

## DISPOSAL OF LAND - TRANCHE 2

Finance & Investment Advisory Committee – 5 September 2023

**Report of:** Strategic Head of Property and Commercial

**Status:** For Decision

**Key Decision:** Yes

**Portfolio Holder:** Cllr. Maskell

**Contact Officer:** Detlev Munster, Ext. 7099

**Also Considered by:**

- Cabinet - 19 September 2023

**Recommendation to Finance and Investment Advisory Committee:**

To recommend to Cabinet:

1. To declare the properties listed in recommendation 2 below as surplus to the Council's requirements;
2. To approve the disposal of:
  - a. land at the Forstall, Leigh by auction;
  - b. land at Clarks Lane, Halstead by auction or private treaty;
3. To delegate authority to the Strategic Head of Property & Commercial following consultation with the Head of Democratic and Legal Services to undertake and to enter into the necessary agreements for such land transactions.

**Recommendation to Cabinet:**

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**Reason for recommendation:**

To provide capital receipts to help deliver the Council's approved Capital Programme and to ensure best consideration for the disposal is obtained in all instances.

## **Introduction and Background**

1. Sevenoaks District Council regularly reviews its property portfolio to ensure its land holdings meet its operational and strategic requirements.
2. The current asset review process has identified several parcels of land (highlighted below) that are no longer required by the Council. These sites are being systematically reviewed by Council officers.
3. To enable the disposal of the identified sites, the Council is required to declare these sites as surplus (IFRS 13 purposes). Additionally, the Council is required under Section 123(2A) of the Local Government Act 1972 to advertise its intention to dispose of public open space in accordance with the legislation.
4. Valuation advice was sought, and the confidential Appendix A provides an outline of achievable values. Advice was also sought on the preferred disposal methods.

## **Disposal Sites**

### The Forstall, Leigh

5. This site of 464 sq.m is currently amenity land left after demolition of the former Airey homes owned by the Council which occupied the road in 1983 before it was redeveloped into 12 semi-detached houses. WKHA subsequently added a further 4 properties at a later date. It is located between the entrance to the road off Powder Mill Lane and number 3 The Forstall, adjacent to an electricity sub-station.
6. It is within an Archaeological Notification Area and an Area of Special Control of Advertisements, but is not within the Green Belt and is not formally used as open space.
7. The title includes the road, which is adopted and maintained by KCC, which will be excluded from the disposal.
8. The lot size would lend itself to a pair of semi-detached houses, similar to those already in the road.
9. Officers believe that the strategic objectives of the Council are best met by disposing of this site. Interest has previously been shown by a neighbour, the Parish Council and a residents group, therefore it is considered fairest to place it in an auction.
- 10.



## Land to the rear of 42 Clarks Lane, Halstead

19. This 0.1 acre site is landlocked as it is accessed off a private lane from Clarks Lane, Halstead. It lies within the village envelope, outside the Green Belt and within an Archaeological Notification Area. The green space is used for unofficial residents parking.
20. The developer, Jarvis Homes, currently holds an option on the Yew Tree Cottages site to the rear of the Council land. Following completion of the option agreement, English Rural Housing Association will acquire some of the land for affordable homes, from Jarvis Homes. Jarvis Homes will acquire ownership of the access road, with rights reserved for English Rural HA and WKHA, who hold an adjacent garage site.
21. English Rural HA's rural exceptions housing scheme on the land to the rear of Clarks Lane, was granted planning permission in May 2023.
22. The current parish needs survey has identified a need for 13 new affordable homes. The permitted scheme will deliver 10 new homes for local needs (with 3 open market dwellings). There is therefore an unmet need which, subject to approval/planning, could be alleviated by the development of the adjacent site(s).
23. It would therefore be Officers' recommendation to enable the development of SDC's site to seek to deliver new local needs housing for Halstead Parish. While this site should be disposed of at market value and in accordance with the LGA 1972, given the Council's desire to promote and increase the affordable housing supply in the District, disposing of the site at less than best consideration might be supported provided the disposal is appropriately conditioned to ensure the dwellings remain affordable units in perpetuity. However, the Council may reconsider its position and place the property in an auction so that all interested parties can bid.



## **Other Options Considered**

32. As there is currently no planning consent on any of these sites, the Council could seek to obtain approval for development to enhance the values for disposal purposes. However this would engender delay and prove costly in terms of the necessary due diligence.
33. The disposal of these sites as proposed minimises the Council's risks and maximises capital receipts.

## **Key Implications**

### Financial

34. The disposal of these sites will reduce the Council's land holding costs and other liabilities.
35. The sites are surplus to the Council's requirements and will be treated accordingly for accounting purposes.
36. External valuation advice was obtained and reserve thresholds have been established.
37. The envisaged capital receipts will be applied towards the Council's approved Capital Programme.

### Legal Implications

38. The identified sites are within the freehold possession of the Council. There are no known title encumbrances other than those stated above that would prevent disposal.
39. The disposal of local authority land is legislated by the Local Government Act 1972. Amongst other key requirements, this legislation places an obligation on local authorities to seek best consideration and where there is an intention to dispose of public open space to advertise and consult with local residents.
40. The Council is required under Section 123 of the LGA 1972 to seek best consideration for a disposal. Disposal at less than best consideration is possible and permissible subject to the exceptions outlined in legislation.
41. Other legal implications are set out in the report.

### Equality Assessment

43. The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

## **Conclusion**

44. The sites identified in this report are surplus to the Council's requirements. Their disposal provides an opportunity to obtain capital receipts and to mitigate risks. The sites will be disposed of at the most opportune moment in 2023

**Background Documents**

None.

**Appendices - Appendix A (Commercially confidential)**

Alison Peet, Estates Surveyor & Detlev Munster, Strategic Head of Property & Commercial