

Subject:	Disposal of Land	Status:	For Publication
Report to:	Council	Date:	18 th August 2022
Report of:	Director of Economic Development	Portfolio Holder:	Resources
Key Decision:	<input checked="" type="checkbox"/> Forward Plan <input checked="" type="checkbox"/>	General Exception <input type="checkbox"/>	Special Urgency <input type="checkbox"/>
Equality Impact Assessment:	Required: No	Attached: No	No
Biodiversity Impact Assessment:	Required: No	Attached: No	No
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1. RECOMMENDATION(S)

1.1. Council to authorise the disposal of land at Park Avenue, Haslingden

1.2. Terms to be delegated to the Director of Economic Development in consultation with the portfolio holder.

2. EXECUTIVE SUMMARY

- A strategic priority for the Council is to ensure our portfolio of assets maximises income. To support that priority a review of assets is underway and Park Avenue has been identified as a site in council ownership which is suitable for disposal
- The land at Park Avenue is located in the South East of Haslingden town centre and comprises of two parcels of flat greenfield land (i.e. not previously developed), currently used as open space, including tree cover. A map of the site is provided in Appendix I.
- The land extends up to 1 hectare and is allocated for residential development in the Rossendale Local Plan 2019 to 2036 under Policy H45 for up to 30 dwellings.
- The land is owned entirely by Rossendale Borough Council and an independent market valuation of the site has been undertaken in accordance with the RICS Valuation – Global Standards 2020.
- The land has been advertised with Petty Commercial on the open market for sale by informal tender
- The tender process received a total of 15 bids. In order to achieve best value the Council propose to accept the highest scoring bid which falls within the tolerance of the Council's external valuer and therefore complies with the Constitution
- This report seeks agreement for officers to undertake the next stages of disposal.

3. BACKGROUND

- 3.1 The Council Corporate Plan 2021-2025 identifies that the council's assets need to maximise income and/or support service delivery. The proposal to dispose of Park Avenue achieves both, in turns of generating a capital receipt and meeting housing need identified in the Local Plan.

4. DETAILS

- 4.1 The purpose of this report is to request authority to dispose of land at Park Avenue, Haslingden. The authority to dispose to be delegated on terms to be agreed to the Director of Economic Development in consultation with the portfolio holder.
- 4.2 The valuation considers the land for the purpose of residential development of up to 30 dwellings with a 30% affordable contribution to be applied.
- 4.3 To assess market interest, an invitation to provide quotation for the purpose of marketing the site was advertised. The criteria for the award of the agency appointment was 50% agency fee, 25% the quality of the proposed marketing campaign and 25% the skills and experience of previous work. Following the invitation process, three agencies submitted a quotation and Petty Commercial was awarded the agency role and instructed to market the site for sale by informal tender.
- 4.4 Petty Commercial have managed an extensive tender with a full marketing plan including particulars (Appendix II), an online listing with links to Rightmove, CoStar and Plot Finder, a Press release, a social media campaign and an onsite board.
- 4.5 All bidders were required to provide an offer to purchase including evidence of funds, a development track record, a proposed scheme, including indicative layout and unit mix, evidence of recent similar development projects and confirmation that the company holds the homes quality mark standard.
- 4.6 The tender process closed in February 2022 and received a total of 15 bids. The scoring of the tender took place in March 2022. The successful bid will be evaluated and full due diligence undertaken. The tender advertisement has specified, as requested by members that the proposal should not exceed 30 dwellings, there would be a requirement of 30% affordable housing and the developer should have the Home Mark Standard.
- 4.7 It is proposed to authorise the Director of Economic Development to achieve best value and to accept the highest scoring bid which falls within the tolerance of the Council's external valuer and therefore complies with the Constitution. In the event that the successful bidder is not able to complete it is proposed to offer to the next highest scoring bidder providing they meet the Council's valuation and satisfies due diligence.

5. RISK

All the issues raised and the recommendation(s) in this report involve risk considerations as set out below:

- Approval to dispose is not reached in a timely manner and the successful bidder pulls out of the sale. This risk is mitigated by bringing the report to the next Full Council and appropriate delegations being approved.
- The successful bidder pulls out of the sale before exchange. The Council would then approach remaining bidders or alternatively can re tender and advertise the property on the open market again.
- The successful bidder does not achieve planning approval. The Council would then approach remaining bidders or alternatively can re tender and advertise the property on the open market again.

- The sales fall through after exchange and agency fees and legal costs are payable. This is a commercial risk and officer will work closely with all parties to mitigate any possibilities of this happening.

