PORTFOLIOS: FINANCE & EFFICIENCY
HOUSING & COMMUNITIES

ACQUISITION OF LAND AT STOCKLANDS, CALMORE DRIVE, CALMORE, TOTTON (FROM HAMPSHIRE COUNTY COUNCIL).

DISPOSAL OF LAND & BUILDINGS AT CRANLEIGH PADDOCK, CALPE AVENUE, LYNDHURST (TO HAMPSHIRE COUNTY COUNCIL).

1. INTRODUCTION

- 1.1 This report provides information concerning a proposal to exchange land ownerships in the above properties with Hampshire County Council. The proposal is that New Forest District Council will acquire the freehold interest in Stocklands from Hampshire County Council and that County Council will acquire the freehold interest in Cranleigh Paddock from this Council, with a balancing payment to reflect the difference in value of the two properties upon completion.
- 1.2 The proposed land exchange is motivated by this Council's desire to acquire sites for the provision of new Council homes in the district and the County Council's desire to acquire contiguous land and buildings at Cranleigh Paddock, with which some utilities are shared.

2. BACKGROUND AND SITE VALUES

- 2.1 The annexed site plan of Cranleigh Paddock shows the land and buildings to be transferred to the County Council shaded pink and the County Council's current holding coloured mauve. The annexed site plan of Stocklands shows the area to be acquired edged red.
- 2.2 Following discussions between this Council's Executive Management Team, our Estates and Valuations Department and the County's Estates Department it is proposed that unconditional contracts for the simultaneous sale and purchase of the respective sites will be exchanged as soon as possible, with completion taking place late summer / early autumn 2016. Both properties will be sold with vacant possession. There may be some potential for this Council to continue to use Cranleigh Paddock for a short term after the property has been sold.
- 2.3 It is proposed that the transactions will be effected at Market Value in accordance with the advice provided by the respective Valuation sections. A balancing sum will paid upon completion of the land transfers in order to reflect the difference in value between the two properties. Each party will bear their own transaction costs.
- 2.4 A preliminary layout plan for the site of Stocklands has been prepared and illustrates that there is potential for the development of 20 council homes, comprising flats and houses. This will be submitted as a planning application shortly.

3. THE SITES

3.1 Stocklands

The land is relatively level, although of slightly irregular shape, and has a gross area of approximately 0.5855 hectares (1.446 acres) with existing access to Calmore Drive, shared with the County Council's adjacent Clifford Centre (situated to the SE corner of the Stocklands site). The access road will need to be brought up to an adoptable standard by this Council as part of the proposed development.

The existing buildings (a former 1970's elderly person's residential home for 50 residents) will be demolished to slab level the County Council prior to completion of the land transfers. The demolition is proposed to take place during the school summer holidays this year in order to avoid disruption to the services provided from the County Council's Clifford education centre. There will be a condition in the contract requiring the County Council to undertake the demolition and clearance works prior to completion at their own expense and to this Council's reasonable satisfaction. The County Council will be responsible for procuring the demolition works and securing whatever permissions are necessary.

According to a Ground Investigation Report prepared for the County Council in 2015, it is understood that the proposed new development will require strengthened foundations to take into account geology and the proximity of trees. An allowance has been made for this when considering site valuation, however, it will not be possible to accurately assess the amount of additional construction costs until there is a final layout for the proposed development to inform the design of the foundations. It is not considered that additional investigative work can usefully be undertaken at this stage. It is also noted that the site is positioned within a low risk Flood Zone (Level 1).

3.2 Cranleigh Paddock

This Council's property occupies a site of approximately 0.43 Hectares (1.06 acres), with access from Calpe Avenue. The buildings comprise16 bed-sit units and 2 single bedroom flats which have been used for older-person's accommodation for persons aged over the age of 55 (more recently, the units have mainly been utilised as temporary accommodation). The current occupants will be appropriately re-housed in alternative accommodation.

4. PLANNING

4.1 Stocklands

This Council's adopted Local Development Framework (Local Plan Part 2: Sites and Development Management) has identified this site as being suitable for residential development (policy TOT7). Planning permission will be required prior to development of the site. In view of the allocation in this Council's Core Strategy, it is not proposed that the purchase will be subject to the grant of planning permission.

Additional planning policies relate to the provision of on-site play space, affordable housing (40%) and the preservation of existing mature trees. There is also liability for the Community Infrastructure Levy and Habitat mitigation, for which allowance has been made when considering the site value. The level of financial and on-site planning obligations will vary depending upon the final details of the proposed development and will therefore be assessed at a later date.

