



Coventry City Council

Cabinet Member for Jobs, Regeneration and Climate Change

Time and Date

1.00 pm on Wednesday, 20 December, 2023

Place

Diamond Rooms 1 and 2 - Council House

Public Business

1. **Apologies**

2. **Declarations of Interest**

3. **Minutes** (Pages 3 - 4)

(a) To agree the Minutes from the meeting held on 5 July, 2023

(b) Any matters arising

4. **Exclusion of Press and Public**

To consider whether to exclude the press and public for the item of private business for the reasons shown in the report.

5. **Petition - Stop the Sale of Browns Lane to Developers** (Pages 5 - 16)

Report of the Director of Property Services & Development

To consider the above petition bearing 1349 signatures. The Petition Organiser is Councillor R Simpson, a Sherbourne Ward Councillor and the Councillor sponsoring the petition is Councillor S Keough, a Bablake Ward Councillor, who have both been invited to the meeting for the consideration of this item.

6. **Disposal of Land at Deedmore Road Required for Access to Facilitate the Delivery of Affordable Housing** (Pages 17 - 28)

Report of the Director of Property Services and Development

7. **Outstanding Issues**

There are no outstanding issues.

8. **Any other items of public business which the Cabinet Member decides to take as matters of urgency because of the special circumstances involved**

Private Business

9. **Disposal of Land at Deedmore Road Required for Access to Facilitate the Delivery of Affordable Housing** (Pages 29 - 42)

Report of the Director of Property Services and Development

(Listing Officer: R Moon, email: Richard.moon@coventry.gov.uk)

10. **Any other items of private business which the Cabinet Member decides to take as matters of urgency because of the special circumstances involved**

Julie Newman, Chief Legal Officer, Council House, Coventry

12 December, 2023

Note: The person to contact about the agenda and documents for this meeting is Suzanne Bennett e mail Suzanne.bennett@coventry.gov.uk

Membership: Councillors J O'Boyle (Cabinet Member)

By invitation: Councillor R Simpson (Shadow Cabinet Member), Councillor S Keough

Public Access

Any member of the public who would like to attend the meeting in person is encouraged to contact the officer below in advance of the meeting regarding arrangements for public attendance. A guide to attending public meeting can be found here: <https://www.coventry.gov.uk/publicAttendanceMeetings>

Suzanne Bennett e mail Suzanne.bennett@coventry.gov.uk

Coventry City Council
Minutes of the Meeting of Cabinet Member for Jobs, Regeneration and Climate
Change held at 3.00 pm on Wednesday, 5 July 2023

Present: Councillor J O'Boyle (Cabinet Member)

Members:

Other Members Present: Councillor S Gray

Councillor R Simpson (Shadow Cabinet Member)

Employees (by Services Area):

Business, Investment And Culture: S Weir

Law and Governance: S Bennett, N Kapoor, J Sprayson

Public Business

6. Declarations of Interest

There were no disclosable pecuniary interests.

7. Minutes

The Minutes of the meeting held on 15 June, 2023 were agreed and signed as a true record.

There were no matters arising.

8. West Midlands Gigafactory

The Cabinet Member for Jobs, Regeneration and Climate Change considered a report of the Director of Property Services and Development and the Director of Business, Investment and Culture which indicated that the delivery of a Gigafactory, making batteries for electric cars on a mass scale, is a key national and regional priority and will be a key part of the UK's efforts to deliver the technology that can remove the UK's dependence on fossil fuels. The Council believes that Coventry and Warwickshire is well placed to be the location for a Gigafactory given its proximity to large scale automotive production throughout the west Midlands.

A Gigafactory could deliver up to 6,000 new jobs directly, as well as thousands more in the supply chain, and would lead to significant investment into the local economy. The West Midlands Combined Authority (WMCA) and the Leaders of all its constituent authorities have all agreed that Coventry Airport is the preferred regional site for a Gigafactory.

Following the entry into of the joint venture agreement with Coventry Airport Ltd (CAL) and the subsequent submission of a planning application, planning consent has now been achieved for a Gigafactory on the airport site. With planning permission secured it is necessary to continue to market the site and respond to enquiries to the widest possible range of international battery manufacturers and investors in both the automotive and non-automotive sectors, and to make the site available for such an investor as quickly as possible.

Previously a Cabinet decision in February 2021 approved £1.25m of expenditure and a Cabinet Member for Jobs, Regeneration and Climate Change report in June 2022 approved £0.5m of expenditure. The report sought approval for an additional budget of £500,000 split £250,000 in financial year 2023/24 and £250,000 in 2024/25 (which is a 50% share of required costs) to be used to continue project delivery, provide planning, quantity surveying, architectural, technical, battery specialist and power support services, power Independent Distribution Network Operator (IDNO) partner, ground investigations, detailed design of off-site highways, battery and recruitment experts and to provide ongoing PR / marketing support and enquiry responses.

The Cabinet Member noted that the report detailed necessary funding to continue to deliver the project and site readiness costs. In the event that an investor is secured there will be additional project realisation costs that will require future approvals.

