

Disposal of Land at Leyfields and Netherstowe, Lichfield



Report of : Councillor Ashley Yeates, Cabinet Member for Regulatory Services, Housing and Wellbeing

Date : 4 September 2018
Agenda Item : 5
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Key Decision? YES
Local Ward Members : Cllrs Norma Bacon and Colin Ball

CABINET

1. Executive Summary

- 1.1 One of the Council's strategic objectives is to increase the supply of Affordable Housing. Following a review of Council owned land that could be disposed of for such purposes, discussions were progressed with Bromford Housing regarding the disposal of two public open space areas for the provision of affordable housing development.
- 1.2 Bromford have expressed a desire to purchase the sites at Leyfields, Lichfield and Netherstowe, Lichfield.
- 1.3 The District Valuer's report has now been received on the valuation for the sites and Cabinet is being recommended to approve the disposal of the two sites to Bromford for redevelopment.

2. Recommendations

- 2.1 That Cabinet agree to dispose of the land at Leyfields, Lichfield and Netherstowe, Lichfield to Bromford for the provision of affordable housing on the terms recommended by the District Valuation Officer.

3. Background

- 3.1 Following consideration of Council owned sites in the District with development potential, discussions were held with Bromford Housing regarding the opportunity to provide affordable housing on land at Leyfields and Netherstowe, Lichfield.
- 3.2 Attached at **Appendix A** is a plan showing the land at Leyfields and attached at **Appendix B** is a plan showing the land at Netherstowe.
- 3.3 Bromford have produced a scheme proposing 14 units at Leyfields and 8 units at Netherstowe. A pre-application process was also entered into by Bromford to identify any issues relating to development of the two sites. The major issue to be addressed is the loss of Public Open Space. The sale is dependent upon planning consent being forthcoming for the developments. The implications of the loss of Public Open Space will be dealt with as part of the planning application process.
- 3.4 The District Valuer was instructed to give his valuation of the sites and his report has now been received.

- 3.5 The District Valuer has advised that the Council’s Freehold interest in the land at Leyfields amounts to £390,000 on the basis of affordable dwelling units being provided and in respect of the Freehold interest of the land at Netherstowe this is valued at £265,000 on the same basis.
- 3.6 The best consideration would be achieved from a Registered Social Housing Provider as they are considered to be a Special Purchaser given the grant funding they benefit from.
- 3.7 Whilst other Registered Social Landlords could potentially develop the sites, there are benefits that only accrue from Bromford doing the developments. They own adjacent properties, there is marriage value at Leyfields in particular as they can provide access and they can manage the new properties in a co-ordinated manner maximising the role of the existing neighbourhood coaches.
- 3.8 It is recommended that Council now proceeds to dispose of the two sites concerned for the provision of affordable housing on the basis of the valuations received. Each party will bear their own costs in the legal transfer of the land. The disposal would be subject to Bromford obtaining planning consent for the developments.

