

Meeting: Cabinet

Date: 30 March 2026

Wards affected: Shiphay

Report Title: Disposal of Land at Edginswell Business Park, Orchard Way, Torquay

When does the decision need to be implemented? By 31 March 2026

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1. Purpose of Report

- 1.1. This report recommends freehold disposal of the land to Torbay and South Devon NHS Trust for Market Value, enabling immediate operational benefits for Torbay Hospital and long-term employment development.
- 1.2. Torbay Council's Asset Management Strategy provides an overview of the Council's land and property estate and identifies the main priorities for managing and developing the estate, including the disposal of surplus assets. The Strategy defines surplus assets as those assets that have been declared surplus to our commercial and/or operational requirement.
- 1.3. The remaining, undeveloped land at Edginswell has been marketed several times over recent years with no suitable proposal coming forward detailing how high-quality jobs could be provided on the site. Considering the current market, the proposal is to progress freehold disposal rather than to develop and/or lease the site to an operator. This approach transfers the substantial development risks to the purchaser, reducing financial and operational exposure for the Council.
- 1.4. This report seeks Cabinet approval to dispose of the Council's freehold interest in land at Edginswell Business Park, Orchard Way, Torquay, extending to approximately 2.83 acres (1.15 hectares). Following a marketing campaign undertaken by Vickery Holman, several bids were received with the Torbay and South Devon NHS Trust bidding Market Value on an unconditional basis. The Trust seeks completion by 31st March 2026, enabling them to manage the cash flow of available funds. Market Value has been determined through commissioning Vickery Holman to provide an RICS compliant independent valuation.

- 1.5. The Trust's primary vision for the Edginswell site is to accommodate a range of healthcare support services, including medical electronics and patient transport services, alongside broader logistics and estates functions. The acquisition will enable the Trust to free up space on its current Hospital site to enable much needed capital investment and development. In the short term, the Trust propose to use the site for car parking / decanting with the stipulated requirement of developing for employment-led uses within a 5 year window. Failure to deliver the employment use in that timeframe will present the Council with an option to buy back the site for the same price that the Torbay and South Devon NHS Trust paid to acquire it – i.e. the current Market Value. A clause will also be put in place to prevent the Trust from selling on the site without first providing the option for Torbay Council to buy-back at the same price that the Torbay and South Devon NHS Trust paid to acquire it – i.e. the current Market Value. Furthermore, the Council will introduce a restrictive covenant to the title, preventing use of the land for car parking 5 years after the transfer date.
- 1.6. Although the Trust bid is not the highest in monetary terms, it is the only unconditional offer. This approach significantly reduces risk associated with the transaction, ensures timely completion and provides certainty for both parties. Furthermore, disposal of the site to the NHS, as opposed to the highest bidder, aligns with the strategic partnership between the Council and the NHS, providing community wide benefits to Torbay.

2. Reason for Proposal and its benefits

- 2.1 The proposal to dispose of this asset to a strategic public sector partner for market value will help deliver our vision of a healthy, happy, and prosperous Torbay by reducing the level of surplus assets held by the Council whilst promoting appropriate medium term development.
- 2.2 The land is a cleared, fully serviced development site with two points of access and prominent roadside frontage adjacent to the South Devon Expressway (A380). The site has been marketed for an extended period of time using external agents however no occupier has come forward with a viable employment-led proposal for the site. Disposal to the Trust will support public service delivery, reduce holding costs, generate a capital receipt, and remove long-term liabilities.
- 2.3 Disposal to the Torbay and South Devon NHS Trust will unlock the NHS' vision for development of the hospital site. To facilitate this vision, in the short term the land at Edginswell will provide car parking spaces displaced from the hospital site which will allow construction of a multi-storey car park at the hospital. Construction of a multi-storey car park will in turn unlock delivery of the wider hospital development programme, with the land at Edginswell being key to achieving this. Within a five year period the NHS will obtain planning consent for an employment led use and will deliver what is likely to be a support and logistics / diagnosis hub.

