

Wards Affected:

Danesborough and Walton

ITEM 1**DELEGATED DECISION****19 APRIL 2016****DISPOSAL OF LAND TO THE REAR OF NO. 2 STATION ROAD, WOBURN SANDS**

Responsible Cabinet Member: Councillor Middleton (Cabinet member for Resources and Commercialism)

Report Sponsor: Mark Dolling (Capital Programme Director)

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Executive Summary:

To approve the sale of land lying to the rear of No.2 Station Road Woburn Sands and to entering into a joint sale agreement with adjoining land owners in order to maximise the capital receipt.

1. Recommendation(s)

- 1.1 That the disposal of the land lying to the rear of No.2 Station Road Woburn Sands be agreed.
- 1.2 That approval be given to the Interim Head of Property to offer for sale on the open market on an informal tender basis, the freehold interest in the land to the rear of No. 2 Station Road (as shown edged red on the plan), in collaboration with the owners of the adjacent land and the ransom strip off Asplands Close.
- 1.3 That the Interim Head of Property, in consultation with the Cabinet member, be authorised to evaluate the offers received, to accept the offer which represents the best consideration (unless none of the offers received are suitable) and to instruct the Interim Service Director (Legal and Democratic Services) to proceed with the sale.
- 1.4 That the property be marketed to achieve best consideration as required by S.123 of the Local Government Act 1972.

2. Issues

- 2.1 The land extends to approximately 0.75 acres and consists of garden land to the rear of No 4 High Street, owned by a third party (edged blue), the owner of the ransom strip at the end of Asplands Close (coloured brown), together with land to the rear of No 2 High Street which is owned by the Council (edged red). The Council's land is effectively land locked for development without collaboration with the adjoining owners.
- 2.2 The collaboration represents an opportunity for the Council, together with others, to promote a land assembly and to sell their respective interests.
- 2.3 The land is already designated as housing land in planning terms and this has been confirmed by a planning officer of the Council.

- 2.4 The land to the rear of No 2 is currently used as non-statutory allotments and is the subject of an expired lease from Milton Keynes Council to Woburn Sands Town Council. The allotments are only accessible to the properties along Chapel Street and as such are underutilised.
- 2.5 The proposed development has been discussed with the Town Council, which is not averse to surrendering the allotment land and arrangements for this are in hand. The Town Council has asked for a footpath to be provided as part of the development to link through to the High Street in order to provide the residents with easy access to the local shopping and medical facilities. This link will be via 2 Station Road which is owned by the Council.
- 2.6 It is proposed that the land is sold by informal tender on an unconditional basis following at least 6 weeks full marketing (Kirkby Diamond will be instructed to undertake this) in conjunction with the land at the rear of No. 4 High Street and with the owners of the ransom strip off Asplands Close (from which the site will be accessed). The sale proceeds will be divided equally between the three parties after deducting sale costs.
- 2.7 Following consultation with the Town Council and at the request of the other two land owners the site will be marketed for the development of bungalows for persons aged over 55's which will reflect the existing development in Asplands Close.
- 2.8 The requirement for the footpath to the High Street will be an obligation of the sale. It is envisaged that the site could support 5 or 6 properties with a potential estimated capital receipt to the Council of between £230,000 - £265,000, based on an estimated total site value of £700,000 - £800,000.
- 2.9 The sale will be by informal tender and so it will be important that an offer can be accepted and the sale process can proceed without having to seek further approval. Authority is therefore sought to give subsequent approval to the actual sale price by the Interim Head of Property, in consultation with the Cabinet member. The marketing process will ensure that the highest feasible bid conforms to the Council's requirements for best consideration.

3. Options

- (a) **Do nothing** – this option results in land designated as housing continuing to be underutilised as allotment land, for which only a small rent is received from the Town Council. The Council's land will continue to be land locked for any alternative use. This option is not recommended.
- (b) **Sale of the Property in collaboration with adjoining owners** – Expected to generate a capital receipt of approximately £230,000 - £280,000. It accords with the Council's Corporate Property Strategy and is also an opportunity to provide housing in Woburn Sands for older residents. This is the recommended option.

4. Implications

4.1 Policy

The recommendation to sell this property meets the Council's Corporate Property Strategy by generating a capital receipt from the sale of a surplus property.

The sale of the land was approved by the Strategic Property and Facilities Management Board on 2 March 2016.

4.2 Resources and Risk

It is expected that the sale will generate £230,000 to £265,000 for this Council. One-off costs associated with the sale include marketing costs, agents fees (1% of sale value), legal fees. These will be shared between all parties as disposal costs and deducted from the total capital receipt prior to equal division between the parties.

Y	Capital	Y	Revenue	N	Accommodation
N	IT	N	Medium Term Plan	Y	Asset Management

4.3 Carbon and Energy Management

N/A

4.4 Legal

The Council has power to sell it on the open market. An open marketing process helps to meet the Council's duty under section 123 of the Local Government Act 1972 to obtain the 'best price reasonably obtainable'.

There is not a legal requirement to seek alternate community uses for the site, and the issue of the Council's land being land-locked limits development opportunities. This decision is needed in addition to the decision by the Strategic Property and Facilities Management Board.

4.5 Other Implications

N/A

N	Equalities/Diversity	N	Sustainability	N	Human Rights
N	E-Government	N	Stakeholders	N	Crime and Disorder

Background Papers: Strategic Property and Facilities Management Board paper.

Annex: Map of Area