

RECORD OF DECISION MADE UNDER DELEGATED AUTHORITY

PART 1 – PUBLIC DOCUMENT

Any interest to declare/or conflict and any dispensation granted: not applicable

SERVICE DIRECTORATE: Commercial

1. DECISION TAKEN

To approve disposal of North Hertfordshire District Council's (NHDC's) freehold interest in land adjacent to Ivel Court, Radburn Way, Letchworth Garden City.

2. DECISION TAKER

Ian Couper, Service Director – Resources for NHDC.

3. DATE DECISION TAKEN:

30th April 2019

4. REASON FOR DECISION

- 4.1 To release surplus property to provide a financial receipt to help fund the capital programme.
- 4.2 To enable the development of new housing in North Hertfordshire.

5. ALTERNATIVE OPTIONS CONSIDERED

- 5.1 Retaining the land as informal open space and parking.

6. CONSULTATION (INCLUDING THE EFFECT ON STAKEHOLDERS, PARTNERS AND THE PUBLIC)

- 6.1 Cabinet was consulted on the proposed disposal on 24th June 2014.
- 6.2 Consultation with the relevant Ward Members and Letchworth Committee was conducted following the Cabinet consultation.
- 6.3 North Hertfordshire Homes (now Settle) were consulted prior to Cabinet.

7. RELEVANT CONSIDERATIONS

- 7.1 The land shaded green in Appendix A, measuring approximately 0.56 acres, was placed on the open market with GVA (now Avison Young) in February 2018 and marketed by informal tender. GVA/Avison Young is an external property agent with national coverage. Appendix B shows the marketing particulars.
- 7.2 Tenders were received. All tenders, apart from one, were subject to planning.
- 7.3 NHDC then proceeded to best and final bids. Again all bids were subject to planning.

- 7.4 Advised by GVA, the optimum best and final bid was selected. This bid was subject to planning.
- 7.5 Negotiations were later undertaken with the selected bidder.
- 7.6 Again advised by GVA, the selected bid is considered to represent the best financial consideration reasonably obtainable. Reasons for this, as confirmed by Avison Young, include:
- 7.6.1 When the site was marketed in spring 2018, the selected bidder submitted the highest tender by some margin.
- 7.6.2 The site has been fully exposed to the market within the last 12 months and current market conditions do not suggest NHDC would receive a higher offer.
- 7.7 Subject to planning, the disposal of the land will create wider regenerative benefits for Letchworth Garden City. Most notably, the proposed residential development will provide additional private and affordable housing, and inject a new source of potential custom for the nearby shops and community centre at Ivel Court.

8. LEGAL IMPLICATIONS

- 8.1 The land was declared as surplus by Cabinet on 22nd March 2011.
- 8.2 A report was presented to Cabinet on 24th June 2014 by the Portfolio Holder for Finance and IT. Cabinet resolved:
- 1) That, after receipt of the offers and on noting the advice of externally appointed property agents, authority be delegated to the Strategic Director of Finance, Policy and Governance, in consultation with the Portfolio Holder for Finance and IT, to agree the terms of the sale contract, including the net sale price, subject to the net offer being the best consideration.*
- 8.3 It should be noted there is no longer a Strategic Director of Finance, Policy and Governance role within NHDC. This is superseded by the role of Service Director – Resources.

9. FINANCIAL IMPLICATIONS

- 9.1 Subject to planning permission being granted, the disposal will produce a capital receipt for NHDC to assist in funding NHDC's capital investment programme.
- 9.2 Assuming the number of units proposed by the selected bidder are built, this will provide a New Homes Bonus sum to NHDC over 4 years based on current New Homes Bonus allocations.

10. RISK IMPLICATIONS

- 10.1 The risk that planning will be refused or that it will be granted subject to conditions that the purchaser deems unacceptable. In this situation the contract would come to an end and NHDC would not receive any payment or deposit but would be free to remarket the land.
- 10.2 The risk that NHDC fails to share in any increase in site value post-disposal. This risk is mitigated as the draft heads of terms negotiated for the disposal incorporate an overage provision. The purchaser will pay NHDC a planning overage for each additional unit granted planning permission above the proposed scheme. The overage therefore protects NHDC's ability to achieve best financial consideration.

