

**CABINET
20 JULY 2021**

PART 1 – PUBLIC DOCUMENT

TITLE OF REPORT: LAND SOUTH OF CLARE CRESCENT, BALDOCK, SG7 6JR

REPORT OF THE INTERIM PROPERTY CONSULTANT

EXECUTIVE MEMBER: EXECUTIVE MEMBER FOR ENTERPRISE, THE ARTS AND TRANSPORT

COUNCIL PRIORITY: BUILD THRIVING AND RESILIENT COMMUNITIES & SUPPORT THE DELIVERY OF GOOD QUALITY AND AFFORDABLE HOMES

1. EXECUTIVE SUMMARY

- 1.1 To seek Cabinet's declaration that land south of Clare Crescent, Baldock is surplus to NHDC's requirements.
- 1.2 To seek Cabinet's authority to dispose of NHDC's freehold interest in the land south of Clare Crescent, Baldock based on transaction terms presented in the Part 2 report to Cabinet.

2. RECOMMENDATIONS

- 2.1 That Cabinet declares the land surplus to NHDC's requirements.
- 2.2 That Cabinet authorises disposal of the land on the transaction terms presented in the Part 2 report to Cabinet.

3. REASONS FOR RECOMMENDATIONS

- 3.1 To release surplus property to provide a financial receipt to help fund the capital programme.
- 3.2 To enable the development of new homes, including affordable homes for local applicants in North Hertfordshire.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1 To retain the land. This option is rejected. The site is landlocked by the absence of adjacent vehicular access, and is very difficult for pedestrians to access. These features significantly constrain the land's utility. If retained, the land is likely to remain vacant and overgrown, attracting anti-social behaviour.

- 4.2 To consider a sale programme for discussion with other adjoining residential owners as extensions to their respective gardens. This option is rejected. In all likelihood, such a programme would involve dividing the land up into multiple parcels of varying size, given the irregular shape and depth of the site. This option carries inherent risks associated with creating a fragmented land ownership; with sporadic areas left unsold if not all adjoining owners engage in the sale programme. It is considered that even if the land were divided up and all segments successfully sold, the overall capital receipt would be significantly below the purchase price currently on offer, as set out in the Part 2 report.
- 4.3 There are currently no other realistic sale or development options open to NHDC. The proposed sale of the whole provides greatest certainty of a capital receipt and supports a new housing development on the combined sites, including flats to let at affordable rents.

5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS

- 5.1 Cllr Sam Collins, Executive Member for Enterprise, the Arts and Transport, has been consulted.
- 5.2 The relevant Ward Members for Baldock Town Ward have been consulted, namely Cllr Jim McNally, Cllr Michael Muir and Cllr Michael Weeks.
- 5.3 NHDC's Asset Management Group has been consulted.
- 5.4 NHDC's intention to dispose of this land was advertised in accordance with section 123 of the Local Government Act 1972 in the Comet newspaper on 10th & 17th June 2021. Comments and objections to the proposed disposal were invited by 12 noon on 2nd July 2021. No such feedback has been received.

6. FORWARD PLAN

- 6.1 This report contains a recommendation on a key Executive decision that was first notified to the public in the Forward Plan on 22nd June 2021.

7. BACKGROUND

- 7.1 The land considered for disposal is owned freehold by NHDC and registered at HM Land Registry Under Title HD497506. The land area is circa 1.18 acres (0.48 hectares).
- 7.2 The land is irregular in shape and landlocked by surrounding residences, and so cannot be accessed by vehicle. Pedestrian access is poor, being inefficiently served by two very narrow, indirect, elongated alleyways.
- 7.3 The land has been vacant and overgrown for many years, attracting anti-social behaviour including fly tipping. Refer to Appendix A for the Site Plan: NHDC's land is indicated by the area edged blue tinted pink.

- 7.4 On 22nd March 2011, the land formed the subject matter of Item 124 of a Cabinet meeting. Cabinet resolved:

(1) That, [.....] the sites and buildings within the report [which included subject land] be declared surplus to the Council's requirements, in principle, subject to a further report back to Cabinet;

REASON FOR DECISION: To facilitate the provision of new social housing through the use of Council owned land that might otherwise remain of limited benefit to the community; and to provide financial receipts to help fund the 2011 to 2015 Capital Programme.

