

REPORT TO CABINET

Open		Would any decisions proposed :			
Any especially affected Wards Burnham Market	Discretionary	Be entirely within Cabinet's powers to decide		YES	
		Need to be recommendations to Council		NO	
		Is it a Key Decision		YES	
Lead Member: Cllr Adrian Lawrence E-mail: <i>cllr.adrian.lawrence@west-norfolk.gov.uk</i>		Other Cabinet Members consulted:			
		Other Members consulted:			
Lead Officer: Matthew Henry (Assistant Director Property & Projects) E-mail: <i>matthew.henry@west-norfolk.gov.uk</i> Direct Dial:01553 616272		Other Officers consulted:			
Financial Implications YES	Policy/ Personnel Implications NO	Statutory Implications YES	Equal Impact Assessment NO If YES: Pre-screening/ Full Assessment	Risk Management Implications NO	Environmental Considerations YES

Date of meeting: 11 January 2022

ASSET MANAGEMENT : LAND AND PROPERTY DISPOSAL AT SUTTON ESTATE, BURNHAM MARKET

Summary

The Borough Council owns a parcel of land that has the potential for residential development, plus an adjacent residential property. This report sets out proposals for these sites and recommends to Cabinet that the properties are marketed for sale, and disposed, if an appropriate price is secured. The council will be seeking a purchaser/developer that will deliver the housing development in line with the planning permission secured.

Recommendation

It is recommended that:

1. the disposal of the land asset, and property, is progressed along the lines set out within this report.
2. That delegated authority is given to the Assistant Director Property & Projects to market the site, consider offers received, and finalise disposals terms for the site, and property, detailed within this report, in consultation with the Portfolio Holder Property.
3. Authority is granted to the council's Legal Services provider to progress the necessary transfer, or any other associated, documentation through to completion.

Reason for Decision

The disposal of the assets identified within this report will contribute significantly to the funding of the council's capital programme thereby helping to deliver some of its corporate objectives. In addition, the sale of this site will provide an opportunity for the private sector to invest in the local economy and deliver a number of housing units.

1.0 Background

- 1.1 During the Large Scale Voluntary Transfer (LSVT) of the council's housing stock during the mid 2000's a strategic land review was undertaken and a number of sites were retained by the council for potential sale and/or redevelopment.
- 1.2 Two sites in Burnham Market were retained and the council has successfully developed one of these sites, at Croft's Close, with two bungalows and then sold them on in the open market.
- 1.3 This report sets out proposals for the second retained site and makes a recommendation that this site is placed on the open market inviting offers from private sector developers. This approach is considered to be a low risk/high value approach.
- 1.4 The Property Services Team has added value to the site by gaining planning permission for nine (9) housing units, and it is anticipated that this site should generate significant private sector interest and potentially deliver a sizeable capital receipt.
- 1.5 In addition to the above, in order to facilitate the development, the council acquired an adjacent property (44 Sutton Estate). The acquisition of this property provided access to the potential development site, and this property is also proposed to be sold (with a revised boundary and reduced garden area).

2.0 Options Considered

- 2.1 As stated above, the council has undertaken direct development of a small site in Burnham Market previously, however, the site detailed within this report is more involved, and is of a different scale. By selling the site identified within this report the council will not need to finance the development of the houses, nor will it have to contend with the "developer risk" eg fluctuating market conditions, supply chain issues, and commodity price inflation etc.
- 2.2 In addition, although the previous development exercise was considered successful, it is possible that the eventual capital receipts generated may not have been significantly higher than if the site had been sold on the open market to a local developer. The alternative route of offering a development site for sale will have limited staff

resource implications and the capital receipts will be secured at a much earlier stage.

- 2.3 Development appraisals have been undertaken that have included estimated build costs from a firm of professional Quantity Surveyors, and market sales values and rental values have been assessed. This exercise has provided a positive value for the proposed development.
- 2.4 The council has already received an unsolicited offer for the development site from a local developer that is significantly higher than the residual value derived from the development appraisal exercises. It is therefore considered appropriate to test the market and seek offers for the development site.
- 2.5 It is recommended to Cabinet that the site is sold on the open market for development.
- 2.6 With regard to the house (44 Sutton Estate) that was acquired to provide access to the potential development site: it is proposed that this too is sold on the open market. The council could sell/transfer this site to its own housing company however owing to its location, and the strength of the local housing market, the sale of this asset will also generate a significant capital receipt.
- 2.7 It is recommended to Cabinet that number 44 Sutton Estate is sold on the open market.

