
LAND SWAP OF COUNCIL OWNED LAND – LINGFIELD WALK/AINTREE CLOSE, CATSHILL

Relevant Portfolio Holder	Cllr Kit Taylor
Portfolio Holder Consulted	Yes
Relevant Head of Service	Sue Hanley
Wards Affected	Catshill
Ward Councillor Consulted	Yes
Key Decision	

1. SUMMARY OF PROPOSALS

- 1.1 Bdht have approached officers regarding a development opportunity to build 14 one bedroom flats on land part of which is owned by bdht and part of which is owned by the Council. bdht are proposing that the Council owned land be transferred to them to enable the development to proceed.
- 1.2 The land is at Lingfield Walk, Catshill as shown on the plan at Appendix 1. The land is currently leased by the Council to the 6th Bromsgrove Scouts Group. There is a scout hut on the site. The development will utilise this land and the adjacent garage site owned by bdht.
- 1.3 Bdht are requesting a land swap. The Council will transfer to bdht the freehold land at Lingfield Walk; bdht will transfer to the Council an alternative local site on Woodrow Lane the plan for which is attached at Appendix 2. Before transferring the site to the Council bdht will pay for a new scout hut to be constructed on it. The Council will therefore receive the land and the newly constructed scout hut and will then act as landlord to the scouts under a lease.
- 1.4 The proposal will not proceed should either development not obtain the required planning permission.

2. RECOMMENDATIONS

That Cabinet RESOLVE as follows:-

- 2.1 That Cabinet agree to the transfer of the land at Lingfield Walk to bdht in exchange for the land at Woodrow Lane together with the new scout hut building to be constructed on the site by bdht.**

2.2 That delegated authority is given to the Executive Director Finance & Corporate Resources, and the Head of Legal Services to take all the necessary financial and legal steps to implement the land swap, terminate the existing lease with the scouts and enter into a new lease for the new scout hut.

3. KEY ISSUES

Financial Implications

- 3.1 The site at Lingfield Walk is 0.22 acres in size. A valuation has been obtained. On the basis of the proposed use of the land by bdht for affordable housing the land is valued in the region of £182,000.
- 3.2 The site at Woodrow Lane is 0.12 acres in size. The most likely economic use would be for low cost housing similar to that being proposed for the site at Lingfield Walk, and on this basis it has been valued in the region of £100,000.
- 3.3 Prior to its transfer to BDC, Bdht will build a new scout hut on the Lingfield Walk site at an estimated cost of £200,000.
- 3.4 It is difficult to value either site for use by the scouts. The existing lease to the scouts is for a peppercorn rent. The new scout hut would also be leased to the scouts for a peppercorn rent.
- 3.5 Bdht have agreed to cover the Council's costs in undertaking the transfers. This will need to include legal costs and disbursements involved with the land transfer, the legal costs of drawing up a lease for the new building and any stamp duty that may be payable upon the transfer of the Woodrow Lane site to the Council.

Legal Implications

- 3.6 Under section 123 of the Local Government Act 1972 Councils are (subject to certain conditions) entitled to dispose of land held by them in any manner they wish. Under the General Disposal Consent (England) 2003 it is permissible to make disposals at less than best consideration if those disposals contribute to the social, economic and environmental well-being of the area
- 3.7 Under s25 of the Local Government Act 1988 a local authority may provide a Registered Social Landlord (RSL) with any financial assistance or gratuitous benefit of land for development as housing accommodation. This includes:

- land for development or access, easements and rights;
- dwelling houses for refurbishment;
- financial assistance for prevention of homelessness; and
- loans to RSLs.

The aggregate value of financial assistance or gratuitous benefit provided by the disposal or grant shall not exceed £10 million.

