

Decision by The Leader

18 January 2016



Title	Purchase of a site in Upper Halliford.		
Purpose of the report	To make a Key Decision		
Report Author	D Phillips Head of Asset Management & Office Services		
Cabinet Member	Councillor Denise Saliagopoulos	Confidential	No
Corporate Priority	Creating opportunity and prosperity for our borough		
Cabinet Values	Opportunity		
Recommendations	To agree to acquire the Freehold interest of a site in Upper Halliford.		

Exemption

The appendices to this report contain exempt information within the meaning of Part 1 of Schedule 12A to the Local Government Act 1972, as amended by the Local Government (Access to Information) Act 1985 and by the Local Government (Access to Information) (Variation) Order 2006

Paragraph 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information) and in all circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information because, disclosure to the public would prejudice the financial position of the authority in the acquisition of the site by allowing other potential purchasers to know the Council's offer to purchase the site. This in turn prejudices the community by (i) distorting the Council's offer and (ii) removing the opportunity for the community to acquire the site through the Council for the social, environmental and economic benefit of the borough.

1. Key issues

- 1.1 An opportunity had arisen for the Council to acquire a site in Upper Halliford (the Site) for planning purposes. The entire site lies within the Green Belt. For many years the Council has been trying to address various planning enforcement, licencing and other issues relating to the use and management of this site. (**Appendices 1 to 8**).
- 1.2 Officers have been working with the local Councillors and the registered Freehold proprietors of the site, to try and address the problems, including recent planning enforcement action.

- 1.3 Officers have been looking at the development potential of the site following advice planning colleagues.
- 1.4 Due to problems of accessing the site our consultants have only been able to carry out a desk top exercise to assess its development potential. The initial view of our consultants is detailed in **Appendix 7**. This assessment does not give full regard to the Site's planning status and restrictions in Green Belt terms.
- 1.5 In Planning terms a redevelopment of a footprint equivalent to that of the existing building and related outbuildings could be acceptable in principle. Unfortunately, without obtaining access to the property and having plans drawn up, it is difficult to assess precisely what that floor space is and generate a robust valuation based on that. It is also difficult at this stage to be clear about the extent to which the main building is suitable for conversion. The Freeholder have agreed to sell the Site to the Council with vacant possession on the basis that the Council completes the purchase of the Site as soon as they remove the current tenant.
- 1.6 The Freeholder has now removed all tenants and occupants from the Site. Officers of the Council have agreed a completion date of 22 January 2016 with the Freeholder.

2. Option analysis and proposal

- 2.1 There are only two options set out in this report: (1) to purchase the Site or (2) not to purchase the Site.
- 2.2 If the Leader is mindful to agree to the purchase of the Site, there will be the following benefits:
 - (a) decreasing the anti-social behaviour issues connected with the existing use of the Site;
 - (b) the public benefit of securing an appropriate future use of the Site that is compatible with its location, as well as adjoining a residential area; and
 - (c) its potential for housing.
- 2.3 If the Leader did not agree to purchasing the Site then the acquisition will not proceed.

Proposal

It is recommended that the Leader approves the acquisition of the Freehold interest of the Site.

3. Financial implications

- 3.1 Officers of the Council and the Freeholder have agreed Heads of Terms (**Appendix 8**) for the Council's purchase of the Site. Officers have agreed that the Council would pay overage in the event that the Council obtains planning permission for a scheme which improves the Site's value above the Council's purchase price.
- 3.2 The Legal department will be further negotiating the terms of the overage to secure the fairest obligation to the Council possible.

4. Other considerations

Decision making process

- 4.1 Under normal circumstances, this recommendation would be agreed by Cabinet. However, the deadline for completion of the purchase falls before the next scheduled Cabinet meeting.
- 4.2 It has therefore been necessary to obtain the agreement of the Chairman of Overview and Scrutiny to expedite this matter for an urgent decision to be made under sections 15 and 16 of the Access to Information Rules. This approval negates the need for the decision to be published as a key decision on the Forward Plan 28 days prior to the decision being made. This confirmation has been received.

Legal

- 4.3 The Legal department are undertaking a full Title Report for the Site.
- 4.4 The Council is not as constrained when it acquires land or property as when it wishes to dispose of it. There are no EU procurement requirements which have to be met in buying this Site.
- 4.5 If the Leader agrees to acquire the Site, then detailed consideration will need to be given as to how the Site can be developed.
- 4.6 In acquiring the Site the Council will need to identify a purpose for the land. In this case, it would be held for planning purposes (which allows development and regeneration).
- 4.7 On completion of the purchase, the Council will look to secure tenants to maximise the current use of the Site, subject to agreeing a suitable rent.

5. Timetable for implementation

- 5.1 Officers of the Council have agreed a completion date of 22 January 2016 with the Freeholder.

Appendices: These have been circulated to the Leader and all members of the Council only, due to their containing exempt information as described at the top of this report.