

9. DISPOSAL OF SURPLUS COUNCIL LAND AT PADDOCKHALL ROAD, BENTSWOOD CRESCENT (HAYWARDS HEATH) AND BRIGHTON ROAD (HANDCROSS)

REPORT OF: Head of Corporate Resources
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Wards Affected: All
Key Decision: Yes
Report to: Cabinet
24th September 2018

Purpose of Report

1. The purpose of this report is to brief Cabinet on the outcome of the Head of Corporate Resources' investigation into the development potential of various parcels of Council land at Paddockhall Road and Bentswood Crescent, (Haywards Heath), and Brighton Road (Handcross) shown edged in red on the plans on Appendix I to this report ("the Sites").
2. It sets out proposals for residential development of the Sites, asks Cabinet to declare the Sites surplus to the Council's land property requirements, and seeks authority for the Head of Corporate Resources to dispose of the Sites in order to generate a capital receipt for the Council.

Recommendation

3. *Cabinet is recommended to:*

- (a) ***Formally declare each of the parcels of Council land at Paddockhall Road and Bentswood Crescent, (Haywards Heath), and Brighton Road (Handcross) shown edged in red on the plan on Appendix I to this report ("the Sites") surplus to the Council's land property requirements;***
- (b) ***Authorise the Head of Corporate Resources and the Head Regulatory Services to commence the disposal of each of the Sites for residential development, subject to the grant of satisfactory planning permission, and on such other terms and conditions as the Head of Regulatory Services recommends to protect the Council's position.***

Background

4. On 27th March 2018 the Cabinet Member for Resources and Economic Growth considered a report on the disposal of potentially surplus Council land, which proposed that various sites mentioned in the report should be investigated, to establish their current use and importance to the Council with a view to identifying those that are surplus to current operational needs and have development potential. The objective being to bring such sites forward for development either by the Council or others. The Cabinet Member was recommended to:
 - (a) agree, in principle, to the disposal of the various sites listed in the Appendix of the report that are potentially surplus to existing operational requirements and needs and have development potential; and

- (b) authorise the Head of Corporate Resources to investigate the status of each parcel of land and to test the market to allow officers to bring forward and report back to Cabinet or Cabinet Member for Resources and Economic Growth, site-specific proposals for the disposal and/or development of those parcels of land that are considered surplus to existing operational requirements and needs and have development potential.
5. The Cabinet Member for Resources and Economic Growth approved the recommendation.

Proposed Disposals

Site 1 – Paddockhall Road, Haywards Heath

6. The rectangular shaped site extends to 0.6 ha (0.24 acres) and is located on the north side of Oaklands Road which links Paddockhall Road (to the west) with Boltro Road (to the east). At the western end of the site there is a single storey building which was formerly occupied by the Red Cross until Autumn 2017. The British Red Cross voluntarily surrendered its long leasehold interest as they no longer required the property in this location.
7. Officers, in consultation with the Cabinet Member for Economic Growth, took the opportunity to combine the staff car park with the former Red Cross property, in order to assemble a much larger site which would yield additional residential units and land value if developed. Officers have also completed the required car park resurfacing work within the main Oaklands Campus car parks in order to accommodate all the staff vehicles that would be displaced from Paddockhall due to the development.
8. Officers from the Council's Corporate Estates Team also propose to apply for outline planning permission for a low density residential scheme which would result in additional value of the site, in order to deliver some affordable homes within the scheme which would not otherwise be delivered as a private developer could advance a scheme which falls under the required affordable threshold.

