

REPORT FROM: HOUSING, HEALTH AND ECONOMIC DEVELOPMENT
SERVICES MANAGER

TO: EXECUTIVE

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DISPOSAL OF SITES FOR HOUSING

PURPOSE OF REPORT

To provide an update on progress with the housing sites that the Executive have agreed to dispose of.

RECOMMENDATIONS

The Executive is recommended to:

1. Note the progress so far on sites that have been agreed for disposal.
2. Agree that further reports are brought to the Executive providing details of progress with the disposals and suggesting further sites for disposal.

REASONS FOR RECOMMENDATIONS

1. To keep members informed of progress.
2. To dispose of sites that are no longer required.

ISSUE

1. In order to stimulate housing growth in the Borough the Council is pursuing a policy of disposing surplus sites for housing development, where that is an appropriate use for the sites. This will also increase the level of New Homes Bonus brought into the Borough, support economic growth and provide capital receipts to support the delivery of a future capital programme. Without these receipts there will be no capital funding for investment other than the Lancashire County Council contribution to Disabled Facilities Grants and prudential borrowing. In addition, disposal of sites will result in a reduction in the revenue costs of maintaining the sites.

2. In December 2011 it was agreed that various parcels of land at Bunkers Hill, Colne be disposed of to PEARL2. Phase 1 of this site was subsequently developed to provide 8 houses for Together Housing and work is underway to finalise a scheme for the Phase 2 area.
3. In June 2013 the Council agreed that the following sites be declared surplus to the Council's requirements and they be disposed of accordingly –
 - Land at end of Trent Road, Nelson
 - Land at Great House Farm, Red Lane, Colne
 - Land at Further Clough Head, Nelson
 - Land at Clitheroe Road, Brierfield

An update report on progress with these four sites was brought to the Executive on 25th March 2014 and a further report on Clitheroe Road on 28th May 2015.

4. An additional list of smaller sites was agreed for disposal by the Executive on 23rd October 2014, following consultation with the relevant Area Committees.
 - Land at Bamford Street/Tweed Street, Nelson
 - Land at Cooper Street, Nelson
 - Land at Mansfield Crescent, Brierfield
 - Land at Bold Street/Colne Lane, Colne
 - Land at Bright Street, Colne
 - Land at Hawley Street/Knotts Lane, Colne
 - Land at Thomas Street, Colne
 - White Grove Garage Site, Harrison Drive, Colne
 - Briercliffe Avenue, Colne
 - Hartley's Terrace, Colne
5. The majority of sites that have been agreed for disposal are small sites which are suitable for less than 10 houses. These can be difficult sites to make viable as they don't have the economies of scale that larger developments can have. They are particularly difficult when they are brownfield, in areas of low house values, or where services cross the site.
6. Each of the smaller sites has been looked at individually with Liberata Property Services and we have decided not to progress with the disposal of some of the sites at this stage as they are unlikely to be viable. This position will be kept under review. We have also worked with Together Housing to see if they wished to acquire any of the sites. They have shown an interest in the White Grove Garage and Briercliffe Avenue sites and we are in negotiation with them on these two sites.
7. As part of the Right to Build Vanguard programme we were required to identify suitable sites for people wishing to self-build or custom-build. The site at Bamford Street/Tweed Street is considered suitable and will be marketed as individual plots when outline planning permission has been obtained.
8. Attached at Appendix 1 is a table showing all the sites that have been agreed for disposal, the approximate number of properties that could be built on them (subject to further work on

design and viability and achieving planning permission) and the progress with each of them. It can be seen from this that achieving development is not a quick process, whether sites are to be developed by PEARL2, a Registered Provider such as Together Housing, or by the private sector. Viability and access to reasonably priced finance still create challenges.

9. We are continuing to work with Liberata to identify additional sites that the Council own that would be suitable for housing development and will bring forward further sites for disposal at an appropriate time.

IMPLICATIONS

Policy: None directly arising from this report

Financial: The sale of sites will produce a capital receipt for the Council

Legal: None directly arising from this report

Risk Management: None directly arising from this report

Health and Safety: None directly arising from this report

Sustainability: None directly arising from this report

Community Safety: None directly arising from this report

Equality and Diversity: None directly arising from this report

APPENDICES

1 – Progress with sites agreed for disposal

LIST OF BACKGROUND PAPERS

Previous reports to Executive:

14th December 2011 – Bunkers Hill

20th June 2013 – Disposal of Sites

25th March 2014 – Update Report

23rd October 2014 – Disposal of Sites

28th May 2015 – Clitheroe Road

PROGRESS WITH SITES AGREED FOR DISPOSAL

Site	Town	No. of houses (approx)	Progress
Clitheroe Road	Brierfield	46	Former HMR clearance site to be developed by PEARL2. Planning permission approved. Development Agreement being finalised. Loan funding is being sought from Homes and Communities Agency (HCA) under the Builders Finance Fund. A start on site is planned for January
Mansfield Crescent	Brierfield		A small site which is unlikely to be viable. Not being progressed at this stage
Further Clough Head	Nelson	180-200	A planning application is being drawn up and there will be public consultation before it is submitted. The method of disposal of the site is still to be agreed
Bamford St/Tweed St	Nelson	6	A planning application is being drawn up to allow the site to be disposed of for self-build (part of the Right to Build Vanguard)
Cooper St	Nelson	8	Former HMR site. Liberata are drawing up a planning application. The site is to be disposed of on the open market with outline planning permission
Trent Road	Nelson		Not viable to develop due to a sewer crossing the site
Bunkers Hill (Ph2)	Colne	17	The site will be developed by PEARL2 under an overarching Development Agreement which is already in place. Planning permission has been granted but some revisions are needed to the scheme and a new application will be submitted. There is a need to acquire some land from LCC. Funding is being sought from HCA under the Builders Finance Fund
Bright St	Colne	14	Former HMR site. We are trying to develop a viable scheme between PEARL2 and Together Housing.
Great House Farm, Red Lane	Colne	15	A previous planning application was withdrawn as requested by members. We are awaiting the outcome of The Meadows planning appeal before deciding how to progress the scheme
White Grove Garage Site	Colne	9	Together Housing are interested in the site and they will be submitting a bid to acquire it
Briercliffe Ave	Colne	3	Together Housing are interested in the site and they will be submitting a bid to acquire it
Hartleys Terrace	Colne	9	Liberata are drawing up a planning application. The site is to be disposed of on the open market with outline planning permission
Hawley St/Knotts Lane	Colne		A small site which is unlikely to be viable. Not being progressed at this stage
Bold Street/Colne Lane	Colne		A sloping site which is unlikely to be viable. Not being progressed at this stage
Thomas St Car Park	Colne		A small site which is unlikely to be viable. Not being progressed at this stage