

Name of meeting: Cabinet
Date: 22nd January 2019

Title of report: Land at Hart Street/Newsome Road, Huddersfield

Purpose of report: To seek Cabinet approval to dispose of the council's freehold reversion.

Key Decision - Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?	No
Key Decision - Is it in the Council's Forward Plan (key decisions and private reports?)	No
The Decision - Is it eligible for call in by Scrutiny?	Yes
Date signed off by <u>Strategic Director</u> & name Is it also signed off by the Service Director - Finance (S151 Officer)? Is it also signed off by the Service Director - Legal Governance and Commissioning?	Karl Battersby - 07.01.2019 Eamonn Croston - 07.01.2019 Julie Muscroft - 07.01.2019
Cabinet member portfolio	Corporate (Place, Environment and Customer Contact Services) Cllr Graham Turner

Electoral [wards](#) affected: Newsome

Ward councillors consulted: Cllr Andrew Cooper, Cllr Julie Stewart Turner, Cllr Karen Allison

Public or Private: Public

GDPR has been considered.

1.0 Summary

- 1.1 The council has received a request to purchase the freehold reversion to an area of land in Newsome which is currently subject to a long leasehold interest. The current lessee obtained outline planning permission for residential development on appeal in 2017 and has agreed to sell the leasehold interest to a developer. The developer has also requested to buy the council's freehold to the land.
- 1.2 In accordance with the current officer delegation scheme, Local Ward Members were consulted and have objected to the disposal.

2.0 Information required to take a decision

- 2.1 The land shown on the attached plan at Appendix 1 is owned by the council and subject to two 999 year leases granted in 1886 and 1930 at fixed annual rentals. The land currently contains two reservoirs with a smaller overgrown area previously used as allotments.
- 2.2 The land has the benefit of outline planning permission for the erection of 22 dwellings which was granted on appeal in August 2017 under reference 2016/91479. The outline consent reserves all matters relating to access, appearance, landscaping, layout and scale.
- 2.3 In August 2018, the council received an application from a developer to buy the council's freehold. The developer has agreed subject to contract to acquire the lessees' interest provided they can simultaneously acquire the freehold. It is their intention to submit a reserved matters application for their proposed scheme which they have indicated would be for housing that would be priced at the bottom end of the market.
- 2.4 In accordance with the current Officer delegation scheme for the disposal of land and property, Newsome Ward Members were consulted on 25th September 2018 and the following comments were received:-

Cllr Stewart-Turner

"I'm not in agreement with the selling the freehold on this land. This has been the centre of many contentious issues over many years. Local people still desire the old allotments to be returned to the community, and the old mill ponds need to be protected from development, as they form part of our local flood prevention systems. They may have outline permission for development, but there is much debate still to be had about the detail of any development."

Cllr Allison

“I completely agree with comments made by my colleague, the land in question is greatly valued by local residents with many of them wanting it returning to the community. The mill ponds play an integral part in the local flood prevention system and therefore I am not in agreement with the selling of the freehold”

No comments were received from Cllr Cooper.

Local Ward Members were further consulted on the contents of this report and the following comments were received:-

Cllr Cooper

“I am opposed to the sale of the freehold of this land. There is a Community interest in maintaining the historic mill ponds and adjacent land in the setting of the listed mill tower.”

Cllr Allison

“I agree with my colleagues comments below, I am opposed to the sale of the freehold of this land, there is so much passion amongst the community to keep the mill ponds and land as it is.”

- 2.5 In accordance with current Corporate Disposals and Acquisitions Policy, the council will generally dispose of its land and property where the disposal does not prejudice the longer term interests of the council. The leases form part of the council's commercial portfolio but being at low fixed rents they provide a limited return and are not cost effective to hold as an investment. However, disposal of similar freeholds of other land and properties to existing lessees have generated significant capital receipts in recent months through marriage value. The council's ownership of the site was not identified as having any strategic value in the Ward Review and for these reasons, there would be no policy objection to the release of the freehold for disposal.
- 2.6 The Council's Policy also states that as a general principle, and in order to support the council in the discharge of its statutory planning function, disposals will not normally be completed until planning permission is obtained. Furthermore, the policy states that the council will not be obliged to complete a disposal where an appeal has been lodged against a decision of the Local Planning Authority.
- 2.7 It is the intention of the purchasing developer to submit a reserved matters application pursuant to the extant planning permission. Such an application would be an officer decision unless there were objections from local ward members in which case the matter would be referred to the Huddersfield Area Planning Committee. The decision of Planning Committee could be appealed by the applicant in the normal way.

