
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

11th January 2022

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:

Binley and Willenhall

Title:

Disposal of Land at Allard Way

Is this a key decision?

Yes – The proposal in the report will result in financial implication exceeding £1million

Executive Summary:

The Council owns the freehold of land located at Allard Way/London Road comprising approximately 11 acres and is shown red on the plan annexed to this report (“the Site”). The Site including the adjoining Whitley Pumping Station site owned by Homes England was allocated as a future housing site in the adopted Local Plan policy H2:9

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

To ensure that a comprehensive approach was taken to the allocations in the Local Plan as advised by the Planning Department, the Council and Homes England worked in collaboration in the promotion of their individual sites. This resulted with both planning applications being recommend for approval and determined by Planning Committee on the 2nd September 2021.

The Council secured an Outline Planning Approval by Planning Committee for up to 125 residential dwellings on the 2nd September 2021. Planning reference OUT/2020/2665

Following approval, the Site was marketed for residential development by tender with 18 tenders submitted. The highest bid received on an unconditional basis with completion by the end of the Council's financial year end i.e. 31st March 2022 and "Preferred Developer" status was confirmed with the highest bidder.

The offer for the Site has been approved by independent Chartered Surveyors LSH and by the Council's Valuation Panel as representing "Best Consideration" and therefore satisfying the Council's statutory responsibilities under Section 123 of the Local Government Act 1972.

The capital receipt will contribute towards corporate resources.

Recommendations:

Cabinet are requested to:

- (1) Approve the disposal of the Site at Allard Way.
- (2) Delegate authority to the Director of Property Services and Development, following consultation with the Cabinet Member for Jobs, Regeneration and Climate Change and the Director of Law and Governance, for any subsequent variation in terms.
- (3) Delegate authority to the Director of Property Services and Development, following consultation with the Director of Law and Governance Services and the Cabinet Member for Jobs, Regeneration and Climate Change, to:
 - negotiate, agree and complete all the necessary documentation for the freehold transfers of the Site and
 - take such necessary or ancillary steps or decisions to bring into effect the recommendations set out in this report.

List of Appendices included:

Appendix 1 - Site Plan – Allard Way/London Road

Background papers:

None

Other useful documents:

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

The land at London Road / Allard Way is also identified as a housing site in the recently adopted Willenhall Neighbourhood Plan. This Plan is available via the following link:

www.coventry.gov.uk/downloads/file/27481/made_willenhall_neighbourhood_plan_june_2018

Planning Application Reference Number OUT/2020/2665 – link to the planning committee report
<https://edemocracy.coventry.gov.uk/ieListDocuments.aspx?CId=147&MId=12492&Ver=4>

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: Disposal of Land at Allard Way

1. Context (or background)

Land at Allard/London Road

- 1.1 The land at Allard Way/London Road together with neighbouring land interests was allocated in the Coventry Local Plan policy H2:9, which came into effect on the 5th December 2017. The site is also identified for housing development within the adopted Willenhall Neighbourhood Plan.
- 1.2 The site was previously situated in the Green Belt however within the adopted Coventry Local Plan, the boundary of the Green Belt was realigned
- 1.3 The allocation in the Coventry Local Plan includes adjoining land previously owned by Severn Trent Water and now Homes England which accommodates the locally listed former Whitley pumping station and lodge. The Council's land is approximately 11 acres within the total development site, outlined in red in the appendices.
- 1.4 Working in collaboration with Homes England to ensure a comprehensive approach regarding the allocation in the Local Plan, both the Council and Homes England appointed a joint consultant Tetrattech to prepare a joint masterplan for both sites.
- 1.5 The advice throughout the process from the Planning Department was whilst both the Homes England site and the Council's interest were separate, they should be determined in parallel as per the allocation in the Local Plan due to issues that affected both sites, for example Highways, Bio Diversity and Open Space. Subsequently, both sites were listed for Planning Committee with a recommendation for approval on the 2nd September 2021.
- 1.6 The application submitted by Homes England for their site which included the former Whitley Pumping Station was for 195 units and a full application for the conversion of the former pump house into one dwelling and for four flats. (ref Out/2020/2521). This was approved by Planning Committee
- 1.7 An Outline Planning Application was submitted by the Council's for the erection of up to 125 residential units (with all matters reserved except for access) on the part of the allocation within the Council's ownership. The application was also approved at Planning Committee on the 2nd September 2021.
- 1.8 Following planning approval, the Site was marketed seeking the highest financial offer on an unconditional basis with the disposal to be completed by the end of the Council's financial year end i.e. 31st March 2022. A total of 18 bids were received and "Preferred Developer" status was confirmed with the highest bidder.
- 1.9 The "Preferred Developer" have confirmed that their offer is a net figure and they have confirmed completion on an unconditional basis before the end of the Council's financial year end i.e. 31st March 2022 subject to Cabinet approval.
- 1.10 The offer has been approved by independent Chartered Surveyors LSH and by the Council's Valuation Panel as representing "Best Consideration" and being the best price reasonably obtainable under the requirements set out in S123 of the Local Government Act 1972.
- 1.11 The capital receipt will contribute towards the Council's corporate resources.