RESOLVED that the Cabinet Member for Jobs, Regeneration and Climate Change:-

- 1) Approves expenditure of up to £0.5m, split £0.25m in 2023/24 and £0.25m in 2024/25 (as a 50% share with Coventry Airport Ltd) to be funded from reserves (in advance of future capital receipts) to fund the work streams required to undertake the work project activities set out in this report; and**
- 2) Endorses and affirms Council Officers endeavours to continue the current conversations with potential Global Investors who are considering Coventry Airport as the location for investing in a Gigafactory to produce batteries for the UK.**

9. Outstanding Issues

There were no outstanding issues.

10. Any Other Items of Urgent Public Business

There were no other items of urgent public business.

(Meeting closed at 3.30pm)



Cabinet Member for Jobs, Regeneration and Climate Change

20 December 2023

Name of Cabinet Member:

Cabinet Member for Jobs, Regeneration & Climate Change - Councillor J O'Boyle

Director Approving Submission of the report:

Director of Property Services & Development

Ward(s) affected: Bablake

Title:

Petition – Stop the Sale of Browns Lane to Developers.

Is this a key decision?

No

An ePetition has been received requesting the Council to stop the sale of land at Browns Lane to developers. This petition ran between 03/08/2023 to 28/09/2023 and attracted 1349 signatures.

In accordance with the City Council's procedure for dealing with petitions, those relating to these matters are heard by the Cabinet Member for Jobs and Regeneration and Climate Change. This report considers the petition and recommends that the Cabinet Member endorses the previous decision take by Cabinet in October 2018 to dispose of the site.

Recommendations:

The Cabinet Member for Jobs and Regeneration & Climate Change is recommended to:

1. Note the petitioner's concern.
2. Consider the petition and endorse the previous decision take by Cabinet in October 2018 to dispose of the site by tender.

List of Appendices included:

Appendix 1 – Cabinet Report 30th October 2018 entitled Land at Browns Lane, Coventry and plan of the site.

Other useful background papers:

None

Has it been or will it be considered by Scrutiny?

No

Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?

No

Will this report go to Council?

No

Report title: Petition – Stop the Sale of Browns Lane to Developers.

1. Context (or background)

- 1.1 The land at Browns Lane was originally reserved in part for the expansion of the Jaguar car works. The allocated site is approximately 45 acres with approximately 42 acres within the Councils ownership as shown outlined in red with adjoining land ownership hatched on the attached plan. The density in the Local Plan outlines up to 475 dwellings could potentially be developed.
- 1.2 Parts of the allocated site are within separate ownerships and discussions have been undertaken with adjoining landowners and an agreement for collaboration has been reached.
- 1.3 Planning Committee resolved to grant outline planning consent for the development of the site in August 2023 and a S106 Agreement subsequently negotiated. Once this agreement is signed then planning consent will be formalised.
- 1.4 Throughout the planning process the views of residents were considered and the planning consent will provide for a substantially less densely developed site than was anticipated under the Local Plan (345 dwelling against 475). In addition, the site also provides for a care home facility to address an identified need within the city.
- 1.5 The site is not subject to any landscape or Green Belt designation; however, it has been designed landscape led approach that is sympathetic to its surroundings, which includes a landscaping buffer to the east of the site adjoining Coundon Wedge Drive. The scheme includes provision of public open space and green infrastructure, amounting to approximately 40% of the total site area. This will be publicly accessible for the local community and will provide a green network through the residential area. There will also be biodiversity enhancements and areas of recreational space.

2. Options considered and recommended proposal.

Option 1. To endorse the decision taken by Cabinet in October 2018 and proceed with disposal of the site (Recommended).

- 2.1 The site is allocated within the Local Plan for a residential development, and following the grant of planning consent will provide up to 345 dwellings including a minimum of 25% affordable housing.
- 2.2 The housing need within Coventry is substantial and the provision of new dwellings will positively contribute to the overall housing requirement. The development of this site is acceptable in planning terms, and this is established through the Local Plan process and through the grant of outline consent. In addition, the site provides for a care home facility to address an identified need in the city.
- 2.3 For these reasons it is recommended that the Cabinet Member endorses the decision made by Cabinet in October 2018 to dispose of the site by tender.

Option 2. To retain status quo and not proceed with the sale of the site (Not Recommended)

- 2.4 This option would be contrary to the decision of Cabinet who considered this matter in full and is therefore not recommended. To refuse to dispose of the site would result in much needed housing and a care facility not being delivered and the Council failing to achieve a capital receipt.

3. Results of consultation undertaken

No consultation has been undertaken as part of this report.

4. Timetable for implementing this decision

4.1 It is anticipated that the site will be offered for sale in 2024.

5. Comments from the Chief Operating Officer (Section 151 Officer)

5.1 There are no financial implications from implementing the recommendations of this report however, a failure to sell the site would cause the Council to forgo an important capital receipt.

6. Comments from the Chief Legal Officer

6.1 There are no legal implications of the recommended proposal.

7. Other implications

7.1 How will this contribute to achievement of the <https://www.coventry.gov.uk/strategies-plans-policies/one-coventry-plan>

The recommended proposal will contribute towards the Council's One Coventry Plan objectives of delivering providing both market and affordable housing to meet the needs of residents.

