

Report of:	Meeting	Date
Cllr Michael Vincent, Resources Portfolio Holder and Clare James Corporate Director Resources	Cabinet	14 July 2021

Disposal of Land at Bourne Hill, Thornton

1. Purpose of Report

1.1 To seek Cabinet approval to dispose of land at Bourne Hill, Thornton.

2. Outcomes

2.1 Sustainability of services through an improved commercial return from assets.

3. Recommendations

3.1 That the land identified in Appendix 1 at Bourne Hill, Thornton is declared surplus to requirements.

3.2 That the Corporate Director Resources be authorised to arrange for the marketing and disposal of the council's land ownership and all related matters.

4. Background

4.1 At the meeting of the Cabinet on 27 March 2019 it was agreed to appropriate 'the Land' for planning purposes to deliver a suitable site for development in line with the Local Plan and to continue the economic growth in Thornton and Fleetwood, enhancing the Hillhouse Technology Enterprise Zone and thus furthering the aims and objectives of the Council's Business Plan.

4.2 Following this approval, a multi-disciplinary project team was assembled internally and Local Partnerships, a not-for-profit organisation, were commissioned to provide a delivery options study and advise the council on the most advantageous option for developing and disposing of the

Land. Owing to the Land's status as the only site within the council's ownership allocated for residential development in the Local Plan and the absence of a 'pipeline' of sites, their recommendation was to seek an outright disposal to secure a capital receipt. In their detailed assessment this would secure the highest value for money without the need to invest in costly alternatives such as a Joint Venture/Strategic Partnership approach which would require significant set-up costs and only be used once.

- 4.3** This study was concluded in early Autumn by which time the Corporate Director Resources had applied to the Housing Advisors Programme (HAP) for funding to help facilitate site investigations and associated works in order to de-risk the Land and help secure a higher capital receipt. £25,000 was awarded in early 2020 by the HAP and this funding was initially held as match for bids to the One Public Estate (OPE) and Housing Land Release Funds.
- 4.4** In early 2020, there was the prospect of One Public Estate (OPE) funding being made available to meet some of the disposal costs associated with the Land and discussions were ongoing between the Lancashire Programme Manager and the Corporate Director Resources. However, the outbreak of the Covid-19 pandemic meant that the OPE prospectus was significantly delayed and when eventually published in September the site was not considered eligible owing to newly introduced conditions in the scheme.
- 4.5** Instead, Portfolio Holder approval was granted on 22 October 2020 to utilise the HAP funding to procure commercial real estate services support. Consultants were commissioned to undertake various site surveys over approximately a seven month period to support a baseline and constraints assessment and design brief. The report can be shared as part of the marketing of the site.
- 4.6** As documented in the earlier Cabinet report, the Land contains a number of restrictive covenants which will need to be dealt with. The key one being that the land is subject to an agricultural tenancy. As the council is not intending to seek planning permission prior to disposal, this will be a matter for the developer to deal with although it may be necessary to enter into a conditional contract (subject to planning and satisfactory resolution of restrictive covenants) which would allow for any circumstances in which planning was not approved or covenants not resolved, although this is deemed highly unlikely.

5. Key Issues and Proposals

- 5.1** The disposal of the Land is anticipated to generate a capital receipt and a further report will be considered by Cabinet when expressions of interest have been received.

- 5.2** The site is currently leased on an agricultural tenancy and is subject to an annual rental of £700. To terminate the agricultural tenancy it is necessary to serve a Case B Notice. In order to serve a Case B Notice in this instance, planning permission has to have been granted (outline being sufficient).
- 5.3** As the council is appointing external support to market the site, this report seeks permission to have regard to their advice on the optimal marketing of the site with regard to maximising the value.

FINANCIAL AND LEGAL IMPLICATIONS	
Finance	The termination of the agricultural tenancy will result in the loss of an annual income of £700. The disposal is expected to generate a capital receipt which will be used to offset any applicable costs associated with bringing the site forward for disposal.
Legal	<p>The council is required to advertise the sale of the subject site to the open market and proposes to instruct a specialised land agent to maximise the marketing potential of the subject site to help secure the 'Best Value' for the land.</p> <p>A disposal will need to comply with the requirements set out in s.123 of the Local Government Act 1972 and also Part 5 (Chapter 3) of the Localism Act 2011.</p>

Other risks/implications: checklist

If there are significant implications arising from this report on any issues marked with a ✓ below, the report author will have consulted with the appropriate specialist officers on those implications and addressed them in the body of the report. There are no significant implications arising directly from this report, for those issues marked with a x.

risks/implications	✓ / x
community safety	x
equality and diversity	x
sustainability	x
health and safety	x

risks/implications	✓ / x
asset management	✓
climate change	x
ICT	x
data protection	x

Processing Personal Data

In addition to considering data protection along with the other risks/ implications, the report author will need to decide if a 'privacy impact assessment (PIA)' is also required. If the decision(s) recommended in this report will result in the collection and

processing of personal data for the first time (i.e. purchase of a new system, a new working arrangement with a third party) a PIA will need to have been completed and signed off by Data Protection Officer before the decision is taken in compliance with the Data Protection Act 2018.

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List of background papers:		
name of document	date	where available for inspection
None		

List of appendices

Appendix 1 – Map of the Land to be disposed of at Bourne Hill, Thornton