

SOUTH HOLLAND DISTRICT COUNCIL

Report of: Executive Director – Place (Rob Walker)

To: Portfolio Holder for Housing (Councillor C Lawton)

(Author: Martin Cregg, Interim Housing Landlord Services Manager)

Subject: Land to the rear of 158 Roman Bank, Spalding

Purpose: To consider a request to sell an area of Council owned land

Recommendations:

- 1) That delegated authority be granted to the Interim Housing Landlord Services Manager to agree the sale of land as described in this report for the sum of £4,000 (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;
- 3) That delegated authority be granted to the Interim Housing Landlord Services 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 156 Roman Bank, Spalding, to purchase an area of Council owned land adjacent to their home. The land currently forms part of the garden to no. 158 Roman Bank, a Council owned dwelling.
- 1.2 The applicant has indicated that they would like to purchase the area of land to enable them to extend their garden and "square off" the garden boundaries in line with their home.
- 1.3 A plan is attached in Appendix A to this report, showing the area of land the applicant wishes to purchase. The area of land measures approximately 60.5m² in area.
- 1.4 The land to which the request relates is Housing land, held in the Housing Revenue Account (HRA). The land has been considered for its future development potential, but this is considered unlikely without demolishing surrounding properties, the majority of which fall outside the Council's ownership. In addition, the proximity of the land to the River Welland would present some significant issues affecting the potential for development further.
- 1.5 The Council's tenant, at 158 Roman Bank, has been consulted over the proposal and has confirmed that they would be willing to amend their tenancy to remove the area of garden land. The Council's tenant would be paid a "garden loss payment" for this (currently approximately £1,100), the cost of which would be payable by the applicant.
- 1.6 A valuation report has been obtained from the District Valuer, and this provided a valuation of £4,000 for the land.

1.7 It is proposed that clawback provisions (overage clause) are included in any contract of sale to ensure the Council benefitted from 50% any future increase in value of the land resulting from the applicant obtaining planning permission for an alternative use.

2.0 **OPTIONS**

2.1 Option 1 – Do nothing (not recommended)

2.1.1 This option would prevent the applicant from realigning their garden boundaries, and would also prevent a receipt being generated to the Council for £4,000.

2.2 Option 2 – Alternative Use (not recommended)

2.2.1 The land has been considered for its future development potential, but this is considered unlikely without demolishing surrounding properties, the majority of which fall outside the Council's ownership. In addition, the proximity of the land to the River Welland would present some significant issues affecting the potential for development further.

2.3 Option 3 – To grant the request to sell the area of Council owned land (recommended)

2.3.1 This option would enable the applicant to realign their garden boundaries and would also generate a receipt to the Council for £4,000.

3.0 **REASONS FOR RECOMMENDATIONS**

3.1 To generate a receipt to the Council of £4,000.

4.0 **EXPECTED BENEFITS**

4.1 There are two expected benefits in this case. Firstly, that the applicant would be able to realign their garden boundaries, and secondly that a receipt 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 The Self-build and Custom Housebuilding Act 2015 requires district councils to keep a register of individuals and associations of individuals who are seeking to acquire serviced plots of lands in order to build houses for those individuals to occupy. The local authority is then required to have regard to the register when carrying out functions such as disposal of land. In respect of housing land, local housing authorities should consider the evidence of demand for self-build and custom housebuilding when developing plans to dispose of land in their area. As this report relates to the disposal of land consideration has been given to this provision.

5.1.2.1 The register in South Holland contains details of 3 individuals or associations who are interested in acquiring serviced plots in the Spalding area. The subject land is not serviced and is not, in any event, considered appropriate for development due to its enclosed nature and proximity to the River Welland (see also 1.4 above).

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 sale of the land.

5.3 **Financial**

5.3.1 The granting of the request to sell the land would generate a receipt of £4,000 to the Council. The applicant has agreed to pay the Council's legal and valuation fees in respect of this matter whether or not it 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 use its land for development purposes. This has been considered but it is considered unlikely without demolishing surrounding properties, the majority of which fall outside the Council's ownership. In addition, the proximity of the land to the River Welland would present some significant issues affecting the potential for development further.

5.5 **Stakeholders / Consultation / Timescales**

5.5.1 Consultation has been carried out with relevant officers, members and the Council's tenant. One comment has been received from members/officers, and this questioned whether the Council's land could be redeveloped in the medium term. This is addressed in 5.4.1 above. The consultee also requested the clawback be at 50% and this has been reflected in 1.7 above.

5.5.2 The Council's tenant has confirmed that they are happy with the proposal.

6.0 **WARDS/COMMUNITIES AFFECTED**

6.1 This report and its recommendations affect the Spalding St Paul's 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** - Site Plan

Appendix A – Site Plan

