



REPORT OF:	HEAD OF PROPERTY
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TO:	EXECUTIVE
DATE:	3 DECEMBER 2015
EXECUTIVE MEMBER:	COUNCILLOR NATALIE BRAMHALL

KEY DECISION REQUIRED:	YES
WARD (S) AFFECTED:	PRESTON

SUBJECT:	DISPOSAL OF LAND OFF MEREFIELD GARDENS, TADWORTH, ADJACENT TO FORMER DE BURGH SCHOOL PLAYING FIELDS SITE
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RECOMMENDATIONS:

- (i) That the land shown edged red on the plan attached at Annex 1 to this report, be approved for disposal to London Square Developments Ltd in accordance with the heads of terms set out in Annex 2 to the exempt report in Part 2 of the agenda; and
- (ii) That authorisation be given to the Head of Property in consultation with the Leader, Deputy Leader and Executive Members for Property and Regeneration and Finance to:
 - a. agree final terms for the sale and to finalise, agree and sign contracts; and
 - b. deal with any open space disposal objections.

REASONS FOR RECOMMENDATIONS:

Preston is one of the principal regeneration areas in the Borough; the delivery of new housing is a critical element in achieving regeneration of the area, and this site is to be sold for residential development.

S106 contributions arising from development of the larger site will also contribute to regeneration of the area.

EXECUTIVE SUMMARY:

The site is adjacent to Surrey County Council's former De Burgh school playing fields site and the two sites have been jointly marketed for both Councils by external agents Knight Frank.

The site has been marketed with the benefit of a resolution to grant outline planning permission for residential development.

The marketing process and terms of the disposal satisfy the Council's obligation to obtain

best consideration in accordance with Section 123 of the Local Government Act 1972.

The disposal, along with the resulting section 106 contributions, will continue to advance the Council's regeneration objectives for Preston.

Executive has authority to approve the above recommendations.

STATUTORY POWERS

1. Section 123 of the Local Government Act 1972 places a duty on Local Authorities to dispose of land for the best consideration which can reasonably be achieved, except in specific circumstances or with the consent of the Secretary of State.
2. Section 233 of the Town & Country Planning Act 1990 confers powers on Local Authorities who are holding land for planning purposes to dispose of such land to such person, in such manner and subject to such conditions as appear to them to be expedient in order-
 - (a) to secure the best use of that or other land and any buildings or works which have been, or are to be, erected, constructed or carried out on it (whether by themselves or by any other person), or
 - (b) to secure the erection, construction or carrying out on it of any buildings or works appearing to them to be needed for the proper planning of the area of the authority.

BACKGROUND

3. Preston is one of the principal regeneration areas identified in the Council's Local Plan Core Strategy. The site is located within the regeneration area.

KEY INFORMATION

4. The site is to be sold with the benefit of a resolution to grant outline planning permission for 6 houses that was made at Planning Committee on 29th July 2015 under reference 15/00528/OUT.
5. The County Council's adjoining site has a resolution to grant outline planning permission for 180 homes under reference 13/02282/OUT.
6. Joint marketing of the site by the two Councils was recommended by the external agents as being the best method of maximising value.
7. Whilst the resolutions to grant planning permission were obtained separately, the scheme designs were prepared by the same architect to ensure a coherent overall development that maximises the use of both sites, whilst also ensuring that the respective values of the Borough Council's land and County Council's land could be determined and agreed on a transparent basis.

OPTIONS

Option 1

8. Dispose of the site for residential redevelopment to London Square Developments Ltd. **This is the recommended option**, as it will generate a capital receipt and further the Council's regeneration objectives for Preston.

Option 2

9. Develop the site directly or as part of a joint venture. **This is not the recommended option.** Direct or joint venture development of Council-owned land is a feasible option in some circumstances. However, on this occasion, the site forms a very small part of a larger development, the majority of which will not be in the Council's control. Under these circumstances it is considered that a straight disposal is the more beneficial option.

POLICY FRAMEWORK

10. Preston is identified in the Local Plan Core Strategy as a priority regeneration area and as a strategic location for growth and the allocation of development to help tackle historic deprivation and create a more sustainable community.
11. The Council has already achieved several of its principal regeneration objectives by way of the provision of the recently opened new Tadworth Leisure, Community and Youth centre, the improved facilities in the adjacent Preston Park, and the new access road linking Marbles Way and Merland Rise.
12. Regeneration is continuing with the construction of 130 new homes on former Council-owned land in the immediate vicinity of the new centre, along with other developments such as the Longfield Gardens scheme by Raven Housing Trust and the re-development of the replacement Merland Rise Church on land leased from the Council.
13. Disposal of the De Burgh sites will deliver the majority of the remaining housing that are estimated in the Core Strategy for the Preston area.
14. The disposal will also support the Council's financial sustainability objectives as set out in the 5 Year Plan 2015-2020.

LEGAL IMPLICATIONS

15. The Council's obligation to obtain best consideration in accordance with Section 123 of the Local Government Act 1972, as referred to in paragraph 1 above, will be ensured as a result of the marketing of the site with the benefit of a resolution to grant outline planning permission, the bidding process and contractual terms that provide for further payments to the Council in the event of additional value being achieved from onward sale or development of the site. Knight Frank will provide a valuer's certificate under section 123 to certify that the process and recommended disposal meets the statutory criteria.
16. The site was appropriated by the Council for planning purposes at Executive on 16 April 2014, where full reasoning for the appropriation and proposed development was given. As the land is for planning purposes it can be disposed of for development by virtue of Section 233 of the Town & Country Planning Act 1990.
17. Section 233(4) prescribes that, when land that forms part of an 'open space' held by the Council for planning purposes is considered for disposal, the Council must first advertise its intention for two consecutive weeks. This process allows for the submission of objections and for dealing with the consideration of these objections.
18. Such advertisements took place in the Surrey Mirror on 29 October and 5 November 2015. The deadline for objections to be received was 20 November.

