

Report on	Transfer of Council's interest in Castle Buildings, Market Square, Dungannon to STEP Training and Learning Limited
Date of Meeting	8 th October 2020
Reporting Officer	Claire McNally, Council Solicitor

Is this report restricted for confidential business?	Yes	
If 'Yes', confirm below the exempt information category relied upon	No	x

1.0	Purpose of Report
1.1	To revert to the original Council resolution to transfer the Council's freehold and leasehold interests in the property at 12,14 & 15 Market Square, Dungannon (also known as Castle Buildings) to STEP Training and Learning Limited.
2.0	Background
2.1	In November 2016, Council approved a request from STEP Training & Learning Ltd (STEPTL) to transfer the freehold and leasehold interests of the entire property to them along with the external stairwell fronting Castle Lane in order to allow a proposed redevelopment scheme to proceed.
2.2	Following the approval of a report in 2017 " <i>Innovative Approaches to Reducing Vacancy and Dereliction in Dungannon Town Centre</i> ", Council officers explored a number of options to purchase long term vacant/derelict property in Dungannon town centre.
2.3	This exercise led to the Council agreeing to progress the purchase of the Castle Buildings property at Market Square in July 2018.
3.0	Main Report
3.1	Council own freehold and leasehold interests in the Castle Buildings property and external stairwell on Castle Lane.
3.2	In November 2016, Council approved a request from STEP Training and Learning Limited (STEPTL) to transfer the freehold of the entire property to them along with the external stairwell fronting Castle Lane in order to allow a proposed redevelopment scheme to proceed.
3.3	A report " <i>Innovative Approaches to Reducing Vacancy and Dereliction in Dungannon Town Centre</i> " was approved by Council in June 2017 and identified key vacant or derelict properties within the town centre boundary and potential interventions aimed at bringing such units back into productive use.

3.4	In July 2018, Council resolved to progress the purchase of property at 12,14 and 15 Market Square, Dungannon.
3.5	In the intervening period, Council agreed the acquisition of the brownfield site fronting onto Market Square and Feeney's Lane, which is a zoned Development Opportunity Site (DOS) within the Dungannon and South Tyrone Area Plan 2010. The purchase of this prime opportunity site increases the Council's strategic landholdings in the area, which includes the neighbouring Castle Hill car park. With negotiations ongoing for the purchase of the Thomas Street gardens, there is a wider opportunity to masterplan the combined site (1.5 acres).
3.6	In light of the aforementioned land acquisition and change in priorities it is recommended to withdraw Council's interest in acquiring Castle Buildings and to revert back to the original resolution taken in November 2016. This would be subject to an updated LPS valuation being sought.
4.0	Other Considerations
4.1	Financial, Human Resources & Risk Implications
	Financial: The transferee(s) pay Council's reasonable legal costs.
	Human: Officer time in completing the matter.
	Risk Management: To comply with the Council's "best price" obligations under Section 96(5) of the Local Government Act (NI) 1972, the Council is required to obtain an updated LPS valuation in relation to the disposal of the Council's Freehold and Leasehold interests.
4.2	Screening & Impact Assessments
	Equality & Good Relations Implications: N/A
	Rural Needs Implications: N/A
5.0	Recommendation(s)
5.1	It is recommended that Members progress the transfer of the Council's freehold and leasehold interests in the entire property at Castle Buildings and the external stairwell on Castle Lane to STEP Training and Learning Limited.
6.0	Documents Attached & References
6.1	Appendix 1 – Photo of Castle Buildings from Market Square