7.2 How is risk being managed?

There are no risks associated with this report.

7.3 What is the impact on the organisation?

No impact

7.4 Equalities / EIA

An Equality Impact Assessment has not been undertaken as the proposal concerns the land for redevelopment and no Council led services will be impacted.

7.5 Implications for (or impact on) climate change and the environment

The impact has been considered as part of the planning process.

7.6 Implications for partner organisations?

There are no implications for any partner organisations.

Report author(s):

Name and job title:

Richard Moon, Director Property Services & Development

Directorate:

Property Services & Development

Enquiries should be directed to the above person(s).

Contributor/approver name	Title	Service Area	Date doc sent out	Date response received or approved
Contributors:				
Suzanne Bennett	Governance Services Co Ordinator	Law and Governance	01/12/23	01/12/23
Names of approvers for submission: (officers and members)				
Finance: Helen Williamson	Finance Manager	Finance	24/11/2023	29/11/2023
Legal: Oluremi Aremu	Head of Legal and Procurement Services	Law and Governance	24/11/2023	29/11/2023
Director: Richard Moon	Director of Property Services & Development	Property Services & Development	24/11/2023	04/12/2023
Members: Cllr Jim O'Boyle	Cabinet Member for Jobs, Regeneration and Climate Change		08/12/23	11/12/23

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Cabinet

30th October 2018

Name of Cabinet Member:

Cabinet Member for Jobs and Regeneration – Councillor J O'Boyle

Director Approving Submission of the report:

Deputy Chief Executive (Place_

Ward(s) affected:

Bablake

Title:

Land at Browns Lane, Coventry

Is this a key decision?

No

Executive Summary:

The Council owns the freehold of land located at Browns Lane comprising approximately 42 acres. The site has been allocated as future housing site in the adopted Local Plan.

The Local Plan evaluated the land at Browns Lane with a capacity of up to 475 dwellings.

The Coventry Local Plan was adopted by the Council on the 5th December 2017 and came into effect the following day.

It is proposed that officers instruct consultants to undertake requisite studies and to prepare and submit Outline Planning Applications for the land situated at Browns Lane. Subsequent to planning permission being granted, the site will be released for marketing and disposal by tender over the financial years between 2020-2022.

Recommendations:

Cabinet is requested to:-

- (1) Approve the undertaking of requisite studies and the preparation and submission of an outline planning application for residential development of the land at Browns Lane
- (2) Enter into negotiations with adjoining landowners for Browns Lane for a more comprehensive development (if applicable)
- (3) Approve the marketing and disposal of Browns Lane by tender
- (4) Delegate authority to the Director of Property Management & Property Services in consultation with the Cabinet Member for Jobs and Regeneration for any subsequent variation in terms.

- (5) Delegate authority to Legal Services Manager to execute all the necessary documentation for the freehold transfer of the land at Browns Lane.

List of Appendices included:

Appendix - Site Plan – Browns Lane

Background papers:

None

Other useful papers:

The Coventry Local Plan was adopted at full Council on the 5th December 2017, with adoption statements. The Local Plan can be viewed via the following link:

www.coventry.gov.uk/downloads/downloads/4881/adoption_statements

Has it been or will it be considered by Scrutiny?

No

Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?

No

Will this report go to Council?

No

Report title: Land at Browns Lane, Coventry

1. Context (or background)

Land at Browns Lane

- 1.1 The land at Browns Lane was originally reserved in part for the expansion of the Jaguar car works. The allocated site is approximately 45 acres with approximately 42 acres within the Councils ownership as shown outlined in red with adjoining land ownership hatched on the attached plan. The density in the Local Plan outlines up to 475 dwellings could potentially be developed.
- 1.2 Parts of the allocated site are within separate ownerships and discussions will be required to establish a basis for collaboration if it can be agreed, if not, a masterplan excluding these areas will need to be developed.
- 1.3 An outline planning application is required to establish the principle and density of development on the land at Browns Lane. If recommendation 1 is approved, the expectation is to commence the preparation of the outline planning applications following approval and to submit a planning application during 2019.
- 1.4 Subject to outline planning permission being granted in respect of the outline application, the site will be marketed by tender however the timing of the release of the interest is to be decided.

2. Options considered and recommended proposal

To submit an Outline Planning Application and disposal of Browns Lane

- 2.1 Subject to successful negotiations with the adjoining landowners, the Council will submit an outline planning application to establish the principle and density. Providing outline planning permission is granted, the site will be subsequently marketed, and a net capital receipt will be received subject to any deductions regarding a share of the proceeds with adjoining landowners. However, it is anticipated that the Council can develop Browns Lane independently should this be necessary.
- 2.2 By promoting the land at Browns Lane, the Council will be releasing land for the development of new housing in accordance with the Local Plan supporting the on-going growth of the City. The capital receipts will support corporate objectives.
- 2.3 **Not to proceed** – If approval is not forthcoming the Council will lose the opportunity to secure the land for future development and support housing growth for the City. In addition, there would be the loss of a possible capital receipt to support ongoing corporate objectives.
- 2.4 It is therefore recommended that the Council enters into discussions with adjoining landowners and prepares the submission of the outline planning application for Browns Lane. Subject to planning approval, the site will be marketed and disposed.

