Walworth Industrial Estate

REASON FOR URGENCY

(After consultation with the Chief Executive)

Terms are now agreed with Hampshire County Council to grant a legal agreement to enable the construction of a replacement HWRC. The documentation will need to be completed in the next few days so that construction work can commence immediately so that the facility is operational before Christmas 2008.

Following a report to Executive on 26th July 2006 it was resolved that the Council should grant a Building Agreement and Lease to Hampshire County Council.

Due to long detailed complex negotiations between the two parties it has been necessary to renegotiate certain terms to ensure that an agreement is forthcoming acceptable to both parties.

The amended terms are:

Plot 81

1. The construction period will be 12 months with a long stop date of 30 months. Previously no long stop date was mentioned.
2. Rent Reviews will be every 5 years, upwards only based upon 25% of the open market value. The original terms quoted 50% of open market value.
3. Hampshire County Council permitted to terminate the Lease upon giving 12 (previously 6 months) months prior written notice.

Existing HWRC Land at Shepherds Spring Lane

From the net sale proceeds after payment of all expenses.

1. Test Valley Borough Council pay the first £147,750 to Hampshire County Council.

2. Test Valley Borough Council take the next £364,000.
Hampshire County Council no longer indemnify Test Valley Borough Council in respect of this sum.
3. Test Valley Borough Council and Hampshire County Council share the balance of the net sale proceeds in the proportion 60:40.
4. Reference to the overage clause is removed but once the land is decontaminated Test Valley Borough Council will be expected to market the property as soon as they can and for the best possible price.

These variation of terms have been agreed with the Council's Economic Portfolio Holder.

New Terms

Plot 81a

On the adjoining land at Plot 81a Walworth the Council grant a short term lease to Hampshire County Council for use as a builder's compound on terms to be agreed by the Officers.

DECISION


(After consultation with the Chairman (or in his absence the Vice-Chairman), who has not requested that the matter be referred to a special meeting of the Committee).

That the legal documents are completed in accordance with the above revised terms.

Chief Executive's/
Director's Signature:  Date: 23.4.08

Chairman's/Vice-Chairman's
Signature: 
Date: 23/04/08

Chairman's/Vice-Chairman's
(Overview & Scrutiny Committee)
Signature: 
Date: 25th April 2008

Head of Service's
Signature: 
Date: 21/4/08

Reported to Committee on
Date:

DISTRIBUTION

1. Chief Executive
2. Corporate Director (BS)
3. Corporate Director (CC)
4. Head of Legal Services
5. Head of Administration (original for report to

Committee)

BACKGROUND PAPER: