

EXECUTIVE 15 September 2011

- Subject:** **Land at Kingsmead Road, Canterbury – Disposal of open space**
- Director/Head of Service:** Head of Property and Engineering Services
- Decision Issues:** These matters are within the authority of the Council
- Decision type:** Non-Key
- Classification:** This report is open to the public
- CCC Ward(s):** **Northgate**
- Summary:** *The Executive agreed in June to approve the principle to release land at Kingsmead Road, Canterbury for residential development and agreed to consult on the proposed disposal of public open space as required by Section 123(2A) of the Local Government Act 1972. The representations received are reported here.*
- To Consider:** **The representations received and whether or not to proceed with the sale of the land.**
- Next stage in process:** **To consider the tenders received for the land.**

SUPPORTING INFORMATION

1. Introduction

At the meeting of the Executive on 16 June it was agreed that:

- 1) *That in the light of the tenders received in principle approval be given to the disposal of the freehold of the land at Kingsmead Road, Canterbury for residential development.*
- 2) *That the council consult under Section 123(2A) of the Local Government Act 1972 on the proposed disposal of the land.*
- 3) *That the council defer any decision as to whether to sell the land until:-*
 - (a) *the consideration of any responses to the consultation under Section 123(2A) above and*
 - (b) *the identification of a preferred bidder from the tenders received.*

Subsequently the eleven tenders received were analysed in detail and on 27th July

the Executive resolved:

That the five tenders identified in the report be approved for further investigation and analysis with a view to considering the selection of a preferred developer at the September meeting and recommending to Full Council.

2. Detail

The land is currently designated as public open space and if the Council intends to dispose of it the required procedure set out in S123 (2a) of the Local Government Act 1972 must be followed. Accordingly advertisements were placed in a local newspaper inviting people to make representations with a closing date of 15 August. Two representations were received and these are set out in Appendix A to this report.

3. Planning designation

The potential of this area for residential development is in conformity with the provisions of the adopted development brief – Nov 1994. In addition the assessment of any development proposal will also be addressed in the context of policies as set out in the adopted local plan (Canterbury District Local Plan – 1st review July 2006) Relevant policies are TC13, BE1, BE7, H1, C26, C28, TC11, C1, C9.

4. Relevant Council Policy/Strategies/Budgetary Documents

(a) Local Plan

The Kingsmead and Riverside Regeneration Zone is identified in the Local Plan and the proposed use of the land is in accordance with the approved Kingsmead Development Brief.

(b) Corporate Plan

Taking forward key regeneration zones and projects is an objective of the Corporate Plan.

(c) Budget

The Council has a programme of disposal of capital assets to fund approved capital projects. This is expected to meet a target of receipts of £11 million by 2012.

5. Consultation planned or undertaken

During the preparation of the Kingsmead Development Brief there was extensive consultation and the outcome of this supported the provision of a new primary school within the Kingsmead Regeneration Zone with residential development as a fall-back option.

6. Options available with reasons for suitability

a) To consider the representations received and proceed with the disposal of the land.

b) To consider the representations and not proceed with the disposal of the land.

7. **Reasons for supporting option recommended, with risk assessment**

Option a) is recommended because:

- i) The sale of the land will realise finance that can be used to support the Council's capital programme.
- ii) The Council incurs significant revenue costs to support borrowing that has been necessary to fund its approved capital programme. A substantial capital receipt from the sale of this site will have a very beneficial effect in reducing these costs or allowing further projects to be contemplated.
- iii) The release of the land for housing will assist in meeting local housing needs.

The main risk is that the Council's decision might be legally challenged. However it has fulfilled the statutory requirement of advertising the proposed disposal and has considered the representations made on that proposal.

8. **Implications**

(a) Financial Implications

A capital receipt will assist in funding capital projects and will reduce the need to borrow and the revenue costs associated with this. Some expenditure has been incurred in marketing the site.

If the Council does not sell the land it will nevertheless be liable to pay fees to its agent of up to £15,000.

(b) Legal Implications

If the Council agrees to sell the freehold of the land it must do so consistent with S123 of the Local Government Act 1972 and the necessary transfer will have to be completed.

Other implications

(c) Staffing/resource

If the decision is to proceed with the sale it will be necessary to involve specialist advice in the negotiation of final terms. Otherwise the disposal can be accommodated within existing staff resources.

(d) Property Portfolio

The sale of the freehold of the site will remove any continuing maintenance liability but will reduce the sites available in the city for outdoor events.

(e) Environmental/Sustainability

The Council will not control development on this land other than through planning permission but will encourage the highest standard of environmental sustainability.

(f) Planning/Building Regulations

The potential of this area for residential development is in conformity with the provisions of the adopted development brief – Nov 2004. In addition the assessment of any development proposal will also be addressed in the context of policies as set out in the adopted local plan (Canterbury District Local Plan – 1st review July 2006) Relevant policies are TC13, BE1, BE7, H1, C26, C28, TC11, C1, C9.

Planning permission for development has not been sought or granted. The preferred bidder will prepare and submit an application within a specified timescale.

9. Conclusions

The principle of disposal of this land has been approved and the tenders received indicate strong market interest at the moment. If the Council wishes to realise a substantial capital receipt it would seem to be a good opportunity to do so.

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