3. Results of consultation undertaken

- 3.1 Browns Lane is allocated within the new Local Plan for residential development. The new Local Plan (in its current format) was subject to numerous rounds of consultation since 2014 including detailed consideration of the site referenced within this report. The Local Plan was also subject to a period of public examination between July 2016 and January 2017. For each site, the new Local Plan feedback was provided to the Councils Scrutiny processes for information. Officers

are advised that feedback from the consultation processes in relation to this site was limited. The primary point of discussion focused on the principle of removing land from the Green Belt which was a general point throughout as opposed to this site in particular.

- 3.2 As part of any future planning applications for the site, adjoining occupiers/neighbours/stakeholders will be consulted by the Council and they will have the opportunity to make representations via the planning process.

4. Timetable for implementing this decision

- 4.1 Providing Cabinet approval is given, the preparation for the outline planning application for Browns Lane will commence with an expectation that they will be submitted during 2019. Following receipt of planning approvals, the timing of the disposal will be confirmed at a later date, but it is anticipated that the capital receipt for this site will be received by no later than 2022 (unless the receipt is phased)

5. Comments from the Director of Finance and Corporate Services

5.1 Financial implications

The sale of the site located at Browns Lane will yield a capital receipt to the Council which will contribute to the Council's Corporate resources.

Any disposal costs for this site will be met from receipts.

5.2 Legal implications

The Council is under an obligation to obtain best consideration for land and property disposal transactions in accordance with the requirements set out in Section 123 of the Local Government Act 1972.

Officers within the Place Directorate (Legal Services) will prepare and complete the necessary documentation in respect of the freehold disposal site at Browns Lane.

6. Other implications

6.1 How will this contribute to achievement of the Council's Plan?

The delivery of circa 475 new homes will help support the growth of the city and ensure that a choice of housing will be delivered to meet the needs of local people. 25% of the dwellings will be allocated as 'affordable housing'. As the land is identified as allocated housing sites, the new homes will be well integrated into existing communities & infrastructure.

The net capital receipt will contribute towards corporate resources in future financial years

6.2 How is risk being managed?

The risks have been identified earlier in the report

6.3 What is the impact on the organisation?

Officer time in the Place Directorate will be allocated to deal with the preparation of the Outline Planning application, marketing and disposal of the site and the preparation and completion of the legal sales document.

6.4 Equalities / EIA

An equality impact assessment was undertaken for the Local Plan however an EIA has not been undertaken by officers for the proposal set out in this report as it relates to the granting of or the creation of a legal interest in the land and does not constitute a change in service delivery policy or the exercise of a public function.

6.5 Implications for (or impact on) the environment

The subsequent impact on the environment through the redevelopment of the site for housing will be in accordance with the Councils planning policies for sustainable development.

6.6 Implications for partner organisations?

There are no partner implications

Report author(s):**Name and job title:**

James Grant
Principle Surveyor

Directorate:

Place

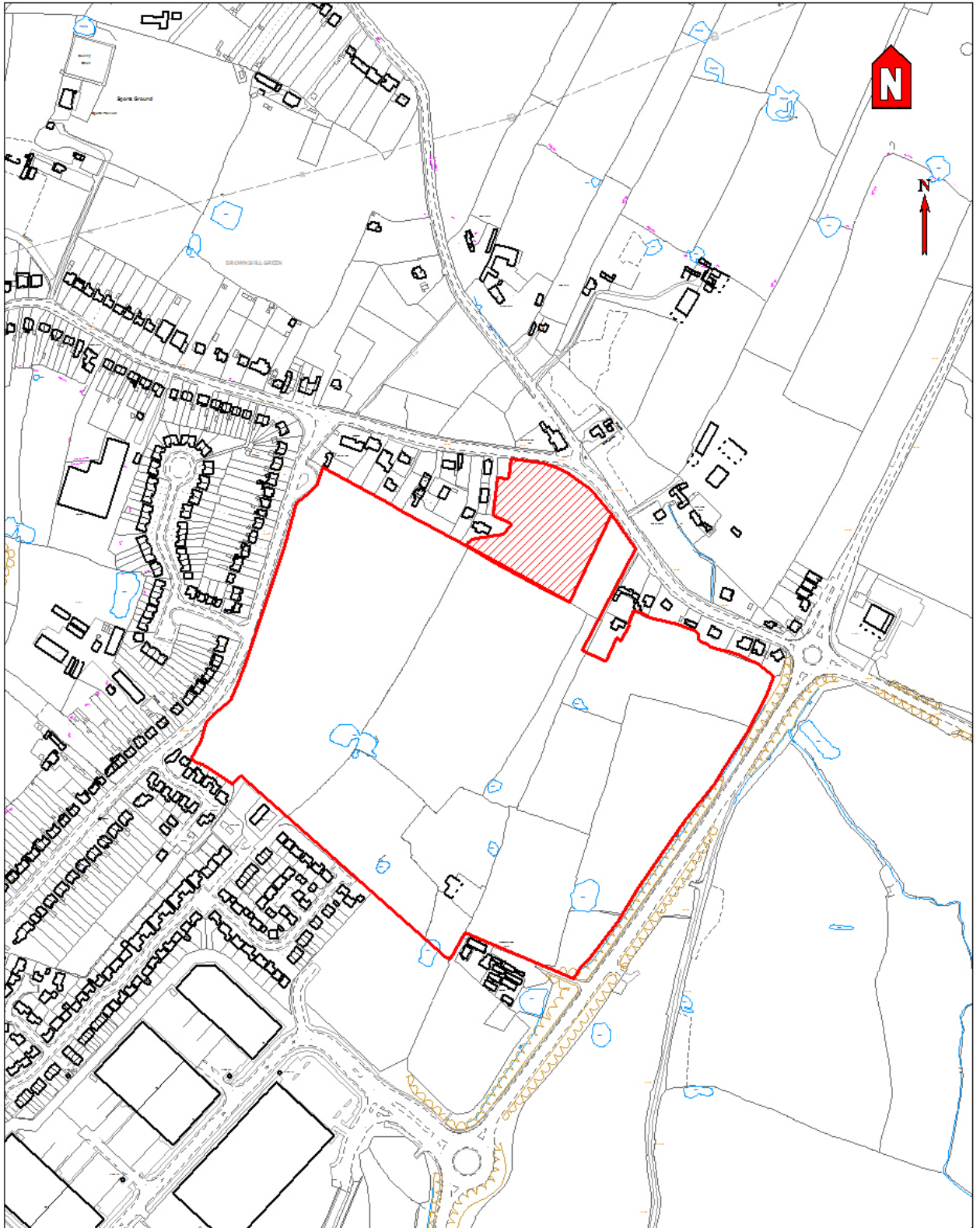
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Enquiries should be directed to the above person.