6. FINANCE

- 6.1 The Council is required to ensure best value when disposing of unused assets, in order to achieve this the Council engaged RICS accredited valuers to determine the market value of the asset and has undertaken an extensive tender exercise. It is proposed to authorise the Director of Economic Development to accept the highest scoring compliant bid providing it is within the tolerance of RICS Valuation.
- 6.2 The sale will result in a capital receipt for the Council, this will be allocated to the Useable Capital Receipts Reserve to be used to support the financing of the Council's Capital Programme.

7. LEGAL

- 7.1 The Council is obliged under the Local Government Act 1972 to sell land for the best price reasonably obtainable. The Monitoring Officer will ensure that all necessary legal agreements are completed to reflect the terms agreed.
- 7.2 The sale has been offered in compliance with the Constitution. All other matters are covered in the body of the report.

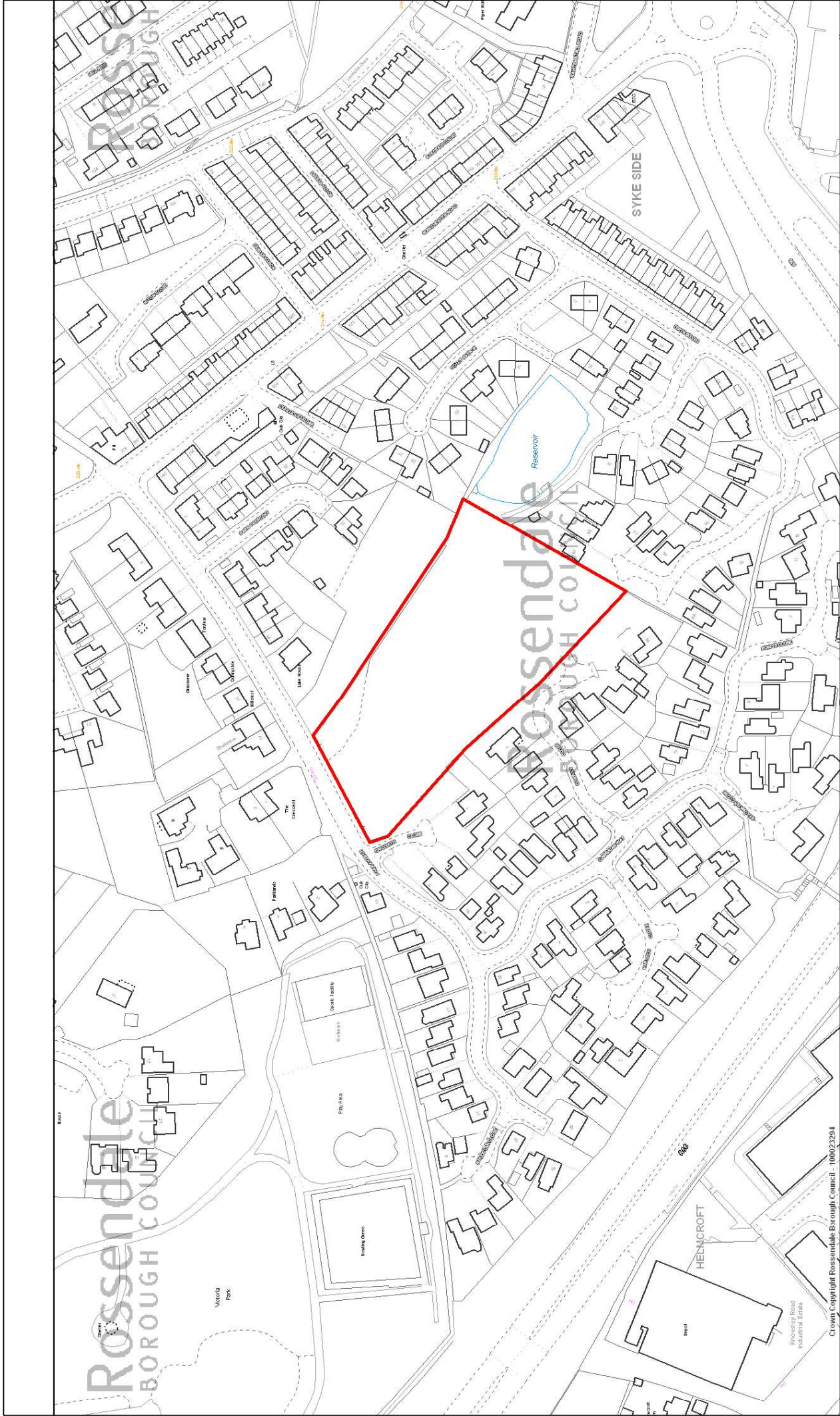
8. POLICY AND EQUALITIES IMPLICATIONS

- 8.1 This report supports the Local Plan policy. There are no Human Resources implications arising from the report.