3. Recommendation(s) / Proposed Decision

- 3.1. That the Director of Finance be authorised to dispose of the Council's freehold interest in land at Edginswell Business Park, Orchard Way, Torquay, to Torbay and South Devon NHS Trust for Market Value on unconditional terms.
- 3.2. The Director of Finance be authorised to agree and finalise the detailed transfer terms based on estates and legal advice.

4. Appendices

Appendix 1: Torbay and South Devon Trust's development vision for land at Edginswell Park.

Supporting Information

5. Context

- 5.1 Torbay Council Strategic Asset Management Plan sets out the Council's approach to the strategic management of its assets, how it will support service delivery, provide the Council with income and how it will fulfil its mission to support, enable and empower its residents, our communities and our partnerships, to promote growth and place shaping within Torbay.
- 5.2 An identified principle of Strategic Asset Management Plan is at regular intervals to review all non-operational and surplus assets to identify opportunities to create or increase revenue income, provide investment opportunities or deliver capital receipts to stimulate development, growth and reinvestment.
- 5.3 Following an extended and unsuccessful period of marketing the property for leasehold disposal, a strategic decision was taken to market the remaining plot at Edginswell Business Park for freehold disposal, seeking employment uses for the site. Prior to marketing the site for freehold disposal, two parties made unsolicited approaches to the Council to acquire the freehold interest and, in order to ensure best value, Vickery Holman were appointed to undertake an extensive marketing campaign.
- 5.4 After a period of marketing, several bids were received and, whilst higher value bids were submitted, those bids were either conditional on planning or other factors, or for alternative uses of the land which are not supported. The bid from the Torbay and South Devon NHS Trust, ('the Trust'), aligns with the Market Value, it is an unconditional offer and will support public service delivery, recognising the strategic partnership between the Council and the Trust.
- 5.5 Alternative options have been considered and rejected. Leasehold disposal for employment-led uses has been pursued to date but has failed to secure a tenant, resulting

in freehold disposal being pursued. Accepting a higher value, but conditional, offer is an alternative option, however the conditionality of those higher value offers creates uncertainty, timing and risk implications for the authority, with conditional bids often failing to deliver the value they promise.

6. Financial Opportunities and Implications

- 6.1. The Council's Asset Management Strategy states that the Council will 'always seek to maximise the full market receipt for their assets whether by way of freehold disposal or leasehold interest'. Disposing of assets following a suitable period of marketing ensures that best value is established and obtained, meeting that requirement. Furthermore, the independent valuation ratifies the Trust's bid as a reflection of Market Value.
- 6.2. The Council is not under any obligation to dispose of any given asset. However, the Council's ongoing management and cost of holding vacant assets is significant. Disposing of this asset will reduce this liability and generate a capital receipt, whilst realising non-monetary benefits associated with a strategic partnership with the Trust.

7. Legal Implications

- 7.1. There are no legal implications anticipated with this disposal. Disposing of this asset will need to be documented, along with the preparation of legal packs to support a sale. This disposal will be dealt with by the Council's Legal Property Team where capacity allows, otherwise it will be outsourced.
- 7.2. A legal covenant will be put in place to ensure that the land can not be used as a car park beyond five years and a legal 'option' will be drawn up to enable the Council to buy back the land, after five years, should the Trust not develop the land for its designated use as employment. A covenant will also be put in place to prevent the Trust from selling on the site without first consulting with Torbay Council and offering the Council the opportunity to buy-back the land at the same price that the Torbay and South Devon NHS Trust paid to acquire it – i.e. the current Market Value This will enable the Council to retain an interest, and influence, over the long term future of the site.

8. Engagement and Consultation

- 8.1. There has been no formal consultation or engagement undertaken in terms of the proposed disposal of the site. However, public consultation will occur post disposal, led by the NHS, in terms of the proposed usage of the site.