Contributor/approver name	Title	Directorate or organisation	Date doc sent out	Date response received or approved
Contributors:				
Richard Moon	Director of Project Management and Property Services	Place Directorate	23.8.18	04.9.18
Mark Andrews	Planning and Housing Policy Manager	Place Directorate	24.7.18	24.7.18
Lara Knight	Governance Services Co-ordinator	Place Directorate	23.8.18	23.8.18
Names of approvers for submission: (Officers and Members)				
Helen Williamson	Lead Accountant	Place	24.7.18	24.7.18
Julie Sprayson	Property Lawyer	Place	24.7.18	24.7.18
Martin Yardley	Deputy Chief Executive (Place)	Place	24.7.18	24.7.18
Councillor J O'Boyle	Cabinet Member for Jobs and Regeneration	-	03.9.18	03.9.18

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Coventry City Council

Browns Lane, Coventry -

Scale NTS Drawn by AW Date 23.08.2018

Martin Yardley - Director of Place
 Richard Moon - Director Property Management & Property Services

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Public
Cabinet Member

A separate report is submitted in the private part of the agenda in respect of this item, as it contains details of financial information required to be kept private in accordance with Schedule 12A of the Local Government Act 1972. The grounds for privacy are that it contains information relating to the financial and business affairs of any particular person (including the authority holding that information). The public interest in maintaining the exemption under Schedule 12A outweighs the public interest in disclosing the information.

Cabinet Member for Jobs, Regeneration and Climate Change

20 December 2023

Name of Cabinet Member:

Cabinet Member for Jobs, Regeneration and Climate Change – Councillor J O'Boyle

Director approving submission of the report:

Director of Property Services and Development

Ward(s) affected:

Henley

Title:

Disposal of Land at Deedmore Road Required for Access to Facilitate the Delivery of Affordable Housing

Is this a key decision?

No

Executive summary:

The Moat House Community Trust (MHCT) own the freehold of a 1.39-acre site off Deedmore Road which was transferred to them in 2017. Their interest is outlined in red on the plan within Appendix 1 ("the Land").

In March 2022, MHCT secured planning permission for a 100% affordable development scheme consisting of 21 dwellings, with the intention of delivering the housing themselves as part of a Community Housing Trust. It is binding under the Section 106 agreement that the Land must be developed as rented affordable housing.

Due to increased development risk, particularly regarding the cost of finance and current build cost inflationary pressures, MHCT made the decision to sell off the Land with the benefit of the planning permission.

Terms for a disposal to Keon Homes have been agreed by MHCT. Keon Homes, in turn, have an agreement with registered provider Citizen Housing to construct the affordable homes on a turnkey basis in return for a contract price.

During legal due diligence undertaken by Keon Homes they identified the land required to access the development site was not owned by MHCT. The land required for access is owned by the Council, as outlined in green within Appendix 1 of your report ("the Council's Access Land").

MHCT have approached the Council to seek agreement for the Council to transfer the Council's Access Land to Keon Homes so the housing development can be undertaken.

Pursuant to Section 123 of the Local Government Act 1972 the Council is required to obtain best consideration for the disposal of its assets and has taken independent external advice on the value attributable to the land. MHCT is asking the Council to forgo its capital receipt as this would reduce the MHCT's receipt for the sale of the Land to Keon Homes.