9. REASON FOR DECISION

Primarily the sale of the land maximises income for the Council. Of further significant benefit is that the land at Park Avenue is an allocated site within the Local Plan 2019 to 2036 under Policy H45 for up to 30 dwellings. The site has received a high level of interest through a formal tender process and, subject to planning, the sale of the land would facilitate the provision of much needed housing to assist the Council with its housing delivery position. It is recommended to delegate authority to the Director of Economic Development to allow for a timely completion and disposal at best value in line with the Constitution.

Background Papers	
Document	Place of Inspection
Appendix 1 – Site Map	Attached
Appendix 2 - Particulars	Attached
Appendix 3 – Confirmation of Highest Bid	Part II - confidential appendix - commercially sensitive.



Scale 1/1671
 Centre = 378923 E 422248 N
 Date 25/2/2022

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RESIDENTIAL DEVELOPMENT OPPORTUNITY

FOR SALE

By Informal Tender

Park Avenue
Haslingden
Rossendale
BB4 6PP

Size: 3.4 Acres (1.37 ha)

- **Excellent Freehold site.**
- **Popular residential area close to a number of respected schools and easy access to the M66 / M65 motorway network.**
- **Generally level site, with good quality housing surrounding.**
- **Closing date for Tender 12 Noon on the 28th January 2022.**

LOCATION

The site is located to the south east of Haslingden town centre fronting Park Avenue close to its junction with Manchester Road (A56) being within one mile of Haslingden town centre and all its amenities and within a ¼ mile access to the M66 which links with the M61 and M60 to the north and M65 leading over to Yorkshire in the west.

It is conveniently located for Victoria Park and a number of respected schools

DESCRIPTION

The site is currently vacant and undeveloped. Adjacent is land also owned by the Council that may be sold by separate negotiation (edged in blue).

This is in an area of mixed houses and ages. Directly adjacent to the site is a residential development of three and four bedroomed houses that were constructed in the 1990's. Park Avenue is predominantly semi-detached dwellings dating to the early 20th century.

SITE AREA

3.4 Acres (1.37 ha) Edged Red.

PLANNING

No formal planning application has been submitted, however, Rossendale Borough Council have indicated that the site would be suitable for residential development of up to 30 dwellings. They would require a minimum 30% affordable housing and they are looking for a house builder with the "Home Mark Standard".

Contact details for Rossendale Borough Council Planning department are 01706 21777. A pre-app pack has been prepared by the Council and is available on request.

SERVICES

We are advised that all main services are available along Park Avenue, however neither ourselves or our clients have undertaken any investigations as to the adequacy and exact location and interested parties should satisfy themselves as to the availability of all services.

There have been no site investigations undertaken.

TENURE

Freehold.

SALE PROCESS

The sale is by way of Informal Tenders. Offers should be submitted on the prescribed form by 12 Noon on the 28th January 2022.

Tenders are available on request.

LEGAL COSTS

Each Party is to be responsible for their own legal costs incurred.

VAT

All Prices quoted may be exclusive of but may be subject to VAT at the prevailing rate.

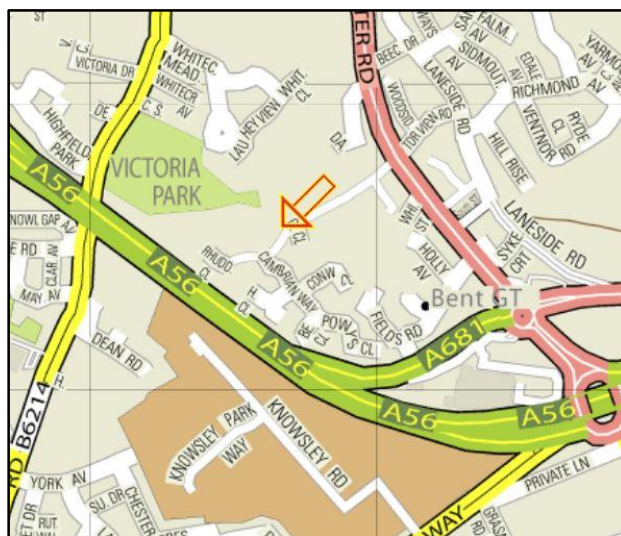
VIEWING

The site is open for inspection.

Access can be made available for parties requiring further investigation, subject to prior confirmation and appointment. We will require indemnification in respect of any third party claims howsoever arising as a result of an inspection being undertaken.

Petty Chartered Surveyors
Suite 3, Empire Business Centre,
2 Empire Way
Off Liverpool Road
Burnley
BB12 6HH

Tel. 01282 456677
commercial@petty.co.uk
www.pettycommercial.co.uk





HM Land Registry
Official copy of
title plan

Title number **LAN77363**
Ordnance Survey map reference **SD7822SE**
Scale **1:1250**
Administrative area **Lancashire :**
Rossendale



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