

SOUTH HOLLAND DISTRICT COUNCIL

Report of: Executive Director Place

To: Portfolio Holder for Housing
(Councillor C J Lawton)

(Author: Richard Scorthorne, Housing Landlord Manager)

Subject: Land at Sezanne Walk, Spalding

Purpose: To consider a request to sell an area of Council owned land at Sezanne Walk, Spalding

Recommendations:

- 1) That delegated authority be granted to the Housing Landlord Manager to agree the sale of land as described in this report for the sum of £22,500 (ex VAT) and subject to an overage clause;
- 2) That the purchaser reimburse the Council's legal and valuation fees whether or not the matter proceeds to completion; and
- 3) That delegated authority be granted to the Housing Landlord Manager to deal with any issues which may arise, following consultation with the Portfolio Holder for Housing.

1.0 BACKGROUND

- 1.1 A request has been received from the owner of 6 Park Close, Spalding, to purchase an area of Council owned land at Sezanne Walk, Spalding.
- 1.2 The applicant has recently been granted outline planning permission (under Planning reference no. H16-0682-15) for a dwelling in the rear garden of 6 Park Close. As part of that application, the applicant indicated that they would seek to purchase this area of land if planning permission was granted, in order to provide a means of access to the proposed new dwelling.
- 1.3 A plan is attached in Appendix A to this report, showing the location of the land on Sezanne Walk to no. 6 Park Close. A further plan is included in Appendix B which formed part of the applicant's planning application, and shows the proposed dwelling to be constructed.
- 1.4 The land to which the request relates is Housing land, held in the Housing Revenue Account (HRA). The land is amenity land, and is laid to grass.
- 1.5 The area of land concerned is approximately 151m² in area. Some work was undertaken when the request was first received to see if the land could be developed by the Council in its own right. Following that work, it was determined that the Council's land alone was not of a suitable size/shape for development.
- 1.6 A valuation report was obtained for the land from a local valuer, and this provided a valuation of £22,500. The valuation figure was provided on the basis that the applicant would be responsible for reimbursing the Council's legal and valuation fees. The valuer also suggested that an overage clause be included in any Contract of Sale in the eventuality that the density or type of dwelling to be constructed is different to that assumed.

- 1.7 The applicant has confirmed that they wish to proceed with their request on this basis.
- 1.8 A further valuation report was obtained from the District Valuer in February 2016, and provided a valuation figure of £17,490 for the Council owned land. The District Valuer further states "I would consider the Council would be obtaining best consideration if they can secure a sale at £15,000 or above." The applicant has already confirmed that they wish to proceed with the purchase at £22,500, so it can be demonstrated that the Council would be obtaining best consideration in this case.
- 1.9 Consultation has been carried out with relevant officers and members. Two comments were received – the first supported the recommendations to this report, and the second questioned whether the Council had explored the possibility of developing the land itself. This point is addressed in 1.5.

2.0 **OPTIONS**

2.1 Option 1 – Do Nothing (not recommended)

- 2.1.1 This option would mean that the applicant would be unable to provide a means of access to their proposed new dwelling. In effect, this would prevent the development of that dwelling. This option would also prevent a capital receipt being generated to the Council of £22,500.

2.2 Option 2 – To grant the request to sell the area of Council owned land (recommended)

- 2.2.1 This option would enable the development of a new dwelling and generate a capital receipt to the Council for £22,500.

3.0 **REASONS FOR RECOMMENDATIONS**

- 3.1 To enable the development of a new dwelling.
- 3.2 To generate a capital receipt to the Council of £22,500.

4.0 **EXPECTED BENEFITS**

- 4.1 The two expected benefits in this case are for the private homeowner being able to develop a new dwelling, which they would otherwise be unable to do. The second benefit is the capital receipt which would be generated for the Council.

5.0 **IMPLICATIONS**

5.1 **Constitution & Legal**

- 5.1.1 The General Housing Consents 2013 permit a local authority to sell vacant land held for the purposes of Part II Housing Act 1985, for a consideration determined by the local authority. In this case, a market valuation has been obtained and it is proposed that the land be sold at market value.
- 5.1.2 Legal Services Lincolnshire have confirmed that the land concerned is amenity land.
- 5.1.3 It is anticipated that this report will result in the Portfolio Holder making a non-key decision. The decision will be subject to call-in.

5.2 **Contracts**

5.2.1 It is considered that the granting of the request would have no significant implications relating to contracts, other than the preparation of the documentation relating to the easement.

5.3 **Financial**

5.3.1 The granting of the request to sell the land would generate a capital receipt of £22,500 for the Council. The applicant has agreed to pay the Council's legal and valuation fees in respect of this matter whether or not the matter proceeds to completion.