3.0 The Development Site

- 3.1 The site proposed for residential development forms part of an unkempt area of land at Sutton Estate, a former local authority housing estate. The residential properties are a mix of owner occupied and Registered Social Landlord properties (note there may also be some Private Rented Sector housing – however details are unknown).
- 3.2 The site is shown edged upon the plan attached to this report. The site extends to 0.46 hectares (1.146 Ac), or thereabouts.
- 3.3 The site is generally level and is accessed via Sutton Estate an established residential area in Burnham Market. To the west of the site is open farmland.

4.0 The House - 44 Sutton Estate

- 4.1 The house comprises a two storey, three bedroom, semi-detached property located at the end of Sutton Estate with rear views to open farmland to the west.
- 4.2 The property is in fair/good condition externally however the interior requires refurbishment and updating. Some garden clearance work has been undertaken along with some improvements to boundary fencing.

- 4.3 The required land for access to the adjacent development site will be excluded from the sale of this property.

5.0 Proposed Development

- 5.1 The council has secured planning permission for the development of nine (9) two storey dwellings. The Planning Reference number is :

20/01866/F “Residential development of 9no dwellings at Land North West of 40 Sutton Estate Burnham Market King’s Lynn Norfolk”.

- 5.2 A copy of the planning Decision Notice is attached to this report for information. Full details of the proposed development can be found on the Council’s web-site.
- 5.3 The planning permission has a number of conditions, and pre-commencement conditions, and responsibility for these will fall mainly to the purchaser of the site.
- 5.4 A site plan is attached to this report, for information, that shows the proposed layout and some elevations.
- 5.5 In preparing the development site for sale the council has consulted with the local Parish Council and has also undertaken a public consultation exercise. From these consultations the council has designed the proposed development and submitted a planning application that takes into account the views expressed.
- 5.6 The council will be seeking a purchaser/developer that will deliver the proposed development in accordance with the planning permission. The council will put in place conditions on the sale agreement to protect its position on this issue.

6.0 Method of Disposal

- 6.1 It is proposed that a local Agent will be procured to undertake the marketing exercise, and to secure best and final (unconditional) offers for the development site, and for 44 Sutton Estate.
- 6.2 The Agent’s costs will be covered from the capital receipt.
- 6.3 Once best and final offers are received for the site, and number 44 Sutton Estate, these will be considered by the Assistant Director Property & Projects and the Property Portfolio Holder (Cllr Adrian Lawrence). Delegated Authority from Cabinet is requested for the Assistant Director and the Portfolio Holder to decide on which offers to accept, and then progress these offers through to legal completion. Note : it is anticipated that the two main criteria for accepting the offers will be the highest offer received, and the delivery of the development as per the planning permission.

7.0 Policy Implications

7.1 It is considered that the proposed disposal of the two assets detailed within this report fits well with the council's Corporate Business Plan :

Priority 1 - Focusing on delivery :

"ensuring the council's financial sustainability".

Priority 2 – Delivering growth in the economy and with local housing :

"promote the borough as a vibrant place in which to live, to do business and as a leading visitor and cultural destination"; and

"increase the supply of suitable housing in appropriate locations"

Priority 5 - Creating and maintaining good quality places that make a positive difference to people's lives :

"protect, promote and enhance the borough's natural and built environment"

8.0 Financial Implications

8.1 The sale of this site will potentially produce a significant capital receipt for the council. The capital receipt for this site will help to fund the council's existing capital programme, or new projects to be added to the programme.

9.0 Outcomes and Outputs

9.1 The disposal of this site will facilitate private sector investment in the local economy that will support full-time and part-time construction industry, and supply chain, job opportunities.

9.2 Generation of capital receipts by the effective rationalization of surplus Borough Council owned property assets.

9.3 Disposal of land for a value at market value.

9.4 Disposal of a housing unit (44 Sutton Estate).

9.5 Delivery of nine housing units.

10.0 Personnel Implications

10.1 The approach set out within this report requires limited staff resource, however there will be the usual input from the Property Services Team and by Legal Services.

