

DISPOSAL OF SURPLUS COUNCIL LAND BRIGHTON ROAD (HANDCROSS)

REPORT OF: Head of Corporate Resources
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Wards Affected: Ardingly & Balcombe
Key Decision: Yes
Report to: Cabinet
11 February 2019

Purpose of Report

1. The purpose of this report is to brief Cabinet on the outcome of the Head of Corporate Resources' disposal exercise for the land at Brighton Road (Handcross) shown edged in red on the plans on Appendix A to this report ("the site").
2. It asks Cabinet to approve an offer to purchase the site, and seeks authority for the Head of Corporate Resources to dispose of the site in order to generate a capital receipt for the Council.

Recommendation

3. Cabinet is recommended to:

- (a) Approve the disposal of the land at Brighton Road (Handcross) shown edged in red on the plan on Appendix A to this report ("the site"), to Bidder A for residential development in accordance with the terms set out in Exempt Appendix B; and**
- (b) Authorise the Head of Corporate Resources and the Head Regulatory Services to complete the disposal of the site for residential development, 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.
6. Cabinet, on 24 September 2018, approved recommendations to declare this site surplus to Council land requirements, and the site was marketed shortly after and both conditional and unconditional offers to purchase the freehold were invited.

The Site

7. 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.
8. The Council has an agreement in principle with the Secretary of State for Transport (Department for Transport, DfT), to remove the restrictions to allow the Council to sell the site for residential development. The DfT's agreement follows its policy objective to utilise its land resources to support the delivery of housing in order to support the Ministry of Housing, Communities and Local Government aims to deliver housing.
9. The Site is included in the Council's Strategic Housing Land Availability Assessment (SHLAA) and is identified as suitable for residential development.

Policy Context

10. 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.
11. Delivering homes in the District supports the Council's policy objectives of better lives in the District.

Powers and Legal Advice

12. 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

13. The alternatives are to:
 - (a) Do nothing and retain the site for its 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 a capital receipt 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 site and developing for the delivery of Council services. No such use(s) are identified.

Financial Implications

14. The disposal will generate a capital receipt for the Council without impacting current revenues.
15. An overage payment will be paid to the Department for Transport, this will reduce the capital receipt.
16. 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

17. 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

18. None

Background Papers

19. Potential Disposal of Potentially Surplus Council Land, Report to Cabinet Member for Resources and Economic Growth, 19 March 2018
20. Disposal of Surplus Council Land at Paddockhall Road, Bentswood Crescent (Haywards Heath) and Brighton Road (Handcross). Report to Cabinet on 24 September 2018.