MHCT are seeking to use the proceeds of the sale of the Land to support their community activities which would include the further purchases of local residential properties to add to the number of existing houses they can let out as social rented affordable homes.

The social and economic benefits of promoting the scheme include:

- Delivery of much needed affordable homes.
- Promotes further regeneration of the area.
- The proposed development will enhance the existing community facilities in the area and encourage further investment in the area.

Recommendations:

The Cabinet Member for Jobs, Regeneration and Climate Change is recommended to:

1. Approve the transfer of the Council's Access Land (identified in Appendix 1) which is required to facilitate access for the development of the 100% affordable housing scheme at a nil consideration to Keon Homes upon completion of their purchase of the Land from MHCT, conditional upon the simultaneous onward sale to Citizen Housing. Such purchase being conditional on the delivery of the Land for the 100% consented affordable homes scheme and MHCT's future purchase of affordable homes.
2. Delegate authority to the Director of Property Services & Development, following consultation with the Chief Operating Officer (S151 Officer) and the Chief Legal Officer, to negotiate and finalise the terms, to undertake the necessary due diligence and complete all necessary legal documentation to facilitate the completion of the transaction and to ensure that the financial benefits forgone by the Council are applied to the purchase of property by MHCT and that the said properties are let on social rents.
3. Delegate authority to the Director of Property Services & Development, following consultation with the Cabinet Members for Jobs, Regeneration and Climate Change and the Cabinet Member for Strategic Finance and Resources, for any subsequent variation in terms.

List of Appendices included:

The following appendices are attached to the report:

Appendix 1: Site plan illustrating the freehold title areas relating to the Council and MHCT land ownership.

Appendix 2: A site layout showing the consented housing scheme.

Background papers:

N/A

Other useful documents

N/A

Has it or will it be considered by Scrutiny?

No

Has it or will it be considered by any other Council Committee, Advisory Panel or other body?

No

Will this report go to Council?

No

1. Context (or background)

- 1.1 The Land lies off Deedmore Road in the Wood End area of Coventry to the northeast of the city centre, south of the M6 motorway and to the east of Hinckley Road. The land is on the east side of the Road adjacent to St. Patrick's Church and Primary School.
- 1.2 The Council, which originally owned the Land, sold the Land to Birmingham RC Archdiocese for a community centre and site services officer accommodation, a proposal which was later abandoned.
- 1.3 Subsequently, the Land was identified as a site suitable for a new youth, community & enterprise centre. The Council, with New Deal for Communities (NDC) funding, purchased the Land which was transferred to MHCT on 9 November 2017. Due to viability issues, the proposed revised development proposal also did not proceed.
- 1.4 MHCT consequently secured planning permission for 21 affordable homes in 2022 for a mixture of 2-, 3- and 4-bedroom houses.
- 1.5 The Land is being sold with the benefit of a full planning permission for 100% affordable dwellings, with the Section 106 agreement stipulating that the homes are affordable in nature.
- 1.6 MHCT have since made the decision to dispose of the Land due to the development risk and they have an agreement in place to sell the Land to Keon Homes who will develop the Land on turnkey basis for Citizen Housing.
- 1.7 The deal structure is as follows:-
 - Keon Homes will exchange contracts with MHCT simultaneously with Citizen Housing and Keon Homes will acquire the Land.
 - On completion, the Land will be transferred to Keon Homes and immediately transferred onwards to Citizen Housing.
 - Also on completion, Keon Homes will enter into a JCT (Joint Contracts Tribunal) Contract with Citizen Housing to build out the affordable housing in accordance with the approved permission as Citizen Housing will be the owner of the Land. As per the terms within the JCT, payments will be made monthly in line with the works completed to date.
 - The current build programme is estimated to be between 12-16 months to reach practical completion for all dwellings.
 - Keon Homes have identified an issue with access rights which are required over the Council's Access Land, otherwise this will prevent delivery of the development.
- 1.8 MHCT in conjunction with Keon Homes are seeking agreement with the Council to secure access over the Council's Access Land in order to facilitate the affordable housing development.

- 1.9 In terms of the valuation of the Council's Access Land, the 1961 legal precedent of Stokes v. Cambridge could be argued to apply to this situation. In this legal case, it was determined that if a parcel of land would allow access to develop a neighbouring property, in a compulsory purchase of the land, its owner is entitled to one-third of the resulting property value.
- 1.10 Officers have sought the view of property advisors Lambert Smith Hampton (LSH) as to the value of the Council's Access Land. LSH advise that the Council's Access Land under normal circumstances would only have a nominal value. As this is a special purchaser scenario, however, their advice is that Stokes v Cambridge would not apply. In the Stokes v Cambridge case, a figure of one third was settled on, but importantly there was an element of alternative access available. In the Ozanne v Hertfordshire County Council 1988 case the Lands Tribunal awarded 50% of the increase in value of the development land was on the basis that there was only one practicable access. This importantly, they advise, applies to Deedmore Road in that the Council's Access Land provides the only practicable means of access. Without the Council's Access Land, LSH argue that the development cannot be progressed in isolation and as such, a 50/50 split of the development land value would be equitable in this case.
- 1.10.1 In the event the Council's Access Land was to be placed on the open market, the Council would not secure a higher capital receipt than the figure advised by LSH and it is envisaged that a significantly lower value would be achieved.
- 1.11 The alternative approach is that the Council forgo the value derived from the Council's Access Land in the interests of delivering affordable homes for the area. In return for forgoing this value it would be appropriate for the Council to ensure that this value is applied to the delivery of social aims by MHCT.
- 1.12 The Council's Access Land is not in the capital programme and will require general consent.

