

<b>Cabinet Meeting</b>	
<b>Meeting Date</b>	11 July 2018
<b>Report Title</b>	Landholdings Review - Sale of Land at Oak Road, Murston
<b>Cabinet Member</b>	Cllr Duncan Dewar-Whalley, Cabinet Member for Finance and Performance
<b>SMT Lead</b>	Nick Vickers, Chief Financial Officer
<b>Head of Service</b>	Anne Adams, Head of Property Services
<b>Lead Officer</b>	Kent Parker, Estates Surveyor
<b>Key Decision</b>	Yes
<b>Classification</b>	<b>Open with restricted appendix</b>
<b>Forward Plan</b>	<b>Reference number:</b>
<b>Recommendations</b>	<p>1. That the Council agrees in principle to dispose of the freehold of the site by to a preferred purchaser as set out in Appendix II</p> <p>2. That the Head of Property Services in consultation with the Cabinet Member for Finance and Performance be authorised to finalise the terms and the Head of Legal Services be authorised to complete the necessary legal formalities in due course.</p>

## **1 Purpose of Report and Executive Summary**

- 1.1 As part of the Council's Income Generation review work has been undertaken on a number of sites. The objectives being to release sites for development where this is considered appropriate and generate capital receipts for the Council.
- 1.2 The purpose of this report is to obtain approval for the freehold sale to a preferred purchaser of the Council owned site (as shown on the attached plan Appendix I) as a potential building plot.
- 1.3 As part of the Landholdings Review the site is considered to have development potential and disposal is recommended.

## **2 Background**

- 2.1 The site is surplus land retained by the Council following the transfer of the housing stock to Swale Housing Association in 1990.

- 2.2 The site was considered as part of the Council's recent landholdings review. The site is located to the rear of former Council flats and adjacent to the new housing development at Great East Hall.
- 2.3 Following the review by DHA Planning the site was considered to have potential for development of housing.
- 2.4 An external valuation has been obtained which is set out in Appendix II.
- 2.5 Discussions have taken place with Planning officers and they informally support the proposal to develop. The site has significant constraints upon it given its location and the development options are quite limited.

### **3 Proposals**

There are two alternative ways forward.

#### **3.1 Option 1**

Sale to a preferred purchaser and this option is set out in the confidential Appendix.

#### **Option 2**

The site is sold by auction without planning permission subject to the stated reserve price. This method of sale will ensure that the disposal will be for the best consideration reasonably obtainable and complies with the Council's statutory obligations.

### **4 Alternative Options**

- 4.1 Do nothing i.e. site remains vacant: This is not recommended as it would be a missed opportunity and not achieve any capital receipt and would continue to be a management issue.
- 4.2 Obtain planning permission prior to disposal by auction: This could increase the value of the site but would involve additional time and cost in securing consent which may not be straight forward. There is also the risk of refusal in which case the Council, being both the applicant and the planning authority, could not appeal.

### **5 Consultation Undertaken or Proposed**

- 5.1 Consultations have been carried out with Planning through the pre-application advice and the Asset Management Group who support the disposal.

## 6 Implications

Issue	Implications
Corporate Plan	The proposal contributes to A Borough to be Proud Of by helping to deliver small scale regeneration and additional housing. It also contributes to A Council to be Proud Of by disposal of underused land for a capital receipt which strengthens our financial resilience.
Financial, Resource and Property	The consideration to be paid for the site will be the best consideration reasonable obtainable. The proposal will also remove the Council's liability for managing and maintaining the site in the future.
Legal and Statutory	The Council has power under section 123(1) of the Local Government Act 1972 to dispose of land and property in any manner that it wishes. The proposed disposals must be for the best consideration reasonably obtainable in accordance with section 123 of the Local Government Act 1972 or meet the requirements of Circular 06/03: Local Government Act 1972 General Disposal Consent (England) 2003 - disposal of land for less than the best consideration that can be reasonably obtained failing which, the Secretary of State's consent would be required.
Crime and Disorder	None identified at this stage.
Environmental Sustainability	None identified at this stage.
Health and Wellbeing	The provision of new housing will benefit the health and wellbeing of the residents
Risk Management and Health and Safety	None identified at this stage.
Equality and Diversity	None identified at this stage.
Privacy and Data Protection	None identified at this stage.

## 7 Appendices

7.1 The following documents are to be published with this report and form part of the report:

- Appendix I: Site Plan – Oak Road, Murston

- Appendix II(Restricted): – Details of valuation, guide, potential preferred purchaser and reserve prices

## **8 Background Papers**

None