11. EQUALITIES IMPLICATIONS

11.1 The Equality Act 2010 came into force on the 1st October 2010, a major piece of legislation. The Act also created a new Public Sector Equality Duty, which came into force on the 5th April 2011. There is a General duty, described in 12.2, that public bodies must meet, underpinned by more specific duties which are designed to help meet them.

11.2 In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.

11.3 This land is offering potential for new housing that will benefit the wider community. Amongst the community there may be those who exhibit a protected characteristic. The proposed sale of this land has potential positive equality implications for the community. If Section 106 criteria are applied to the sale, then this could further provide benefits to the wider Letchworth Garden City community.

12. SOCIAL VALUE IMPLICATIONS

12.1 The Social Value Act and "go local" policy do not apply to this decision.

13. HUMAN RESOURCE IMPLICATIONS

13.1 No Human Resource implications are foreseen.

14. BACKGROUND PAPERS

14.1 None.

15. NOTIFICATION DATE

Date sent to all Members, put on website and appears in MIS - Committee and Member Services will insert

16 APPENDICES

16.1 Appendix A: Site plan.

16.2 Appendix B: Marketing particulars.

Signature of Executive Member Consulted

Date

Signature of Decision Taker

Please Note: that *unless urgency provisions apply* EXECUTIVE decisions cannot be implemented until 5 clear working days have elapsed after the decision has been taken to allow for scrutiny call-in.

Call-in does not apply to NON-EXECUTIVE DECISIONS

NORTH HERTFORDSHIRE DISTRICT COUNCIL



Land adjoining Ivel Court, Letchworth Garden City, Hertfordshire SG6 2NL



Scale: 1:500
Date: 25:09:17

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GVAS 4706



For Sale Development Opportunity

On behalf of North Hertfordshire District Council
February 2018

Land adjoining Ivel Court, Radburn Way, Letchworth, Hertfordshire, SG6 2NL

- Residential development opportunity, subject to gaining the necessary consent
- Site area approximately 0.23 hectares (0.56 acres)
- Freehold interest for sale via informal tender
- Subject to planning offers invited
- Bid deadline 12 noon Wednesday 14th March



Location

The site is located approximately 2km south east of Letchworth town centre and approximately 3.5km south west of Baldock town centre.

The site benefits from existing vehicular access to the south, via Radburn Way. Radburn Way runs west to east directly south of the site and connects to Letchworth Gate (A505) which crosses, and has access to, Junction 9 of the A1(M). Junction 9 of the A1(M) is located approximately 1.5km to the south of the site.

The site comprises an area of land which is approximately 0.56 acres and is bound to the south by Radburn Way, to the north by Jackman's Community Centre, to the west by a residential care home and to the east by the pedestrian access to the Jackman's Community Centre and Ivel Court.

Description

The site itself comprises a hard surfaced area, currently used as a car park in addition to two grassland areas separated by the tarmac access from Radburn Way to the car park. One of the grassland areas (towards the east of the site) is framed by shrubs and plants and the other (towards the west of the site) comprises a group of approximately 15 trees.



Planning

The site is located within the administrative boundary of North Hertfordshire District Council.

The site is previously developed land and the effective re-use of brownfield land is in accordance with the National Planning Policy Framework (NPPF).

There are no adopted or emerging planning policies that specifically protect against the loss of existing car parking spaces, nonetheless this will be a key planning issue that will need to be satisfied in order to justify redevelopment.

Should the policies associated with the loss of the existing use can be satisfied, the site would be suited to a mix of uses including residential, town centre uses (of an appropriate scale) and community uses.

A Planning Briefing note can be downloaded from the GVA website.

Title

The site is held freehold by North Hertfordshire District Council under title number HD484992. Title documents can be downloaded from the website and purchasers should rely on their own enquiries in relation to title matters.

Viewings

The site is self accessible for viewings.



VAT

We understand that the site has not been elected for VAT.

Terms

A copy of the draft conditional contract is also available as part of the marketing pack from the GVA website.

We are seeking subject to planning offers via informal tender.

All bids should be submitted on a specific bid proforma available from GVA upon request and emailed to james.warner@gva.co.uk by **12 noon Wednesday 14th March 2018**.

For further information please visit www.gva.co.uk/13783

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