Site 2 – Bentswood Crescent, Haywards Heath

9. The site is located off Bentswood Crescent and is surrounded by residential housing owned by Clarion Housing Association, and extends to an area of 916m² (0.226 acres). The site was leased to Mid Sussex District Scouts from April 1987, where they built a scout hut in connection with the activities of the 3rd Haywards Heath Scout Group, until they surrendered their leasehold interest in early 2016. The scout hut was demolished as it was no longer fit for purpose, and the Scouts have now relocated to Redwood Centre, also owned by the Council and leased to the Scouts.
10. This site is suited to a small house builder and/or developer and informal planning advice suggests that up to 2 houses could be built on this site; although the site topography, gradient, and overlooking gardens will present some design challenges which the developer will have to overcome. The informal planning advice also indicated concerns over the proximity to existing buildings and planners would seek to have a separation of 21m between new construction and any existing residential buildings. 16/22 Pilgrim Gardens have relatively small back gardens (depths of between 7m to 9m) which would significantly affect the developable area of the site. It is calculated that this limitation would reduce the developable area from the total existing site area of 916m² (0.226 acres) to 513m² (0.127 acres).

Site 3 – Handcross Car Park, Brighton Road, Handcross

11. This site comprises of long term stay public car park and some public open land on the west side of Brighton Road, Handcross. The Council acquired the site in 1992 and the Title Deed has restrictive covenants which prohibit the erection of any building on the site, and restrict the use to a car park and open space. The Council will contact the Secretary of State for Transport to seek to remove the restrictions to allow the Council to sell the sites for residential development. Current government policy indicates that whilst the Secretary of State might be supportive of the development proposal, it may seek a financial payment to release the restrictive covenants, thereby reducing the projected capital receipt.
12. The Site is included in the Council's Strategic Housing Land Availability Assessment (SHLAA) and is identified as suitable for residential development.

General Comments applying to all the sites

13. Officers will continue to explore a number of disposal options in order to expose the Sites to the best market and suitable purchasers. A marketing process will commence should Cabinet approve the recommendations in this report.
14. Further reports will be brought back to Cabinet to seek consent to dispose of each site once terms have been agreed with potential purchasers, to ensure that each disposal complies with the Council's statutory duty to secure the best consideration that can be reasonably obtained.

Policy Context

15. Local authorities like other public bodies are encouraged by the Government to keep their land holdings under review to ensure that they are utilised efficiently. It is Government policy that local authorities and other public bodies should dispose of surplus land wherever possible for development including for the provision of new homes. Making the land available in this way directly assists the Council in its ambition to bring forward housing in the District.
16. Delivering affordable homes in the District supports the Council's policy objectives of better lives in the District.
17. Officers have taken account of the pressing need to increase the supply of affordable housing within the district, and specifically, within the area of Haywards Heath. Housing Services has advised that there are currently 1,250 households on the housing register for Mid Sussex and 381 of those households have indicated a preference to be housed in Haywards Heath. The need is broken down into 193 needing one bed homes, 158 needing 2 bed homes, 26 needing 3 bed homes and 4 needing 4 bed homes.

Powers and Legal Advice

18. Local authorities are given powers under Section 123 of the Local Government Act 1972 Act (the 1972 Act) to dispose of land in any manner they wish, including sale of their freehold interest, granting a lease or assigning any unexpired term on a lease, and the granting of easements. The only constraint is that a disposal must be for the best consideration reasonably obtainable (except in the case of short tenancies of less than 7 years), unless the Secretary of State consents to the disposal or it comes within the Secretary of State's general consent.

Other Options Considered

19. The alternatives are to:
 - (a) Do nothing and retain the sites for their existing use, whilst bearing the cost of maintenance and the liability that arises with routine maintenance and security. The Council would forgo an opportunity to generate capital receipts that could be invested in the delivery of services or income generating assets that could be used to deliver services and housing.
 - (b) Consider retaining the sites and developing for the delivery of Council services. No such use(s) are identified.

Financial Implications

20. The disposal will generate a capital receipt for the Council without impacting current revenues.
21. The costs associated with marketing, legal and other costs would need to be met from existing budgets but ultimately recovered from the capital receipt from site disposal.