2. Options considered and recommended proposal

Option 1 – Transfer the Council's Access Land at nil consideration (Recommended)

- 2.1 MHCT in conjunction with Keon Homes have requested that the Council transfers the Council's Access Land for the required access to facilitate the affordable housing development at nil consideration.
- 2.2 The affordable housing development cannot progress without the Council's intervention and the affordable homes would not pass to Citizen Housing.
- 2.3 Forgoing the land value will permit the delivery of affordable housing which might not otherwise be delivered.
- 2.4 In addition, forgoing the land value will enable MHCT to acquire further affordable housing in the area.
- 2.5 It is proposed that the Council forgo the land value subject to reaching an agreement with MHCT securing that the financial benefit is spent on social benefits to be agreed between the MHCT and the Council.
- 2.6 It would be a requirement for MHCT/Keon Homes to pay the Council's reasonable legal fees and surveyors fees in documenting and completing the freehold land transfer.

Option - 2 Transfer the Council's Access Land required for access in return for a capital receipt.

- 2.7 In line with the advice from LSH, dispose of the Council's Access Land at a value equivalent to 50% of the agreed land figure between MHCT and Keon Homes. The capital receipt to be allocated to Corporate Resources.

Option 3 – Do Nothing

- 2.8 Neither agree to sell the Council's Access Land or transfer the said land at nil charge. This option would forgo a capital receipt and would not facilitate affordable housing for the area.

3. Results of consultation undertaken

- 3.1 No public consultation has been undertaken.

4. Timetable for implementing this decision

- 4.1 Subject to the approval of the recommendations contained in this report, it is advised that an agreement can be ready for signature within 8 weeks. This will be dependent on the other parties working to similar timescales.

5. Comments from Chief Operating Officer (Section 151 Officer) and Chief Legal Officer

5.1 Financial implications

The financial implications of this transaction are to be found in the private report.

5.2 Legal implications

Property

- 5.2.1 The Council has the power to dispose of land pursuant to section 123 of the Local Government Act 1972. This section provides that the Council can dispose of land in any manner it wishes, except it is not permitted to dispose of land at less than the best consideration that can reasonably be obtained without obtaining Secretary of State consent.
- 5.2.2 The Secretary of State has issued a General Consent for disposal of land at an undervalue 'The Local Government Act 1972: General Disposal Consent (England) 2003' which permits the Council to dispose of land at less than the best consideration reasonably obtainable at an undervalue of up to £2M where it considers that the purpose for which the land is to be disposed is likely to contribute to the promotion or improvement of economic well-being, social well-being or environmental well-being in respect of the whole or any part of its area, or of all or any persons resident or present in its area.

In view of the social value and benefits described under the executive summary of this Report, the Chief Legal Officer can confirm that the criteria in point 5.2.2 above are satisfied.

Officers will prepare and complete the necessary legal transfer of the Council's Access Land.

The Transfer of the Council's Access Land will be conditional upon the following:

- The sale of the Land from MHCT to Keon Homes
- The onward sale of the Land from Keon Homes to Citizen Housing; and

- Keon Homes and Citizen Housing entering into and completing a formal contract for the construction and development of the affordable housing.

The Council will seek to protect its position in the matter by:

- Including a restriction within the transfer of the Council's Access Land that the Council's Access Land can only be used to facilitate pedestrian and vehicular access to and from the adjoining Land upon which the affordable housing will be developed.
- The timing of the transfer of the Council's Access Land which will be transferred to Keon Homes and conditional upon the simultaneous onward sale to Citizen Housing.
- A restriction is included on the registered title that the Council's Access Land is not to be disposed of by the registered proprietor for the time being without having first obtained the Council's prior consent in writing.

6. Other implications

6.1. How will this contribute to the One Coventry Plan?

Working with partners to ensure the continued provision of high-quality affordable housing throughout the city.

Facilitating the development for affordable homes will help to realise the Council's ambitions for more affordable homes for the city. The key priorities are to enable new high quality housing development and ensure that affordable housing is developed of the right type and tenure to meet the needs of the City's households.

Working with registered providers, charities, and community organisations to deliver more social housing for those who need it most. We will explore options around community-led housing projects, putting meaningful community involvement at the heart of new housing development. Continuing to improve the city and develop projects that enable local neighbourhoods to play their part in our economic success.

Working with partners to ensure the continued provision of high-quality affordable housing throughout the city.

6.2. How is risk being managed?

There are risks attached to transferring the Council's Land in that the development site may not be developed for affordable homes under the planning permission and that MHCT will not use the proceeds from the land sale to fund the purchase of additional affordable homes. These risks can be mitigated by the insertion of appropriate conditionality within the legal documentation, however, there is a particular risk surrounding MHCT's proposed acquisition of further affordable homes. We have been advised that currently this is the plan for the funds but legally the Council will not be able to control or guarantee that this will be forthcoming and it will be the trustees of the charity who will ultimately control the spend and purpose as to how the funds are utilised.