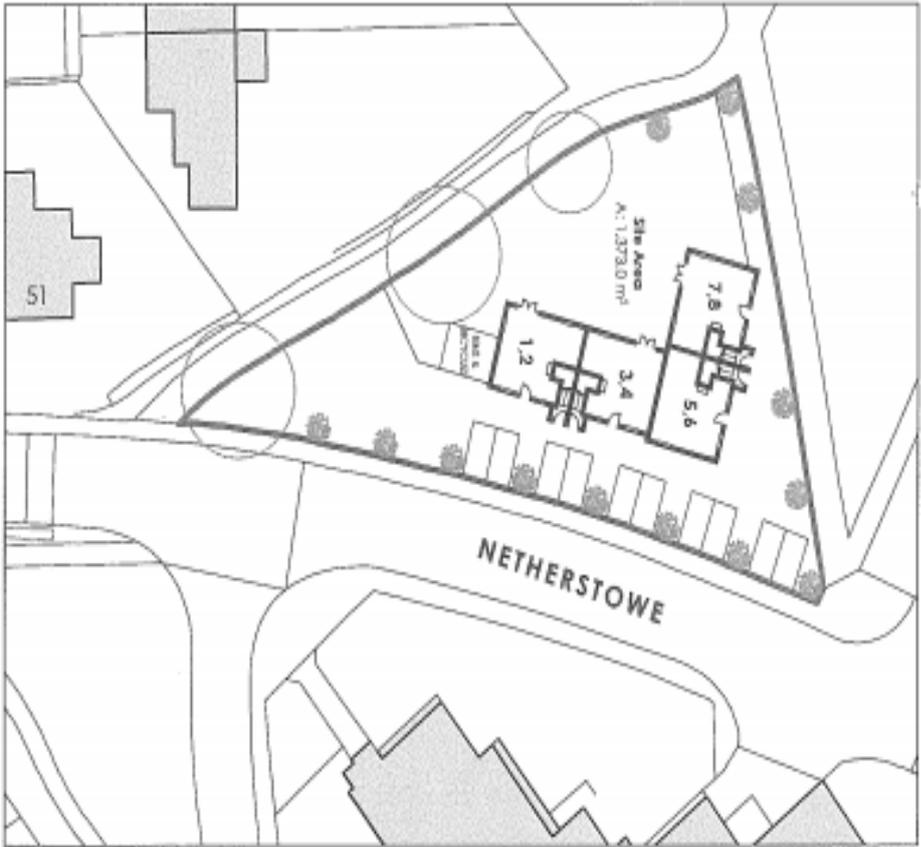
Alternative Options	<ol style="list-style-type: none"> 1. Council could retain the land as Public Open Space and not seek to have these sites developed. This would mean that Council would forego a significant Capital Receipt and also forego the opportunity of providing much needed affordable housing accommodation. 2. Council could offer the land for sale on the open market but the District Valuer has confirmed that the best consideration will be achieved by a disposal for Affordable Housing because of the grant the Registered Social Provider receives, which gives them a status of a special purchaser. 3. An alternative would be for Council to develop the site itself although this would mean engaging a developer or setting up a company to deliver the development. There would be cost implications and potential time delays in doing so and therefore it is felt that working with Bromford as a partner will deliver Affordable Housing in the shortest timescale. 4. Discussions did take place with Bromford about a Joint Venture development with Bromford, but Bromford’s preference was for the sites to be sold to them on a straightforward disposal basis for which the Council would receive a Capital Receipt.
Consultation	<ol style="list-style-type: none"> 1. Consultation has taken place with the Asset Strategy Group and also the Ward Members regarding the proposed disposals.
Financial Implications	<ol style="list-style-type: none"> 1. The proposed disposal of the freehold interest at Leyfields would realise a Capital Receipt of £390,000 and the Capital Receipt for the disposal of the freehold interest at Netherstowe would be £265,000. Council would also benefit from New Homes Bonus of around £88,000 over 4 years and Council Tax of around £3000 per annum. No CIL would be received as they are Affordable Houses. 2. Each party would be responsible for their own costs in dealing with the conveyance. Council’s costs are likely to be less than £5,000. 3. Lichfield District Council is also responsible for the District Valuer’s costs. The final invoice is awaited but will not exceed £3,000 plus VAT.

Contribution to the Delivery of the Strategic Plan	1. The development of new affordable homes will help reduce homelessness, which will contribute towards the theme of healthy and safe communities.
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Equality, Diversity and Human Rights Implications	1. The new homes will have a positive impact on the availability of affordable homes for those in need, particularly from low income households.
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Crime & Safety Issues	1. There are no crime and safety issues arising from the report.
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	Risk Description	How We Manage It	Severity of Risk (RYG)
A	Planning permission is not granted for the redevelopment of the sites.	Pre-application discussions have already been undertaken to identify any potential issues relating to redevelopment of the sites.	Y



NETHERSTOWE			
SCHEDULE OF ACCOMMODATION			
TYPE	NO.	AREA (m ²)	PARKING
1B2P FLAT	8	47,585.8	100S
TOTAL	8		

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Rev	Date	Revised	Revised By

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<p>Project Bromford S105</p>	<p>Drawn: Sarah 1:500 (A3) Drawn By USA OAKLEY 201717</p>	<p>Date Drawn 26/06/2017 Checked By SIMON OAKLEY Drawn Number 02</p>
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<p>Drawn: Tara Netherstowe, Uxfield Option 2</p>