Risk Management Implications

22. The risk management implications of this report are detailed elsewhere in this report and in the Potential Disposal of Potentially Surplus Council Land report to the report to the Cabinet Member for Resources and Economic Development considered on 19th March 2018.

Equalities statement

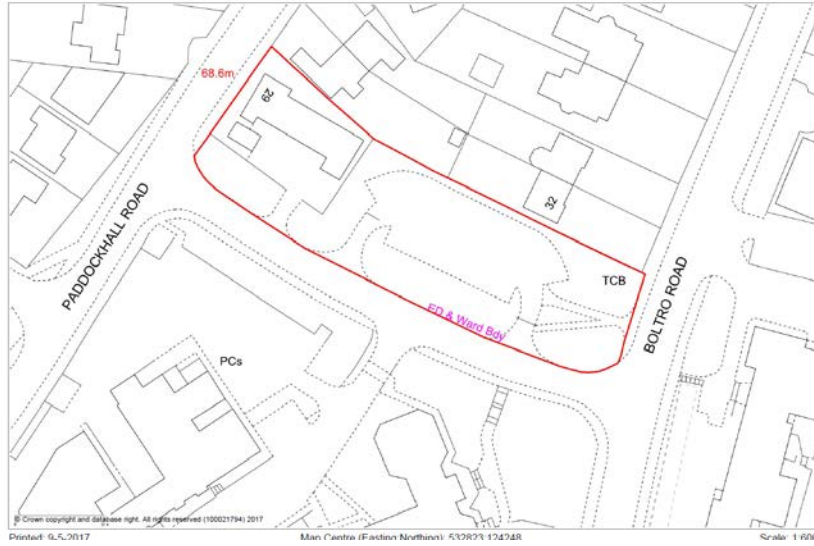
23. It is not thought any protected groups would be affected by this decision; however, each disposal will be subject to scrutiny when a planning application is submitted, and the Local Planning Authority would consider these and other factors in the usual way and the final disposal subject to a further Cabinet report.

Background Papers

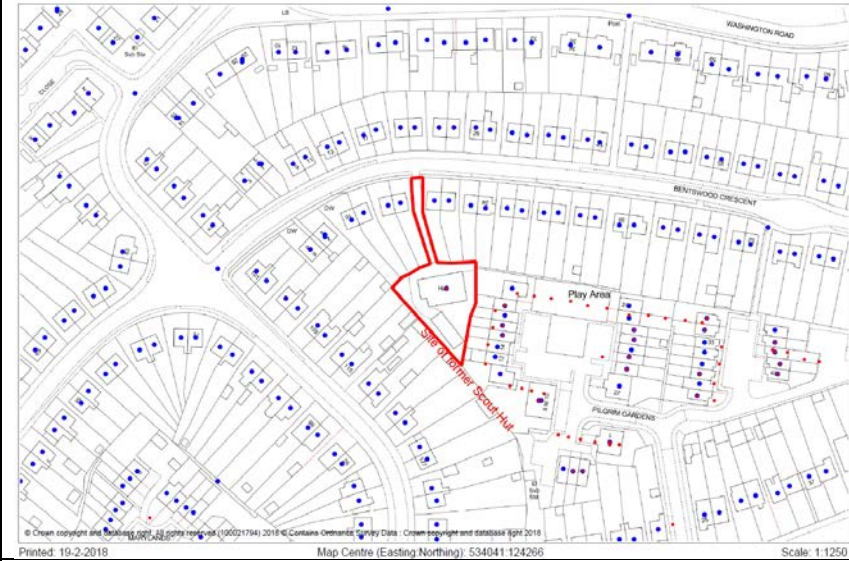
24. Potential Disposal of Potentially Surplus Council Land, Report to Cabinet Member for Resources and Economic Growth, 19 March 2018

Appendix I - Location Plan

Land at Paddockhall Road, Haywards Heath



Land off Bentswood Crescent, Haywards Heath



Handcross Car Park, Brighton Road, Handcross

