

Appendix 2

PRIVATE



NORTHAMPTON
BOROUGH COUNCIL

CABINET REPORT

Report Title	Proposed disposal of Land at Lancaster Way, Northampton
---------------------	--

AGENDA STATUS: PUBLIC

Cabinet Meeting Date:	21 June 2017
Key Decision:	Yes
Within Policy:	Yes
Policy Document:	No
Directorate:	Regeneration, Enterprise and Planning
Accountable Cabinet Member:	Cllr Tim Hadland
Ward(s)	Delapre and Briar Hill

1. Purpose

- 1.1 The purpose of this report is to seek authority to agree a proposed conditional sale of an area of land designated as public open space, to facilitate access to an adjacent proposed residential development site, which has the benefit of a planning approval in principle.

2. Recommendations

That Cabinet:

- 2.1 Approve “in principle” the disposal of the freehold interest in the land at Lancaster Way, shown coloured red on the Plan at Appendix 1, to Xcite Projects Limited conditional upon (1) the grant of planning permission, (2) subject to the intended disposal being advertised in accordance with statutory requirements; and (3) to any objections arising from this process being considered by Cabinet prior to any disposal taking place.
- 2.2 Agree the sale price set out in Confidential Appendix 2.

- 2.3 Authorise the advertisement of the proposed disposal of the public open space in accordance with the requirements of Section 123(2A) of the Local Government Act 1972, as amended.
- 2.4 Authorises, in the event of there being no objections received to the proposed disposal of public open space, the Director of Regeneration, Enterprise and Planning, acting in consultation with the Chief Finance Officer and the Cabinet Member for Regeneration, Enterprise and Planning, to negotiate terms and conclude the sale, subject to the provisions of Recommendation 2.1.

3. Issues and Choices

3.1 Report Background

- 3.1.2 At the Cabinet meeting on 1st October 2007, it was agreed the Council should dispose of an area of approximately 1583 sq. m. located off Lancaster Way.
- 3.1.3 It was agreed that the land should be sold on a conditional basis. The land, which is subject to a restrictive covenant in favour of a third party (and which would continue to bind the land if it is sold), would provide a preferential and suitable means of access to the adjacent land.
- 3.1.4 More recently it has been confirmed that a smaller area of land, located to the north of Lancaster Way, comprising approximately 1270 sq. m. together with a small slither of land on the opposite side of the highway is all that is required.
- 3.1.5 The land that is proposed to be sold, comprises amenity land, effectively forming a wide grass verge adjacent to the adopted public highway.
- 3.1.6 Cabinet's authority to sell was granted subject to the requirement for advertisement of the proposed disposal of public open space in accordance with requirements of the Local Government Act 1972 (as amended). The disposal was duly advertised, at the time, and 72 objections were received.
- 3.1.7 Cabinet considered the objections at the meeting on 7th January 2008 and gave authority to the conditional disposal of the land.
- 3.1.8 Although a Section106 Agreement is due to be completed imminently and planning permission issued thereafter, considering the time that has elapsed since the 2008 Cabinet approval and the fact that the purchaser is now Xcite Projects Limited rather than the intended purchaser in 2007, Barry Howard Homes Limited, Cabinet is now asked to reconsider the matter in the interests of certainty and transparency.

3.2 Issues

3.3 Choices (Options)

- 3.3.1 Option1: The Council could choose to dispose of the land to Xcite Projects Limited, subject to the grant of planning permission and agreement of terms. The Council would derive a capital receipt from the sale of the land and also enable the residential development of the adjacent land. *This is the recommended option.*

3.3.2 Option 2: The Council could choose to retain ownership of this area of greenspace. This is likely to delay the development of the wider residential development area as a new planning permission is sought for another access. The Council would not receive a Capital receipt.

3.3.3 Option 3: Disposal to another third party through advertising the land on the open market. The land is only of commercial interest to parties with an interest in the adjacent potential residential development site.

4. Implications (including financial implications)

4.1.1 Policy

4.1.1 The recommendations within this report do not set policy or have implications on existing policies.

4.2 Resources and Risk

Risks

4.2.1 The retention of the land would result in the loss of a substantial capital receipt. If the land is disposed of, then the Council's professional costs will be covered by a payment from the purchaser

Resources

4.2.3 The land has been independently valued and this indicates that best value can reasonably be demonstrated in this case. Further details are provided in Confidential Appendix 2.

4.3 Legal

In relation to the proposed disposal of public open space, the process of public advertisement and consideration of objections is required by Section 123 (2A) of the Local Government Act 1972.

4.4 Equality and Health

4.4.1 No specific health or equality matters arise from these proposals.

4.5 Consultees (Internal and External)

4.5.1 LGSS Law and Asset Management have been consulted, as has the prospective purchaser. Independent valuation advice has been obtained from an external Valuer.

4.6 How the Proposals deliver Priority Outcomes

4.6.1 The proposed sale would facilitate the provision of additional housing which is clearly needed to help meet the local housing demand. The sale would also provide a capital receipt for the Council, which will be used to fund the Council's Capital Programme.

4.7 Other Implications

4.7.1 None.

5. Background Papers

**Report Author: Stephen Hing
Director of Regeneration, Enterprise and Planning
Ext. 7287**