19. No objections had been received at the date of preparing this report. However, if any valid objections are received, it is proposed that delegated authority is given to the Head of Property to deal with these in the most effective way possible. If the objections cannot be resolved by the Head of Property then the matter may be referred back to Executive.

FINANCIAL IMPLICATIONS

20. Financial implications are set out in the exempt report in Part 2 of the agenda.

EQUALITIES IMPLICATIONS

21. There are no equalities implications arising from this proposal.

RISK MANAGEMENT CONSIDERATIONS

22. There are no significant risks for the Council.

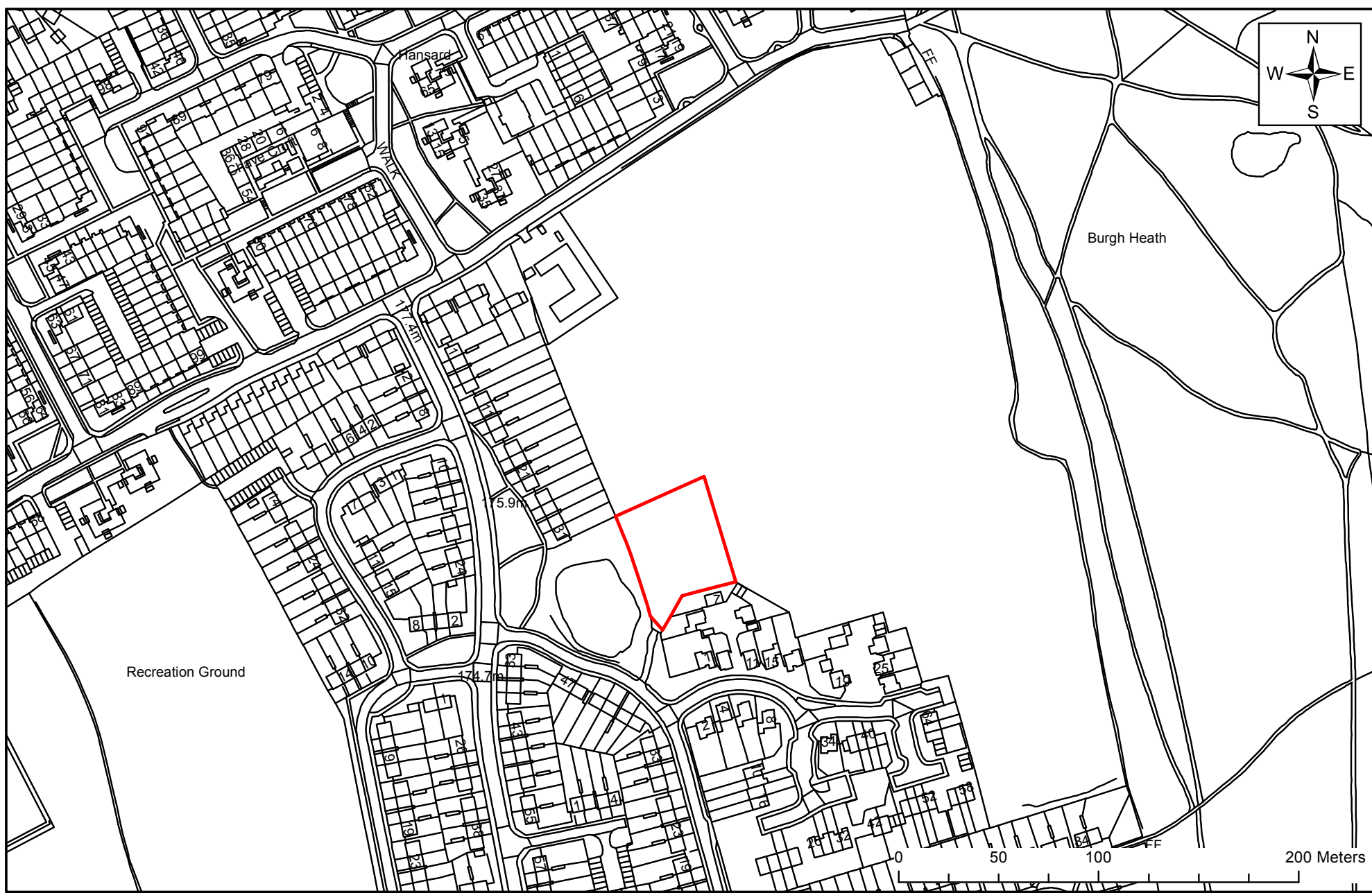
CONSULTATION

23. The Portfolio Holder for Property & Regeneration has been consulted regarding these proposals.

Background Papers:

1. Local Plan: Core Strategy
http://www.reigate-banstead.gov.uk/downloads/download/22/adopted_core_strategy_july_2014
2. Preston Planning Framework http://www.reigate-banstead.gov.uk/download/downloads/id/130/planning_framework.pdf
3. 5 year plan 2015-2020
http://www.reigate-banstead.gov.uk/info/20205/plans_and_policies/280/our_5_year_plan

Executive 3 December 2015



Land off Merefield Gardens, Tadworth

Scale: 1:2,500

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