5.4 **Risk Management**

5.4.1 The main risk associated with approving the recommendations of this report is around whether the Council could develop its land itself. This has been considered and layouts tested to explore whether the Council's land could be developed alone. Following that work, it has been determined that the Council land on its own is not a suitable site for development. Consequently, the sale of the land for market value is recommended.

5.5 **Stakeholders / Consultation / Timescales**

5.5.1 Details of the consultation carried out are included in 1.8 of this report.

6.0 **WARDS/COMMUNITIES AFFECTED**

6.1 This report and its recommendations affect the Spalding Wygate ward only.

7.0 **ACRONYMS**

7.1 HRA – Housing Revenue Account

Background papers:- None

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Key Decision: No

Exempt Decision: No

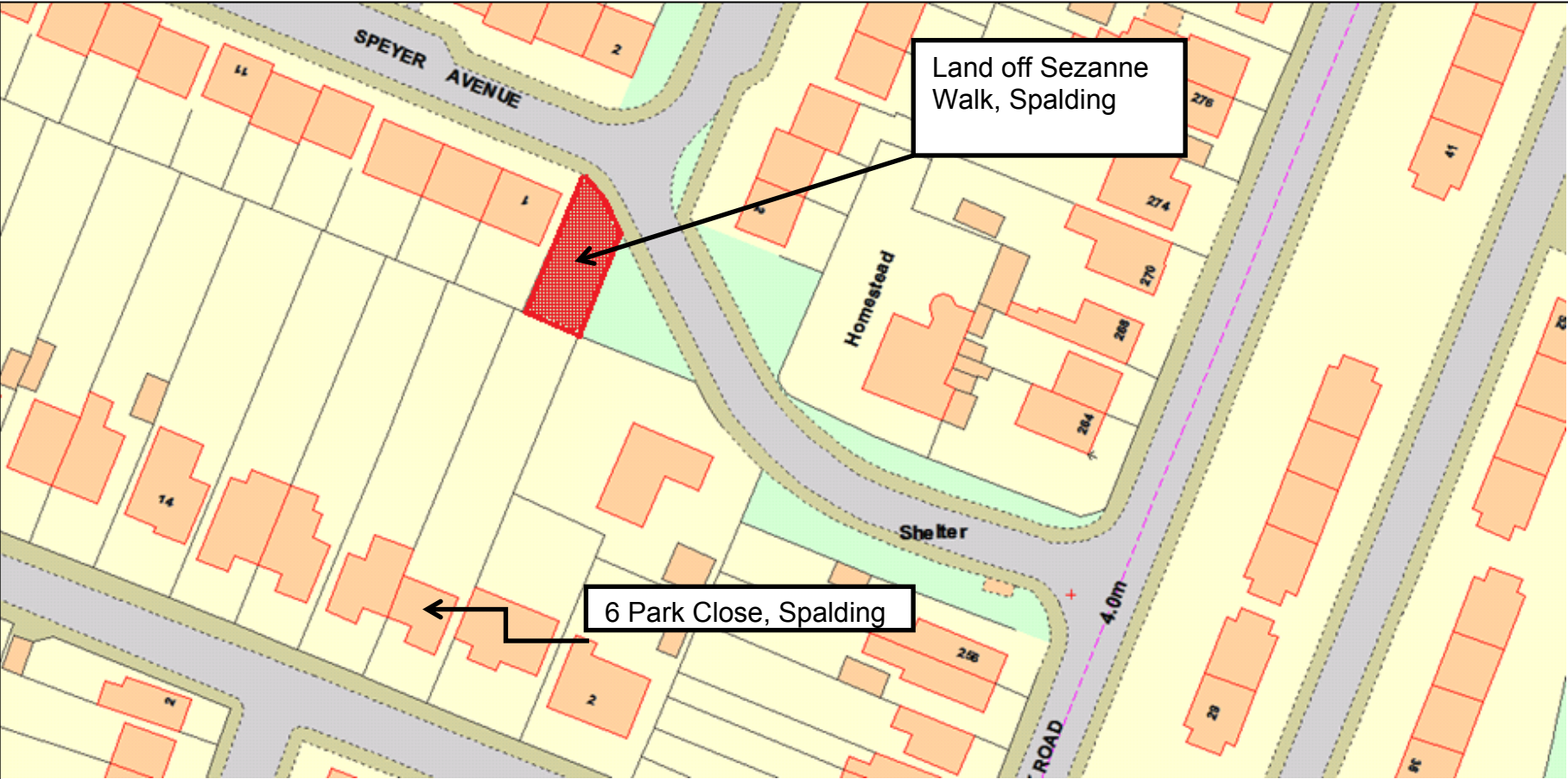
This report refers to a Discretionary Service

Appendices attached to this report:

Appendix A – Location Plan

Appendix B – Plan from Applicant's Planning Application

Appendix A – Location Plan



Appendix B - Plan from Applicant's Planning Application

