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**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 refers to the identity, financial and business affairs of an organisation and the amount of expenditure proposed to be incurred by the Council under a particular contract for the supply of goods or services.**

1<sup>st</sup> September 2014

**Name of Cabinet Member:**

Cabinet Member (Business, Enterprise and Employment) – Councillor Maton

**Director Approving Submission of the report:**

Executive Director, Place

**Ward(s) affected:**

Henley

**Title:**

Freehold Disposal: Land at Woodway Lane, adjoining the Jolly Colliers Public House

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**Is this a key decision?**

No

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**Executive Summary:**

Dignus Healthcare acquired the former Jolly Colliers Public House on Woodway Lane in July 2012. They have subsequently obtained planning permission (ref-FUL/2012/2191) to demolish the public house and erect one detached dwelling and 12 residential apartments with the intention that they are let to users from a learning disabilities background.

The Council own a strip of land on Woodway Lane between the adopted highway and the site of the former Jolly Colliers Public House shown edged red on the attached plan (“the Land”). Without agreement, Dignus Healthcare cannot develop their site without obtaining ownership or a right of access over this strip of land.

Officers are advised that Dignus Healthcare were unaware they needed the Councils prior consent for access over the strip of land and commenced development for the scheme in accordance with the aforesaid planning permission.

Since the Council was made aware of this breach, negotiations have been on-going between the parties and it is agreed to allow Dignus Healthcare the opportunity to purchase the freehold of the strip of land and allow them to connect into the adoptable highway.

The agreed value has been approved by the Councils Valuation Panel as representing best value under the requirements set out under Section 123 of the Local Government Act 1972.

**Recommendations:**

The Cabinet Member is recommended to:

1. Authorise the freehold disposal of the land in consideration of the sum of £69,000 to Dignus Healthcare
2. Delegate authority to the Assistant Director for City Centre and Development Services following consultation with Cabinet Member (Business, Enterprise and Employment), for any subsequent variation in terms.
3. Delegate authority to the Executive Director, Resources and in particular officers within Legal Services to complete the necessary legal documentation in this matter.

**List of Appendices included:**

Appendix 1 – Site Plan

**Other useful background papers:**

*Planning Application Reference Number FUL/2012/2191*

**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 Woodway Lane, adjoining the Jolly Colliers Public House**

**1. Context (or background)**

- 1.1 The former Jolly Colliers Public House and land is situated at the end of Woodway Lane adjacent to the M6 motorway to the north, south by housing, south/east by Grace Academy and the west by Sowe Common. The former Jolly Colliers Public House site is approximately 0.84 acre. The subject of this report is shown edged red on the attached plan (“the Land”) and is approximately 235sqm.
- 1.2 The public house was operated as part of the brewery’s tenanted estate and the brewery had a personal consent from the Council by licence to pass and re-pass over the strip of land. The right to cross over the Land ended when the Jolly Colliers Public House closed and was sold in July 2012.
- 1.3 Dignus Healthcare bought the former Jolly Colliers Public House in July 2012 and secured planning permission on the 5<sup>th</sup> April 2013 –Ref FUL/2012/2191 for the demolition of the redundant Jolly Colliers Public House and redevelopment of the site to form 12 apartments and 1 detached dwelling.
- 1.4 It is understood that Dignus Healthcare will let the detached dwelling and apartments purely for the sole use of people with learning disabilities.
- 1.5 Dignus Healthcare proceeded to commence with the construction of the apartments and detached dwelling at the site without obtaining the Councils consent. Once the Council were aware of the breach, negotiations were entered into for Dignus to acquire the Land so that the development can connect into the adoptable highway.
- 1.6 The agreed value has been approved by the Councils Valuation Panel as representing best value under the requirements of Section 123 of the Local Government Act 1972.

**2. Options considered and recommended proposal**

- 2.1 **Accept the Offer** – The offer is a windfall receipt and could be accepted. The offer has been approved by the Councils Valuation Panel as representing Best Value under Section 123 of the Local Government Act 1972 and will contribute towards corporate resources.
- 2.2 **Decline the Offer** – The offer could be declined however the Council would not be able to secure a windfall receipt, which would be allocated towards corporate capital receipts. If the offer was declined Dignus Healthcare would not be able to develop the facility and there would be a loss of accommodation for people with learning disabilities.
- 2.3 It is recommended that the Council accept the offer for the freehold disposal of the Land to Dignus Healthcare as per paragraph 2.1

**3. Results of consultation undertaken**

- 3.1 As part of the planning process Dignus Healthcare would have undertaken consultation with the local community regarding the submission of the planning application

**4. Timetable for implementing this decision**

- 4.1 Providing Cabinet Member approval is secured, it is expected that this windfall receipt will be received within this financial year.

## **5. Comments from Director of Finance and Legal Services**

### **5.1 Financial implications**

The windfall receipt of £69,000 will contribute towards corporate resources and it is expected to be received within this financial year.

### **5.2 Legal implications**

The consideration of £69,000 for the freehold disposal of the land to Dignus Healthcare represents the best value reasonably obtainable by the Council as verified by the Councils Valuation Panel. This meets the Councils requirements to obtain best value under the requirements in Section 123 of the Local Government Act 1972.

The proposed disposal of the land and the subsequent highway access will be created over land forming open space. Officers within Resources Directorate will prepare and advertise a notice in the local newspaper under Section 123 (1) Local Government Act 1972 advising the Council is seeking to dispose the land such notice being placed in the local newspaper for two consecutive weeks. Any objections will be reported and considered by the Council as appropriate in accordance with the constitution.

The Executive Director, Resources will complete the legal documentation in connection with the freehold disposal in accordance with appropriate procedures and will collect the agreed consideration in the sum of £69,000 upon completion of the disposal.

## **6. Other implications**

*Any other specific implications*

### **6.1 How will this contribute to achievement of the Council's key objectives / corporate priorities (corporate plan/scorecard) / organisational blueprint / Local Area Agreement (or Coventry Sustainable Community Strategy)?**

The capital receipt will contribute towards corporate resources and the adjoining site will be developed for residential use.

### **6.2 How is risk being managed?**

The risks have been identified in paragraph 2.2 with the loss of the capital receipt and the housing proposed for people with learning disabilities.

### **6.3 What is the impact on the organisation?**

The impact to the organisation will be minimal however it will generate additional work for officers within the Resources Directorate (Legal Services) in processing the freehold disposal of the land to Dignus Healthcare.

### **6.4 Equalities / EIA**

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.

An equality impact assessment has not been undertaken by officers as the proposal set out in this report related 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 impact will be positive and all the dwellings constructed will be to current building regulations.

**6.6 Implications for partner organisations?**

There are no partner implications

**Report author(s):**

**Name and job title:**

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**Directorate:**

**Place Directorate**

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Enquiries should be directed to the above person.

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