- 7.5 The most direct, efficient and realistic option for providing NHDC's land with vehicular access is Knights Court located adjacent to the south-west corner of the land. Knights Court is owned by Foxberry Developments (who also own the adjoining land at 68 London Road) and provides a route through to Weston Way which is a public adopted highway.
- 7.6 Following negotiations between NHDC and Foxberry Developments, a joint planning application (ref: 20/02507/FP) between the two parties has been submitted. The application is for development of 24 units on the combined sites, including 8 flats (on NHDC's land) for affordable rent to local applicants. The combined sites measure circa 2.6 acres (1.05 hectares).

The development comprises the following dwellings:

Dwelling Type	Number of Private Market	Number of Affordable Rent
1 bedroom flats		3*
2 bedroom flats		5*
2 bedroom houses	1	
3 bedroom houses	11	
4 bedroom houses	4	

* *Proposed for NHDC's land.*

- 7.7 Refer to Appendix B for the Proposed Development Layout Plan.

8. RELEVANT CONSIDERATIONS

- 8.1 NHDC has been in negotiation with Foxberry Developments to sell NHDC's land to Foxberry. A sale price and subsequent development scheme of the combined sites by Foxberry have been agreed, subject to contract, Cabinet authority and also receipt of planning consent.
- 8.2 Foxberry proposes a scheme of 24 dwellings, comprising 16 houses (for market sale) and 8 flats for affordable letting to local applicants. Foxberry has agreed to pay the Section 106 obligations for the joint planning application.

- 8.3 The land has been valued for NHDC by a local firm of Chartered Surveyors. Further details are in the Part 2 report. The sale price offered and terms of the disposal are considered to secure best consideration for NHDC.

9. LEGAL IMPLICATIONS

- 9.1 Cabinet in exercising its functions have power to dispose of land or buildings where the consideration is between £250,000 and £2,500,000. On 22nd March 2011, Cabinet resolved to declare the land surplus to the Council's requirements, in principle, subject to a further report back to Cabinet.
- 9.2 Section 123 of the Local Government Act 1972 allows a Council to dispose of land in any manner it wishes provided that the consideration is the best that can reasonably be obtained, unless the Secretary of State consents to the disposal for less than best value.
- 9.3 NHDC has advertised the proposed disposal of the land in accordance with section 123 of the Local Government Act 1972.
- 9.4 The Contract Procurement Rules and specifically Appendix I apply to the sales of land or property. If Cabinet were to sell this land, the Officers seeking to market and dispose of the land would be required to do so within the remit of the Contract Procurement Rules.

10. FINANCIAL IMPLICATIONS

- 10.1 The sale will not generate revenue for NHDC.
- 10.2 The sale on the terms agreed will generate a significant capital receipt for NHDC.
- 10.3 Disposal of the land will eliminate spending further financial resources to address anti-social behaviour on the land.
- 10.4 The future of New Homes Bonus is very uncertain, but an increase in residential property numbers may result in a Bonus being received following build completion.

11. RISK IMPLICATIONS

- 11.1 The sale of the District Council's land will reduce the risks to NHDC arising from the Occupiers Liability Act 1957 and 1984.
- 11.2 Risks relating to the sale of this land are governed by the terms of the contract and are subject to the purchaser progressing to an exchange of contracts.

12. EQUALITIES IMPLICATIONS

- 12.1. In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.
- 12.2. Any land that is offering potential for new housing may benefit the wider community. There may be those who exhibit a protected characteristic within this wider community. The addition of suitable housing may support the more vulnerable in the community.

13. SOCIAL VALUE IMPLICATIONS

- 13.1 The Social Value Act and “go local” requirements do not apply to this report. As the recommendations made in this report do not constitute a public service contract, the measurement of ‘social value’ as required by the Public Services (Social Value) Act 2012 need not be applied, although equalities implications and opportunities are identified in the relevant section at paragraphs 12.

14. ENVIRONMENTAL IMPLICATIONS

- 14.1 *Environmental Impact Assessment (Sustainability Appraisal) has been undertaken. This has been considered and is detailed in the following Local Plan submissions and the allocation of this site (BA7):*

<https://www.north-herts.gov.uk/planning/planning-policy/local-plan/local-plan-examination/examination-library>

15. HUMAN RESOURCE IMPLICATIONS

- 15.1 There are no human resource implications from this report.

16. APPENDICES

- 16.1 Appendix A - Site Plan.
- 16.2 Appendix B - Proposed Development Layout Plan.

17. CONTACT OFFICERS

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