

Agenda Item IMD2

INDIVIDUAL EXECUTIVE MEMBER DECISION

REFERENCE IMD: 2023/02

TITLE	Sale of Land near St Sebastian's Close
DECISION TO BE MADE BY	Leader of the Council and Executive Member for Business and Economic Development- Clive Jones
DATE, MEETING ROOM and TIME	6 February 2023 LGF6 at 2 pm
WARD	Wokingham Without;
DIRECTOR / KEY OFFICER	Deputy Chief Executive - Graham Ebers

PURPOSE OF REPORT (Inc Strategic Outcomes)

The report is to seek approval to a proposed freehold disposal of land.

The sale will generate a capital receipt and relieve the Council of a management and maintenance liability of hard to sell land.

The receipt generated can be used towards the Council's strategic objectives.

RECOMMENDATION

That the Leader of the Council and Executive Member for Business Development grant approval for the heads of terms included in the part 2 report for the sale of land off St Sebastian's Close, Wokingham.

SUMMARY OF REPORT

Wokingham Borough Council owns some land off St Sebastian's Close and to the rear of Grove Cottages, which is landlocked and is currently vacant. Two adjoining owners have approached the Council with a request that the Council's land is combined with theirs in order to construct a small residential development on the site, subject to the receipt of planning consent.

Heads of terms have been discussed which are included in Appendix B, part 2 papers, and are recommended for approval.

The disposal will generate a windfall capital receipt, in the range of £150,000 to £500,000, and put the land to beneficial use.

Background

The Council owns some land to the rear of Grove Cottages and off St Sebastian's Close, which is shown edged blue on the plan in appendix A. The plots of land edged orange and red are owned by two different parties. The owner of the orange land also owns the access road leading to the site. The Council's land has no rights of access over the adjoining land and it is effectively landlocked.

The owners of the red and orange land have asked whether the Council would be willing to include its land into a scheme to redevelop the combined site for a small residential development.

Heads of terms have been provisionally agreed which are included as Appendix B.

A valuation has been undertaken which is included as Appendix C which demonstrates that the proposed sale price is fair.

Business Case (including Analysis of Issues)

The disposal of the land provides the Council with the opportunity to achieve a capital receipt from an otherwise underused piece of land with limited options for an alternative use. If the land is not sold the Council retains a piece of land as a potential management and maintenance liability.

The disposal depends upon the developer obtaining planning consent and there is a risk this may not be achieved.

FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

The Council faces unprecedented financial pressures as a result of; the longer term impact of the COVID-19 crisis, Brexit, the war in Ukraine and the general economic climate of rising prices and the increasing cost of debt. It is therefore imperative that Council resources are optimised and are focused on the vulnerable and on its highest priorities.

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial Year (Year 1)	Nil	Yes – costs are staff time	R for Staff time, C for receipt
Next Financial Year (Year 2)	Nil	Yes – costs are staff time	R for Staff time, C for receipt
Following Financial Year (Year 3)	Nil	Nil	R for Staff time, C for receipt

Other financial information relevant to the Recommendation/Decision

The disposal will generate a capital receipt, in the range of £150,000 to £500,000.

Cross-Council Implications
The redevelopment will provide additional housing for sale on the open market and provide some council tax revenue.
It will relieve the Council of a potential maintenance liability.

Public Sector Equality Duty
No protected characteristic will be affected by this decision.

SUMMARY OF CONSULTATION RESPONSES	
Director – Resources and Assets	No comment received
Monitoring Officer	No comment
Leader of the Council	No comments to make on the report

Reasons for considering the report in Part 2
The part 2 report appendices contains commercial and financially sensitive information.

List of Background Papers
N/A

Contact Amanda Dennis	Service Commercial Property
Telephone No 0118 974 6000	Email amanda.dennis@wokingham.gov.uk

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