2.8 Local Ward Members have objected to the proposed sale on the basis that the mill ponds play an integral part in local flood prevention and should be protected from development. The flood risk and drainage report forming part of the extant planning permission demonstrate that the loss of the ponds will not increase flood risk in the area. The council's Flood Management Team have been consulted further and have confirmed that removal of the ponds and redevelopment of the site will provide an opportunity to provide a Sustainable Drainage Scheme (SUDS) which would provide a formal management system to reduce the risk of flooding to new occupants of the site and communities downstream. The removal of the ponds would also remove the small risk from sudden release of the water from a breach of the pond wall.

2.9 Local Ward Members have confirmed that the site and in particular, the area previously used as allotments is greatly valued by local residents who have aspirations for it to be returned to the community. There are no statutory allotments on the site and it is believed that this use resulted from the previous mill owner making the area available for employees to grow vegetables and mitigate food shortages during the Second World War. Given the private ownership and control of the site and the grant of outline planning permission for residential development, it appears unlikely that the land will ever be made available for community use by the current owners.

3.0 Implications for the council

3.1 Working with People

Local Ward Members have raised concerns and objections to the disposal of the council's freehold and so the matter is being brought to Cabinet for a decision as it appears from the comments received from Local Ward Members that there is a strong community feeling about the site.

3.2 Working with Partners

A disposal of the council's freehold will provide an opportunity for further Private sector investment and development of new housing.

3.3 Place Based Working

A disposal of the council's freehold will help facilitate residential development for which outline planning permission has been granted. An application for approval of reserved matters will be submitted by the purchasing developer.

3.4 Improving outcomes for children

None

3.5 Other (e.g. Legal/Financial of Human Resources)

Both leases were originally granted for private residential purposes and whilst the council's consent as landlord would be required for any new buildings, it could not be unreasonably withheld. Therefore it would be legally possible for the development to be undertaken without the purchase of the council's freehold. The Service Director – Legal Governance and Commissioning will need to undertake the work necessary to bring about a successful disposal should Cabinet approve the recommendations. The disposal will generate a capital receipt for the council.

4.0 Consultees and their opinions

4.1 Local Ward Members and the Council's Flood Management Team have been consulted and their comments have been incorporated into the report.

5.0 Next steps and timelines

5.1 If Cabinet approve the disposal of the council's freehold, officers will proceed to enter into negotiations with the purchasing developer.

6.0 Officer recommendations and reasons

6.1 It is recommended that Cabinet:-

6.2 Approves the disposal of the council's freehold interest in the land at Hart Street and Newsome Road shown on the plan attached at Appendix 1.

6.3 Delegates authority to the Strategic Director Economy and Infrastructure and Service Director Legal Governance and Commissioning to negotiate and agree terms for the disposal.

6.4 Authorises the Service Director - Legal Governance and Commissioning to enter into and execute any agreements or instruments relating to the disposal of the land.

6.5 Officers make this recommendation as the disposal of the council's freehold will generate a capital receipt underpinned by the developer's requirement for a freehold title to the site. The objections of the Local Ward Members are noted but as the report suggests, their concerns regarding flood risk are unfounded and the prospect of the site ever being made available for community use is remote.

7.0 Cabinet portfolio holder's recommendation

The Cabinet Portfolio Holder recommends that Cabinet:

7.1 Approves the disposal of the council's freehold interest in the land at Hart Street and Newsome Road shown on the plan attached at Appendix 1.

7.2 Delegates authority to the Strategic Director Economy and Infrastructure and Service Director Legal Governance and Commissioning to negotiate and agree terms for the disposal.

7.3 Authorises the Service Director – Legal Governance and Commissioning to enter into and execute any agreements or instruments relating to the disposal of the land.

