

**EXECUTIVE
COMMITTEE**

24th June 2014

LAND TO THE REAR OF MIDDLE HOUSE LANE

Relevant Portfolio Holder	Councillor John Fisher
Portfolio Holder Consulted	Yes
Relevant Head of Service	Amanda De Warr, Head of Customer Access and Financial Support
Wards Affected	Abbey Ward
Ward Councillor Consulted	Yes
Key Decision	

1. SUMMARY OF PROPOSALS

This report seeks approval to amend a recommendation in relation to the disposal of land to the rear of Middle House Lane, Redditch.

2. RECOMMENDATIONS

The Executive Committee is asked to RECOMMEND that the land to the rear of Middle House Lane, Redditch be disposed of at market value.

3. KEY ISSUES

- 3.1 In June 2005 Redditch Borough Council agreed to declare this land as surplus and dispose of it in conjunction with a Worcestershire County Council's site, which sits adjacent and provides access to it.
- 3.2 At that time the Redditch Borough Council specified that the land should be disposed of to a Social Landlord of the Council's choosing for the development of social housing.
- 3.3 There is no record that agreement to a joint disposal had been reached and Worcestershire County Council subsequently entered into lengthy discussions with other parties regarding possible use of the land.
- 3.6 Due to lack of funding and changing priorities these discussions came to nothing and Worcestershire County Council are now keen to sell their parcel of the land.
- 3.7 Should Redditch Borough Council not intend to openly market its site, Worcestershire County Council will seek to dispose of its site separately or achieve a full market value receipt from any Social Housing provider which may successfully bid for the Borough Council's land.

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- 3.8 Access from the Highway can only be achieved through Worcestershire County Council's land and as such Redditch Borough Council may be required to pay a premium or ransom for this right.

Financial Implications

- 3.9 Information relating to the financial implications can be found at Appendix 2 and is exempt from publication under s.100 1 of the Local Government Act 1972, as amended by the Local Government (Access to Information) (Variation) Order 2006 on the grounds that it involves the likely disclosure of information relating to financial affairs which could adversely affect the two Councils' negotiating positions with potential purchasers.
- 3.10 The sale of this land will generate a capital receipt to the General Fund. It is worth noting that there have been a number of changes to the use of capital receipts which may enable a proportion of the receipt received to be used for revenue purposes

Legal Implications

- 3.11 Both the County Council and the Borough Council are required to dispose of any interest in land at Best Value in accordance with Section 123 of the Local Government Act 1972. To achieve this requirement, it is the County Council's intention to market the site for sale to achieve the highest capital receipt possible.

Service/Operational Implications

- 3.12 This site falls under two ownerships (see attached plan). The land fronting Middle House Lane is owned by Worcestershire County Council with the back land bordered by the Birmingham Road owned by Redditch Borough Council.

The site areas are:

RBC site area:	1.78 acres
WCC site area:	0.73 acres
Total Site Area:	2.51 acres

- 3.13 Under existing Local Plan 3 the Worcestershire County Council land is designated for Housing with the Redditch Borough Council land designated as "Reserved Land for Housing". However under the proposed Local Plan 4, both sites are designated for Housing with an expectation that the site will sustain 30 new dwellings. There is no specific planning requirement for the site to be used solely for affordable housing.

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- 3.14 If agreement is reached to dispose of the land at market value officers will instruct the District Valuer to provide an independent ransom valuation, as is the norm in such circumstances where both Council's are party to a transaction.

Customer / Equalities and Diversity Implications

- 3.15 None

4. RISK MANAGEMENT

Failure to agree to joint disposal of the land risks Redditch Borough Council being left with a parcel of land that cannot be easily marketed or which includes having to pay a ransom for access.

5. APPENDICES

Appendix 1 – Site plan

Appendix 2 – Financial implications – EXEMPT FROM PUBLICATION

6. BACKGROUND PAPERS

AUTHOR OF REPORT

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