9. Procurement Implications

- 9.1. No procurement implications identified.

10. Associated Risks

- 10.1. Not disposing of the asset in a timely manner results in additional and unnecessary cost and resources that could be deployed elsewhere across the Council's estate.
- 10.2. The desired long-term use of the site is employment related development. The risk of not developing the land for employment is mitigated by a contractual buy-back option in favour of the Council, allowing the Council to re-purchase the land if employment development has not completed within five years. In addition to this, a restrictive covenant will be added to the title, restricting use of the land for car parking to 5 years only, mitigating the risk of the option to re-purchase the site being missed.

11. Equality Impact Assessment

Protected characteristics under the Equality Act and groups with increased vulnerability	Data and insight	Equality considerations (including any adverse impacts)	Mitigation activities	Responsible department and timeframe for implementing mitigation activities
Age	<p>18 per cent of Torbay residents are under 18 years old.</p> <p>55 per cent of Torbay residents are aged between 18 to 64 years old.</p> <p>27 per cent of Torbay residents are aged 65 and older.</p>	<p>Improve community engagement with opportunities for the wider community of all ages.</p>		
Carers	<p>At the time of the 2021 census there were 14,900 unpaid carers in Torbay. 5,185 of these provided 50 hours or more of care.</p>	<p>No differential impact specific to this group</p>		
Disability	<p>In the 2021 Census, 23.8% of Torbay residents answered that their day-to-day activities were limited a little or a lot by</p>	<p>No differential impact specific to this group</p>		

	a physical or mental health condition or illness.			
Gender reassignment	In the 2021 Census, 0.4% of Torbay's community answered that their gender identity was not the same as their sex registered at birth. This proportion is similar to the Southwest and is lower than England.	No differential impact specific to this group		
Marriage and civil partnership	Of those Torbay residents aged 16 and over at the time of 2021 Census, 44.2% of people were married or in a registered civil partnership.	No differential impact specific to this group		
Pregnancy and maternity	Over the period 2010 to 2021, the rate of live births (as a proportion of females aged 15 to 44) has been slightly but significantly higher in Torbay (average of 63.7 per 1,000) than England (60.2) and the South West (58.4). There has been a notable fall in the numbers of live births since the middle of the last decade across all geographical areas.	No differential impact specific to this group		

Race	In the 2021 Census, 96.1% of Torbay residents described their ethnicity as white. This is a higher proportion than the South West and England. Black, Asian and minority ethnic individuals are more likely to live in areas of Torbay classified as being amongst the 20% most deprived areas in England.	No differential impact specific to this group		
Religion and belief	64.8% of Torbay residents who stated that they have a religion in the 2021 census.	No differential impact specific to this group		
Sex	51.3% of Torbay's population are female and 48.7% are male	No differential impact specific to this group		
Sexual orientation	In the 2021 Census, 3.4% of those in Torbay aged over 16 identified their sexuality as either Lesbian, Gay, Bisexual or, used another term to describe their sexual orientation.	No differential impact specific to this group		
Armed Forces Community	In 2021, 3.8% of residents in England reported that they had previously served in the UK armed forces. In Torbay,	No differential impact specific to this group		

	5.9 per cent of the population have previously served in the UK armed forces.			
Additional considerations				
Socio-economic impacts (Including impacts on child poverty and deprivation)		Potential to improve community engagement. Long term use will be employment related, creating new jobs within the locality.		
Public Health impacts (Including impacts on the general health of the population of Torbay)		Improvements to operation of Torbay Hospital in the short term and in the long term provision of a serviced employment site for development of a new public health facility, also providing additional employment.		
Human Rights impacts		N/A		
Child Friendly	Torbay Council is a Child Friendly Council, and all staff and Councillors are Corporate Parents and have a responsibility towards cared for and care experienced children and young people.	No differential impact specific to this group		

12. Cumulative Council Impact

12.1. None

13. Cumulative Community Impacts

13.1. None