4.2 Cranleigh Paddock

The sale will not be subject to any grant of planning permission.

5. LEGAL RESTRICTIONS AND PROCEDURE

- 5.1 The Stocklands site is subject to minor restrictions including fencing and building lines as well as a sewer line running alongside the southern boundary. These have no bearing on the redevelopment potential of the site.
- 5.2 The County Council's Executive decision to proceed with the proposed transactions was made on 26th January 2016.
- 5.3 Following receipt of Council Approvals from this Council and the County Council, it is proposed that contracts are exchanged (without deposit) simultaneously and unconditionally as soon as practically possible. Completion will be delayed until the demolition of Stocklands has been undertaken (September / October 2016).

6. FINANCIAL IMPLICATIONS

- 6.1 The Cranleigh Paddock site was acquired for housing by this Council in1980. Land held by a local authority for the provision of housing requires the Secretary of State's consent to any disposal. The Housing Act 1985 (and related legislation) permits the Secretary of State to issue general consents for housing land disposals by local authorities and the latest is the General Housing Consents 2013. Paragraph A3.1.1 of the General Housing Consents 2013 permits a local authority to dispose of housing land for a consideration equal to its market value (subject to certain exclusions which do not apply in this case).
- 6.2 The values agreed have been assessed by this Council's and the County Council's Estates and Valuations Departments and are considered to represent current Market Value.

7. OPPORTUNITIES, RISKS AND CONDITIONS

- 7.1 The proposal enables this Council to secure the Stocklands site for Affordable Housing at an early date.
- 7.2 Although the Cranleigh Paddock property has not been marketed through conventional means it is considered that the County Council are best placed to proceed without delay given their ownership of the adjoining land and existing operations. The land swap scenario therefore works in favour of both parties.
- 7.3 There is a degree of planning risk as the proposal is to purchase the Stocklands site prior to the grant of residential planning permission. However, the site has been allocated for residential use in the adopted local plan which removes the majority of this risk and preliminary advice has already been sought from this Council's planning department.
- 7.4 The risk generally associated with property development is never completely avoidable; however, any known risks have been taken into account within the negotiated land prices. It can therefore be considered reasonable to proceed in view of the short supply of other suitable development sites within the context of the Council's clear objectives relating to meeting housing need.

8. CONSULTATION

8.1 The proposal has been considered by the Executive Management Team o and the Affordable Housing Project Board comprising officers and members and has their support.

9. ENVIRONMENTAL AND ECOLOGICAL IMPLICATIONS

9.1 Development of the Stocklands site will entail clearing the existing disused building. Any ecological matters (for example, bat roosting) will be re-addressed by the County Council prior to demolition but are not expected to cause delays. The County Council has also arranged for their ecological report to be broadened to enable it to be used to accompany this Council's proposed future planning application.

10. CRIME AND DISORDER IMPLICATION

10.1 There are no existing Crime and Disorder Implications arising from this report. Appropriate site security measures will be put in place to protect the site going forward.

11. EQUALITY AND DIVERSITY IMPLICATIONS

11.1 There are no Equality and Diversity implications arising from this report. The County Council has confirmed that the proposed new residential development of the Stocklands site is not expected to impact upon the continued operation of their adjacent Clifford Centre (Primary behavioural support unit). However, during the construction period it will be necessary to ensure that the shared access road that will serve the new development and the Clifford Centre car park is not blocked during peak drop off and pick up times.

12. PORTFOLIO HOLDER'S COMMENTS

Cllr J Cleary (Housing and Communities) - This deal makes sense – the County Council will benefit from the land we currently own, and in turn our ownership of Stocklands will make it possible for us to continue our drive to provide more homes in the area and our work towards meeting local housing need.

Cllr J D Heron (Finance and Efficiency) – I am pleased to see that this project is progressing and will provide additional housing for the benefit of local people.

13. CONCLUSION

13.1 The proposed land exchange will secure the Council's ability to continue in working towards meeting local housing need.

14. RECOMMENDATION

- 14.1 That the Cabinet declares Cranleigh Paddock as being surplus to requirements; and
- 14.2 That an Executive Head and/or Chief Executive in consultation with the Portfolio Holders for Finance and Efficiency and Housing and Communities be authorised to finalise the terms and to enter into all necessary contracts to complete the sale of the Council's land at Cranleigh Paddock to Hampshire County Council and the acquisition of Stocklands from the County Council in accordance with the principles set out in this report.

Appendices

Appendix 1 – Site Plans (for identification purposes only)

Further information	Background Papers
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