

REPORT FROM: HOUSING, HEALTH AND ENGINEERING SERVICES
MANAGER

TO: POLICY AND RESOURCES COMMITTEE

DATE: 25TH AUGUST 2022

Report Author: Hywel Lebbon
Tel No: 01282 878939
E-mail: Hywel.lebbon@liberata.com

LAND AT RAVENSCROFT WAY, BARNOLDSWICK

PURPOSE OF REPORT

To request that this Committee accepts one of the offers submitted for the land shown edged black on the plan.

RECOMMENDATIONS

- (1) That Members consider the circumstances of the disposal and the planning constraints and accept the offer which is most likely to result in the land being developed.
- (2) It is proposed that the land be disposed of on a 125 year lease with a covenant that the land can only be used for surface development (Car Park) with no buildings.

REASONS FOR RECOMMENDATIONS

- (1) Due to issues with obtaining planning permission for erecting buildings on the site, it is more likely that planning permission would be granted for surface development (Car Parking) on the land which is the lower offer and reflects Leasehold disposal and the restricted use. A sale to the adjoining owner would bring the site into use and achieve a Capital Receipt and end liabilities.
- (2) Both offers do not reflect Freehold value, if the land is disposed of on a 125 year lease with restrictions on use then the Council would be able to control the future uses of the land and benefit from any acceptable request to vary the Use.

BACKGROUND

1. Further to the land being declared surplus in June 2016 and it being advertised four offers were submitted, and the Executive agreed at its meeting on 15th March 2018 to accept the highest offer of £100,000, subject to planning permission for a commercial unit. Detailed site investigations were carried out by the successful offeror. Due to the presence of a watercourse, drain and well on the land, the purchaser reduced his offer to £5,000 and said this was due to

the proposed Unit altering the flow of the watercourse which was not acceptable to Lancashire County Council as this would increase flood risk.

2. Due to the substantial reduction in the offer, interest was invited from the other original offerors which resulted in the offer of £18,000 from the adjoining land owner and a late offer of £24,000 has now been submitted.

3. The offer of £18,000 is to use the land as customer and staff parking for the adjoining commercial premises, and the offer at £24,000 is to purchase the freehold with the proposal to build a row of 5 small industrial units for tenant occupation.

ISSUES

4. The two offers submitted are for uses which require planning permission, but none of the parties have carried out any site investigations or made any pre-planning application enquiries with the Councils Planning Department. The offer accepted by Members when the land was first advertised was to build on the land, but did not proceed as it was not viable due to the result of site investigations. For the higher offer of £24,000 the purchaser would have the same issues which is likely to result in the land not being developed.

5. If the offer of £18,000 is accepted it is more likely the proposed use would be granted planning permission, achieve a capital receipt, and be developed. The offer of £24,000 is to buy the freehold, but both offers are considered to reflect the value if the land was disposed of on a 125 year lease. If the land was disposed of on a lease the Council would also have some control over its future uses.

IMPLICATIONS

Policy: The Council seeks to identify surplus property for inclusion in its disposal programme in order to achieve capital receipts.

Financial: A capital receipt for the Council and no further liabilities.

Legal: It is proposed that the land be sold on a 125 year lease with a restrictive covenant limiting its use.

Risk Management: On disposal of the property all risks and liabilities will cease for the Council

Health and Safety: No implications are considered to arise directly from this report.

Climate Change: No implications are considered to arise directly from this report

Community Safety: See risk management

Equality and Diversity: No implications are considered to arise directly from this report

APPENDICES

Location plan

LIST OF BACKGROUND PAPERS

None