13th July

2021

#### Report title: Upper Norgrove House

Relevant Portfolio Holder		Councillor M. Dormer			
Portfolio Holder Consulted		Yes			
Relevant Head of Service		Claire Felton			
Report Author	Job Title: Head of Legal, Democratic and				
	Property \$	Services			
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Wards Affected		West			
Ward Councillor(s) consulted		Yes – The ward councillors both serve			
		on the Executive Committee			
Relevant Strategic Purpose(s)		Finding Somewhere to Live			
Non-Key Decision					
If you have any questions about this report, please contact the report author in					
advance of the meeting.					
This report contains exempt information as defined in Paragraph 3 of Part I of					
Schedule 12A to the Local Government Act 1972, as amended					

#### 1. <u>RECOMMENDATIONS</u>

The Executive Committee RESOLVE that:-

- 1) The advice document at appendix 1 to this report is noted;
- 2) Approval is given to a joint marketing exercise of the site known as Upper Norgrove Webheath with the adjacent landowner; and
- 3) Authority is delegated to the Head of Legal Democratic and Property Services and the Executive Director of Resources following consultation with the Leader of the Council to market and dispose of the site

#### 2. BACKGROUND

- 2.1 On 23 July 2008, Executive Committee resolved that:
  - Upper Norgrove House be declared surplus and disposed of at Market Value;
  - 2) the Property Services Manager be permitted to enter into negotiations with third parties to consider joint

disposal/development; and

- 3) the Property Services Manager to work up a scheme to be recommended to Members at a future Executive Committee.
- 2.2 The site was allocated for housing in the Redditch Borough Council Local Plan adopted on 30 January 2017 and to deliver 400 - 600 houses within the Plan period to 2030. Some housing development has already taken place.
- 2.3 In 2019 there was a further report to update Members on proposals for the development of the Council's site at Upper Norgrove House. This sought approval for the proposed development of the site in partnership with adjacent land owners, who have expressed interest in developing their sites with the Council and also sought delegated authority to enter into partnership agreements with them to implement the proposal as approved.

It was resolved that:

- The Council-owned site at Upper Norgrove House be developed for the provision of housing, in co-operation with adjoining land owners who wish to develop their land in collaboration with the Council;
- Authority be delegated to the Head of Legal Equalities & Democratic Services to negotiate and enter into collaboration agreements with those adjacent owners (and third parties identified as necessary), to deliver the proposal if approved;
- 3) That the Head of Legal, Equalities and Democratic Services be delegated authority to agree the appointment of an external legal advisor as a member of the development group, and an independent legal advisor to advise the Council in relation to the implementation of the decision and the legal arrangements required to deliver it.
- 2.4 In the context of that delegation members are advised that initial discussions with all landowners became problematic and that as a result a more productive dialogue has continued with the adjacent landowner who is currently at pre application stage for a development of circa 165 houses to be served by a single access via Crumpfields Lane
- 2.5 The Council is also in pre application discussions with regard to its own land and as a result further discussions with the adjacent land owner have taken place to explore the extent to which the site and the access

thereto can be improved with the benefit of a joint scheme over the two sites.

- 2.6 In this regard the Council has received advice from Savills supporting this proposal and this is included at appendix 1 to this report.
- 2.7 It is clear that the history of this site is complex and that in planning terms the provision of an access over the Council owned land would enable a more acceptable scheme in planning terms.
- 2.8 It is also clear that historically the complexity of the site has been exaggerated by the lack of foresight in planning for future phases of the site to be enabled.
- 2.9 That said the negotiations to date appear able to offer a solution to this problem and the Council will continue to work to enable a sustainable and developable site in accordance with its local plan provisions.

#### 3. FINANCIAL IMPLICATIONS

- 3.1 It should be noted that advice has been obtained from Savilles in order to ensure that the Council can secure best value for money. Further information about this can be found in appendices 1 and 2.
- 3.2 Members are asked to note that any proceeds (as detailed in Appendix 1) will be a capital receipt which will be allocated to an earmarked reserve in the capital budget for future use in meeting the Council's capital commitments (and asset management requirements). While this will help reduce the Council's future borrowing requirement (and hence borrowing cost position) such capital receipts cannot be used for revenue purposes, and therefore the Council's need to identify further recurring revenue budget savings as part of its Medium Term Financial Plan remains.

#### 4. LEGAL IMPLICATIONS

4.1 The terms of sale have been validated by Savills to ensure that the Council meets its requirements under the provisions of Section 123 of the Local Government Act 1972 not to dispose of land for a consideration less than can be reasonably obtained.

#### 5. **STRATEGIC PURPOSES - IMPLICATIONS**

#### **Relevant Strategic Purpose**

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5.1 The proposals detailed in this report support the strategic purpose Finding Somewhere to Live, as there is the potential in the long-term that the proposed action will result in much needed housing development within the Borough.

#### **Climate Change Implications**

5.2 None as a direct result of this report

#### 6. OTHER IMPLICATIONS

#### **Equalities and Diversity Implications**

6.1 None as a direct result of this report

#### **Operational Implications**

6.2 None have been identified.

#### 7. <u>RISK MANAGEMENT</u>

7.1 Members will be aware that this site has been vacant for some considerable time and that the local plan identifies it as being an appropriate development site for the provisions of housing. It has taken a considerable time to reach a position where the site can progress to the development stage and the adjoining owner has confirmed that in the absence of an agreement to market jointly they will proceed with their individual application.

#### 8. APPENDICES and BACKGROUND PAPERS

Appendix 1 – Advice Received from Savilles (This advice is exempt as it relates to the financial or business affairs of any particular person (including the authority holding that information)).

Appendix 2 – summary of additional advice received from Savilles (This advice is exempt as it relates to the financial or business affairs of any particular person (including the authority holding that information)).

#### **Background Papers:**

Upper Norgrove House – Initial Options Appraisal – report to the Executive Committee considered at a meeting held on 23<sup>rd</sup> July 2008.

Upper Norgrove Site, Webheath – Development of Land – report to the Executive Committee considered at a meeting held on 11<sup>th</sup> June 2019.

#### 9. <u>REPORT SIGN OFF</u>

Department	Name and Job Title	Date
Portfolio Holder		
Lead Director / Head of Service		

### **REDDITCH BOROUGH COUNCIL**

### **Executive Committee** 2021

### 13th July

Financial Services	
Legal Services	