

PORTFOLIO: HOUSING AND FINANCE & SUPPORT**CABINET – 3 MARCH 2004****DISPOSAL OF LAND AT GARAGE SITE, WARNES LANE,
BURLEY****1. INTRODUCTION**

- 1.1 The purpose of this report is to note the decision of the Director of Resources taken as a matter of urgency to agree the disposal of land at Warnes Lane, Burley to New Forest Villages Housing Association (NFVHA).
- 1.2 The proposal is to develop 7 affordable homes that would be allocated to applicants from the Council's Homesearch register.
- 1.3 There is a very tight timescale for this scheme. The deadline for the Housing Association to draw on grant funding is 10 March 2004.
- 1.4 Where a decision is urgently required, the Director of Resources, in consultation with the Chief Executive, the Cabinet, the Portfolio Holder and the Chairman of the appropriate Review Panel may authorise approval. Due to the urgency of this matter the Director of Resources utilised his powers under Financial Regulation 2.4 and agreed to the disposal of this land.

2. BACKGROUND

- 2.1 New Forest District Council owns the land currently occupied by garages and parking spaces (plan attached). There are 7 garages on the site, 3 are let and the remaining garages are vacant. There is a block of 17 garages nearby in Meadow Close.
- 2.2 Three former garage users have recently requested a transfer to rent garages in Meadow Close. One of these residents wishes to retain a garage at Warnes Lane until a decision has been made on development.
- 2.3 It is proposed to offer alternative garages in Meadow Close to the remaining local existing user subject to vacancies. The other garage is rented to a resident who lives outside Burley.
- 2.4 A planning application for this proposal has recently been submitted. The site lies within the defined New Forest Village of Burley; as such policy NF-H8 of the New Forest Local Plan permits affordable housing schemes for local needs. This would need to be secured through a Section 106 Agreement.
- 2.5 The site also lies within the Burley Conservation Area where the design and layout of the scheme would be critical to its success. The current scheme has been the subject of lengthy negotiations, which have addressed the issues raised in order that the development would respect the character of the area.

2.6 Burley has a high number of households on the Council's Homesearch Register (currently 26 households). The properties will be allocated to applicants on the Council's Homesearch register with a local connection with Burley.

3. FINANCIAL IMPLICATIONS

3.1 Housing Corporation grant totalling £403,695 has been awarded for 2003/4 to develop this scheme.

3.2 The sale of the land will generate a capital receipt for the Council. The value of the site is estimated at £40,000.

3.3 Further financial details are set out in Section 4 below.

4 OPTIONS

4.1 There are a couple of options for this site that are set out below.

Disposal Option	Benefits	Costs
<p>1. 7 Affordable Dwellings</p>	<p>7 units of affordable housing would be provided.</p> <p>This would generate a capital receipt of £40,000.</p> <p>The Housing Corporation has allocated £403,695 for this scheme.</p> <p>Subject to planning there is certainty over delivery.</p>	<p>Loss of garage rental income.</p>
<p>2. Do nothing</p>	<p>Income received from garage rental.</p>	<p>Loss of Housing Corporation funding £ 403,695 and capital receipt £40,000.</p> <p>The opportunity to provide affordable housing on the site would be lost.</p>

5. ENVIRONMENTAL IMPLICATIONS

5.1 The local planning authority will assess the impact of the development through the planning process.

6. CRIME AND DISORDER IMPLICATIONS

6.1 None arising directly as a result of this report.

7. CONSULTATIONS

- 7.1 Officers from NFVHA, the Council and the Rural Housing Enabler have met with Burley Parish Council to discuss the proposals. They are supportive of the proposals.
- 7.2 The Portfolio Holder for Housing agrees the recommendation; there is a pressing demand for affordable housing in Burley. This proposal would go some way towards meeting that need.

8. CONSIDERATIONS

- 8.1 The proposed schemes will make a valuable contribution towards meeting local housing needs and provide housing for households on the Homesearch register.
- 8.2 The loss of garages on the site balanced with the replacement parking proposed for existing users.
- 8.3 The sale of the land will generate a capital receipt for the Council.

9 CONCLUSIONS

- 9.1 Given the priority attached to the provision of affordable housing disposal option 1(section 4) is recommended.

10 RECOMMENDATIONS

It is recommended that the decision of the Director of Resources made in accordance with Financial Regulation 2.4, as set out below be noted:

- 10.1 The land at Warnes Lane is transferred freehold to NFVHA for £40,000;
- 10.2 The transfer is subject to planning consent being granted to NFVHA to develop the site for affordable housing and subject to an overage clause claiming back an uplift in value should planning restrictions for the site be lifted in the future; and
- 10.2 The capital receipt received, £40,000, be recycled to fund affordable homes.

Further information:

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Background Papers:

Warnes Lane
file (contains some exempt
information.)

APPENDIX 1