11.0 Environmental Considerations

11.1 As part of the planning application process an Ecological Report was commissioned and Norfolk Wildlife Services provided advice and guidance, with the scope including a Preliminary Ecological Appraisal and a Preliminary Roost Assessment. The outline recommendations can be seen below, however the full report can be viewed on the Council's web-site within the documents attached to the planning case file within planning Public Access.

"The following broad recommendations for mitigation and compensation of habitat loss on site have been provided:

- *The western and southern boundary hedgerows should be retained and protected, and 'gapping up' of hedge plants on the western boundary.*
- *At least 50m of wide, double staggered native species hedgerow should be planted on site as compensation for the loss of hedgerow and scrub.*
- *Creation of a habitat area in the southwest, including the creation of a hibernaculum.*
- *All works should follow an Arboricultural Method Statement in accordance with BS5837:2012 to avoid damaging retained habitat."*

"The likelihood of reptiles being present on site was low, however the following precautionary principals should be adhered to:

- *Vegetation within the development site should be cut to 10cm height, with a subsequent cut to ground level after 48 hours with arisings removed prior to works commencing;*
- *Site clearance including the removal of stumps, turf and topsoil should avoid times when reptiles are likely to be breeding (July and August) and hibernating (November to February);*
- *Building materials stored on site should be raised off the ground on pallets away from boundaries."*

"The survey area was suitable for nesting birds. If work is proposed during the bird breeding season, the site should be checked for evidence of active nesting by a suitably qualified ecologist prior to work commencing."

"There was some potential for bat flight lines within the survey area, particularly along boundary hedgerows. Wherever possible, external lighting should be minimised following the works and any lighting used should be directional and low intensity with motion sensor triggers."

"Biodiversity enhancements have been recommended for the development through a scheme of integrated bird and bat boxes."

11.2 The properties to be developed will be required to comply with current Building Regulations.

12.0 Statutory Considerations

12.1 Under Section 123: Local Government Act 1972 local authorities are required to gain “best consideration” from disposal of property assets. It is proposed to procure an external agent that will then test the market. This process should facilitate the council securing “best consideration” in the sale of this asset.

13.0 Equality Impact Assessment (EIA)

13.1 Considered to have a “neutral” impact.

14.0 Risk Management Implications

14.1 The Borough Council’s capital receipts targets have been adversely affected by previous downturns in the economy and more recently Covid-19.

14.2 This proposal will make a significant contribution to the council’s capital receipts and ultimately to the delivery of the Council’s Capital Programme.

14.3 By selling the site rather than undertaking its development this reduces the council’s exposure to risk. Developing sites can be risky owing to a multitude of issues.

15.0 Declarations of Interest / Dispensations Granted

15.1 None

16.0 Background Papers

16.1 Planning Permission **20/01866/F** “Residential development of 9no dwellings at Land North West of 40 Sutton Estate Burnham Market King’s Lynn Norfolk”.

16.2 Supporting documentation and reports required for the planning application process.

16.3 All documentation relating to 16.1 and 16.2, above, can be found on the borough council’s web-site.

Pre-Screening Equality Impact Assessment

Borough Council of
King's Lynn & West Norfolk



Name of policy/service/function	Asset Management : Land and Property Disposal at Sutton Estate, Burnham Market				
Is this a new or existing policy/service/function?	Existing				
<p>Brief summary/description of the main aims of the policy/service/function being screened.</p> <p>Please state if this policy/service is rigidly constrained by statutory obligations</p>	Proposed disposal of land and property in order to generate capital receipts.				
Question	Answer				
<p>1. Is there any reason to believe that the policy/service/function could have a specific impact on people from one or more of the following groups according to their different protected characteristic, for example, because they have particular needs, experiences, issues or priorities or in terms of ability to access the service?</p> <p>Please tick the relevant box for each group.</p> <p>NB. Equality neutral means no negative impact on any group.</p>		Positive	Negative	Neutral	Unsure
	Age			√	
	Disability			√	
	Gender			√	
	Gender Re-assignment			√	
	Marriage/civil partnership			√	
	Pregnancy & maternity			√	
	Race			√	
	Religion or belief			√	
	Sexual orientation			√	
	Other (eg low income)			√	