6.3. What is the impact on the organisation?

The impact is the loss of a capital receipt.

6.4. Equalities / EIA?

6.4.1 An Equality Impact Assessment (EIA) has not been undertaken as the proposal concerns the disposal of land for redevelopment and no Council service or group will be impacted.

6.4.2 An equality impact assessment is a process designed to ensure that a policy project or service does not discriminate against any disadvantaged or vulnerable people. Section 149 of the Equality Act 2010 imposes an obligation on Local Authorities to carry out an equality impact assessment when the local authority is exercising a public function.

6.5. Implications for (or impact on) climate change and the environment?

The Council's facilitation of the development of the Land will produce environmentally efficient affordable homes.

6.6. Implications for partner organisations?

There are no implications for any partner organisations.

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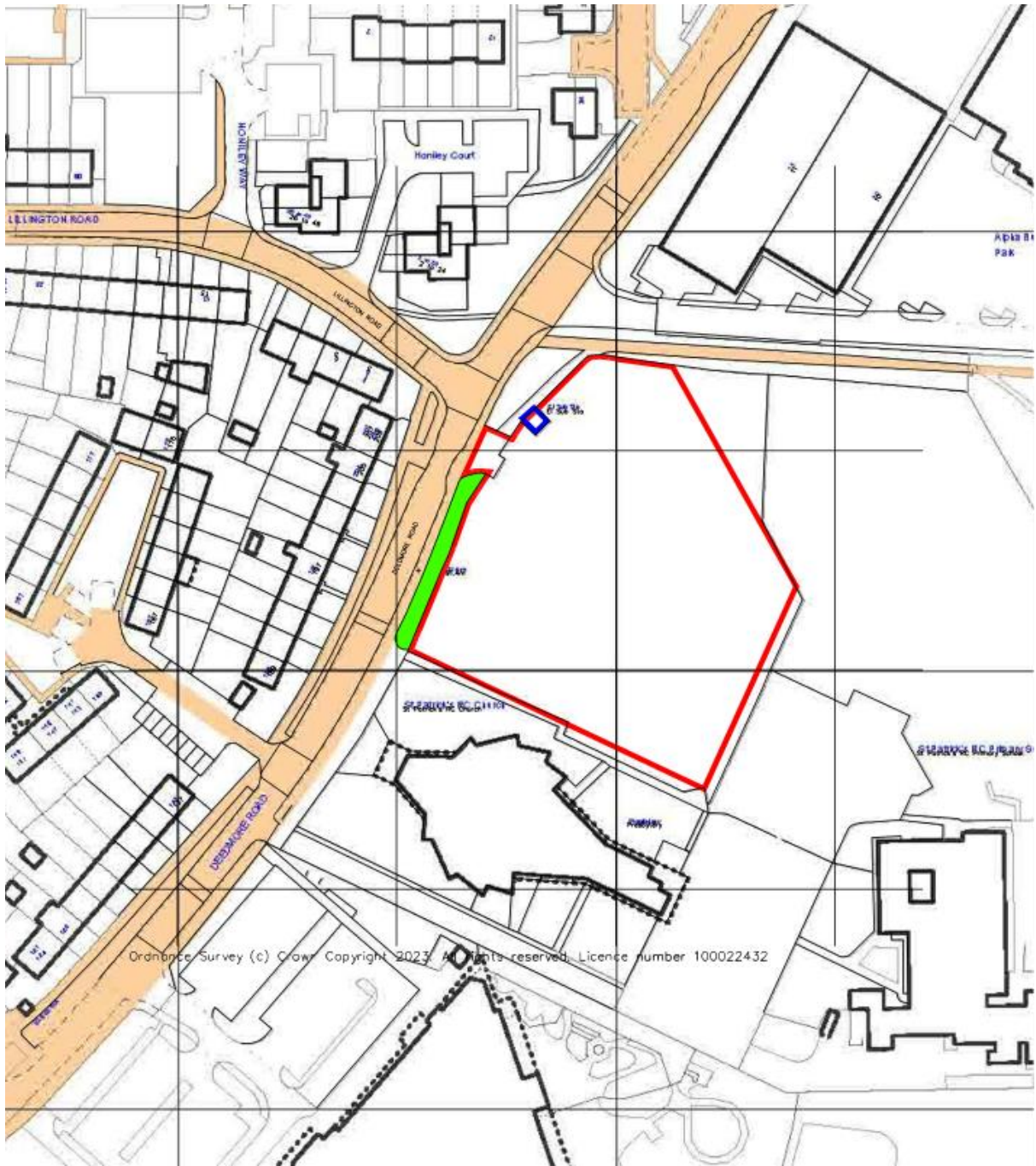
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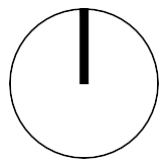
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APPENDIX 1



DEEDMORE ROAD
LEGAL PLAN
1:1250@A4

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APPENDIX 2



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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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