8.0 Contact officer

Andrew Thompson
Disposals and Acquisitions Surveyor
andrew.thompson@kirklees.gov.uk

9.0 Background Papers and History of Decisions

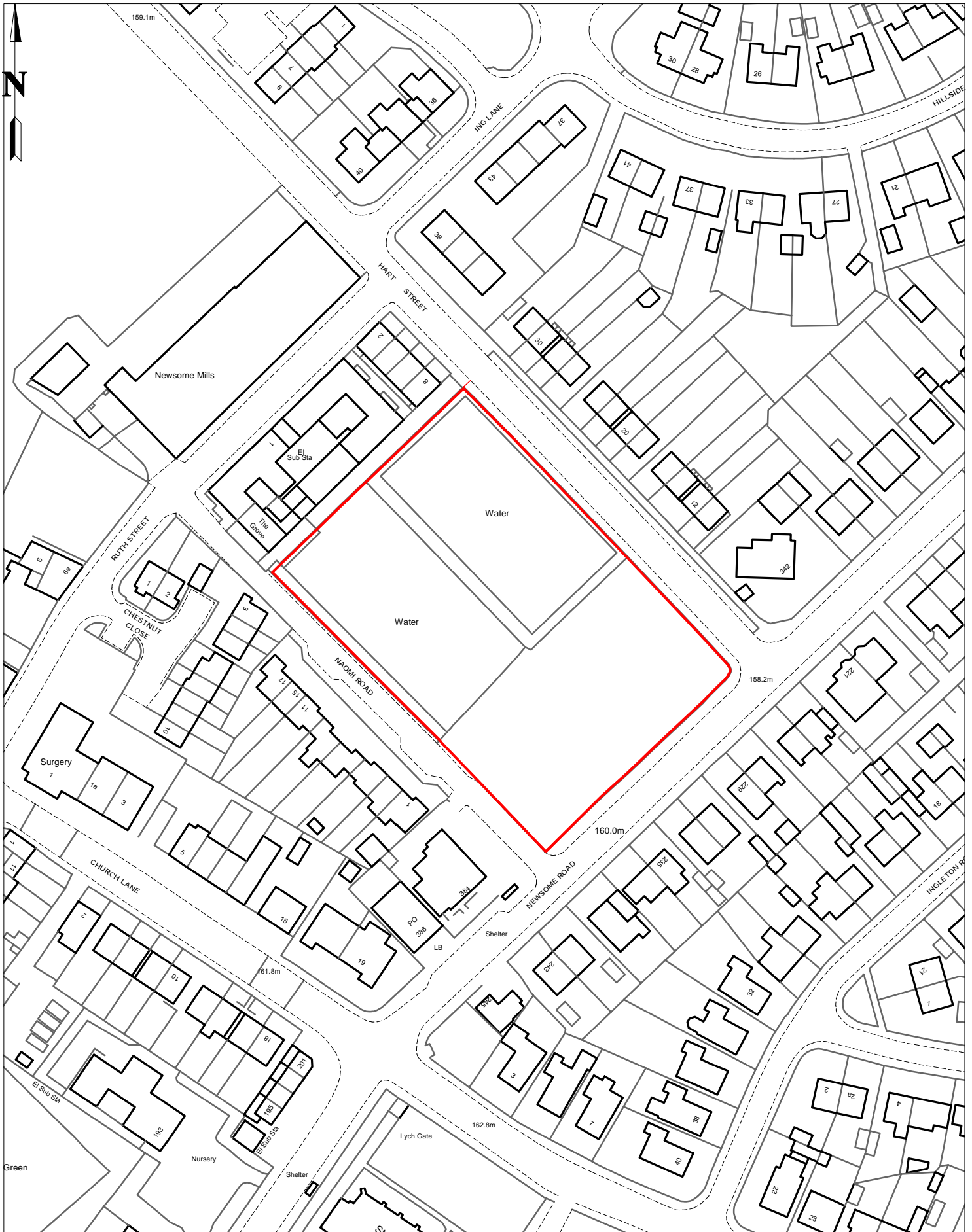
None

10.0 Service Director responsible

Joanne Bartholomew
Service Director: Commercial, Regulatory and Operational Services
joanne.bartholomew@kirklees.gov.uk
(01484 221000)

11.0 Attachments

11.1 Appendix 1 - Site plan



STRATEGIC ASSETS

Plan No: 18-0452
Scale: 1250

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