- 3.8 The site at Woodrow Lane is currently used by a neighbouring residential property as a rear access to their garden. Bdht have assured the Council that although this is currently the case they have ownership and control of the land being accessed and will be able to terminate any such use before the land is transferred. BDC will not proceed with the land swap unless such use is terminated and without an indemnity from bdht to cover any resulting dispute or legal claim.
- 3.9 The Woodrow Lane site will be transferred to the Council by bdht once the new scout hut has been constructed. It will be for the Council to enter into a lease with the scouts. The usual provisions for snagging for defects within the first 12 months will apply and the Council will ensure that the warranties relating to the construction of the building are transferred to them (and/or the scouts as appropriate) from bdht. The lease would be a full repairing lease with the tenant having responsibility for the on-going maintenance of the building.
- 3.10 The Lingfield Walk site would remain in the Council's ownership and available for use by the scouts until the new scout hut has been completed to the Council's satisfaction and the Woodrow Lane site is transferred to the Council.

Service / Operational Implications

- 3.11 The Council in its enabling capacity works closely with RSL's to support and assist with the delivery of affordable housing to meet locally identified priorities. In doing so the council has historically used its available resources to help fund affordable housing schemes through the contribution of local authority grant and disposal of BDC land at below market value or nil capital receipt.
- 3.12 Bdht is proposing to develop 14 one bedroom flats and will use its own resources to build the affordable properties. Bdht have worked closely with the Scouts to design a suitable building to meet the Scouts needs which bdht will fund and build at an estimated cost of £200,000 (Appendix 3).

- 3.13 There is a significant need for one bedroomed affordable housing in the district with 148 with a high housing need on the Council's waiting list and over 60 households affected by the removal of the spare room subsidy.
- 3.14 In lieu of purchasing the land from the Council at full value bdht and Officers are proposing to undertake a land swap to include the provision of the new scout hut at a site in Woodrow Lane.
- 3.15 The proposal will not proceed if either development does not receive planning permission.
- 3.16 bdht will be required to construct the new scout hut and complete this prior to both the scout hut and the land being transferred to the Council. As set out at 3.9 the Council will act as landlord to the scouts who will rent the new building under a full repairing lease.
- 3.17 Discussions will take place with interested parties with a view to maximising the use of any new building within the local community, so that the wider community gets the most out of the facility created there.
- 3.18 The Scouts have provided a report and assessment (appendix 4) of the work they do in the community and some of the benefits they believe will come from this project:
- Reduction in Scout funds spent on maintenance on an ageing hut – these costs are increasing each year.
 - Safer building as the existing hut has poor lighting and missing ceiling tiles.
 - A new hut will provide a safe environment for the young members of The Scouts
 - Improved security and storage capacity
 - Improved profile of the Group within the community
 - Hygienic kitchen facility
 - Improved access
 - Fit for purpose hut - not having to make-do
 - More activity opportunities available to Beavers, Cubs and Scouts with funds saved from reduced maintenance costs
 - Hot water – something the current hut doesn't have
 - Efficient heating – current situation is two old, inefficient gas heaters
 - Significant statutory investment in the local community
 - The Scouts continue to pay a pepper corn rent to bdht allowing them to continue run the service in Catshill.

- 3.19 Officers will be involved in the development of the new scout hut to ensure on handover officers are satisfied with the property and its construction. No handover of the scout hut will be undertaken until officers are satisfied with the building.
- 3.20 This proposal has direct links to the following Council strategic purposes
- Help to find somewhere to live in my locality
 - Provide good things for me to see do & visit.
 - Help me run a successful business

Customer / Equalities and Diversity Implications

- 3.21 The disposal of the asset will assist the Council in meeting the identified housing needs of the District and assist in mitigating the impacts of Welfare Reform.
- 3.22 The development will require the use of two garage sites and therefore result in the loss of this facility for local residents.
- 3.23 The new Scout Hut will assist in the long term future of the Group and provide activities for young people in the community

4. RISK MANAGEMENT

- 4.1 There is a risk to the Authority in not enabling sufficient affordable housing supply which in turn could impact upon the Councils ability to meet housing need and its duty to homeless people and the ability to avoid the potential use of B&B.
- 4.2 The proposals will need to obtain planning permission in order for this to proceed. Bdht will be undertaking discussions with planning officers on this development.

5. APPENDICES

Appendix 1 – Council owned land – Lingfield Walk (hatched)
Appendix 2 – Site of proposed scout hut
Appendix 3 – Scout Hut design
Appendix 4 – 6th Bromsgrove Scout Group report

6. BACKGROUND PAPERS

7. KEY

AUTHOR OF REPORT

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