

## **Report to Portfolio Holder for Resources and Reputation**

**Subject:** Sale of land adjacent 33 Richey Close, Arnold

**Date:** 22 February 2019

**Author:** Property Surveyor

### **Wards Affected**

Plains

### **Purpose**

To seek approval to sell the land adjacent 33 Richey Close, Arnold (the Land) shown edged red on the plan at Appendix 1.

### **Key Decision**

This is not a Key Decision

#### **Recommendation(s)**

##### **THAT:**

- 1) Approval is given to sell the Land to the Purchaser for the Price for use as garden land. The Purchaser shall be required to erect and maintain a fence along the boundary of the Land within 6 months of completion. The Purchaser will be responsible for the Council's fees**

## **1 Background**

- 1.1 The Land comprises of a grass verge that runs along a public footpath adjacent 33 Richey Close and is currently maintained by Gedling Borough Council.
- 1.2 The Land has been confirmed to be surplus by the Council's Parks and Street Care department.
- 1.3 The owner of 33 Richey Close (the Purchaser) has expressed an interest in purchasing the Land, to be used as garden land, and is willing to pay £5,000 – Land £4,044 (the Price) plus Council Fees £956. The Council's Service

Manager for Property has assessed that the highest price that could be obtained from the Purchaser, in line with the Local Government Act 1972, for the Property is £4,044 and this has been agreed as the sale price.

- 1.4 The Purchaser has obtained planning permission for change of use to garden land.

- 1.5 Council Standing Orders for dealings with land state that:

*The executive shall consult with the Chairman of the Overview and Scrutiny Committee and ward members before making any decision to dispose of any land or property other than the sale of council houses to sitting tenants pursuant to the right to buy.*

- 1.6 As this is a proposed sale of land other than a council house pursuant to the right to buy, the Chairman of the Overview and Scrutiny Committee and ward members have been consulted in accordance with the above and made no comment.

- 1.7 Council Standing Orders for dealings with land also state that:

*In the case of the disposal of real property other than a house or houses and where the Corporate Director assesses the value of such property to be less than £20,000 he shall adopt such method of disposal as appears to him to be appropriate in the circumstances.*

- 1.8 As this is a sale of land for a value under £20,000 the Corporate Director has assessed the most effective method of disposal. In this instance he considers that direct sale to the Purchaser is the most effective method. This is because it is not likely that anyone else would benefit from buying the Land in that particular location and consequently the Price is considered to be the highest attainable. However, there is a possibility that the Purchaser could extend its house onto the Land which could increase the value of their entire property by an amount that exceeds the Price. In order to protect the Council's financial position a restrictive covenant and/or charge would be placed on the Land preventing any development other than as garden land with a garage, shed or small structure. Should the Purchaser or its successors in title ever wish to implement a different use it would not only have to obtain planning permission but would also have to revert to the Council in its capacity as previous land owner before implementing any change of use.

## **2 Proposal**

- 2.1 That approval is given to sell the Land to the Purchaser for the Price for use as garden land. The Purchaser shall be required to erect and maintain a fence along the boundary of the Land within 6 months of completion. The

Purchaser will be responsible for the Council's fees.

### **3 Alternative Options**

- 3.1 One alternative is not to sell the Land. However, this would mean that the Council would not receive a capital receipt and would continue to have the maintenance liability.
- 3.2 Another alternative is to let the Land out as garden land. However, this would only generate a minimal income. Furthermore, the resource required to administer this could render this option unviable. Sale of the Land would therefore appear to be the better option.

### **4 Financial Implications**

- 4.1 Sale of the Land will bring in a capital receipt for the Council of £4,044.
- 4.2 The Land currently produces no income.
- 4.3 The Council will no longer have the ongoing maintenance liability for the Land.
- 4.4 The Council's fees associated with the sale will be borne by the Purchaser and are estimated as follows:

Land Registration fees	£ 6
Council's legal fees	£ 300
Council's surveyors fees	£ 300
Advertising fees	£ 350

### **5 Appendices**

- 5.1 Appendix 1 – Plan showing the Land edged red.

### **6 Background Papers**

- 6.1 None identified.

### **7 Reasons for Recommendations**

- 7.1 Sale of the Land would ensure that the Council does not have any ongoing liability for the Land.
- 7.2 Sale of the Land will give the Council a capital receipt.