2. Options considered and recommended proposal

- 2.1 **Accept the offer** – The offer has been recommended as representing “Best Consideration” reasonably obtainable in accordance with the provisions under S123 of the Local Government Act 1972 and approved by the Councils Valuation Panel. The offer is a net figure and any abnormalities or S106 costs have already been deducted.
- 2.2 The disposal of the Site to the “Preferred Developer” will see much needed housing being developed, which will support the growth of the City and ensure a choice of housing will be delivered to meet the needs of local people. 25% of the dwellings will be allocated as “affordable” housing i.e. 32 dwellings.
- 2.3 The receipt will contribute towards corporate resources and it is expected that the capital receipt will be received by the end of the financial year.
- 2.4 **Decline the offer** – The offer could be declined, and the Site could be remarketed, however, failure to accept an offer that has been recommended as best consideration would see the loss of a potential capital receipt to the Council. In addition, failure to approve the disposal would see the loss of housing and therefore not contributing to the delivery of housing targets in the Coventry Local Plan and for the city’s growth. The capital receipt has in principle already been allocated in the Council’s Medium-Term Financial Strategy and if this was not received, adjustments would have to be made to the Council’s financial budgets for forthcoming financial years.
- 2.5 **Remarket the Site** – The Site could be reintroduced to the market at a later date, but any further delay would see the loss of the capital receipt, which is expected for this financial year 2021/2022. There would be further uncertainty regarding when to remarket this opportunity and the residential market may not be as buoyant in the future.
- 2.6 The recommendation is to accept the offer submitted by the “Preferred Developer” as per paragraph 2.1 of the report.

3. Results of consultation undertaken

- 3.1 The site is allocated within the Coventry Local Plan for residential development. The Coventry Local Plan was subject to numerous rounds of consultation since 2014 including detailed consideration of the Site. The Coventry Local Plan was also subject to a period of public examination between July 2016 and January 2017. For each site, the Local Plan feedback was provided to the Council’s 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 the subject Site in particular.
- 3.2 The subject Site is also identified in the Willenhall Neighbourhood Plan which was also subject to various rounds of local consultation during its development between 2015 and 2018.
- 3.3 As part of the procedure for the outline planning application, consultation was undertaken prior to the submission of the application with the public and stakeholders informing them of the proposals. The planning department also informed identified stakeholders of the application which resulted in 15 letters of objection, two online petitions with 315 and 78 signatures respectively with one letter of support.

3.4 If approved by Cabinet, the “Preferred Developer” will submit a reserved matters planning application and will undertake further consultation with stakeholders to discuss and inform about their development proposals.

4. Timetable for implementing this decision

4.1 Providing Cabinet approve the recommendations, the disposal of the Site and the delivery of the capital receipt will be completed by the end of this financial year.

5. Comments from the Director of Finance and the Director of Law and Governance

5.1 Financial implications

The sale of the Site will yield a capital receipt to the Council which will contribute to the Council’s corporate resources.

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 Legal Services will prepare and complete the necessary documentation in respect of the freehold disposal of the Site at Allard Way/London Road.

6. Other implications

6.1 How will this contribute to the Council’s Plan?

The delivery of up to 125 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 Site is identified as an allocated housing site in the Coventry Local Plan, the new homes will be well integrated into existing communities & infrastructure.

The net capital receipt will contribute towards corporate resources.

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?

The impact to the organisation will be minimal however it will generate additional work for officers within Property, Finance and Legal Services in processing the freehold transfer.

6.4 Equalities / EIA

An equality impact assessment was undertaken for the Coventry 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) climate change and 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

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