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**Land and Asset Management Committee**

**10 March 2016**

**Authority to Dispose of Land off Hall Green Road  
and Needwood Grove, West Bromwich  
(Cabinet Forward Plan Ref. No. RE1024)**

**1. Summary Statement**

- 1.1 The purpose of this report is to seek authority to dispose of the freehold interest in land off Needwood Grove, West Bromwich to an adjoining land owner.
- 1.2 The Asset Management and Land Disposal Cabinet Committee at its meeting on 23 May 2012 authorised disposal of the freehold interest in approximately 3.4 hectares of community open space land off Hall Green Road and Needwood Grove, West Bromwich to Christ Church Limited the owner of approximately 5.7 hectares of land adjoining known locally as the former T & S Elements site (Minute No 28/12 refers).
- 1.3 The land owned by the Christ Church Limited and the land owned by the Council are both heavily contaminated and the intention was that Christ Church would undertake to remediate both parcels of land and then residentially redevelop the whole site.
- 1.4 Unfortunately Christ Church did not undertake the remediation works but instead sold its interest in the land to Mar City Homes Limited.

- 1.5 Mar City wish to pursue development of both areas of land and accordingly has asked the Council to dispose of its freehold interest in the land originally authorised for disposal to Christ Church.
- 1.6 Outline planning consent has been obtained for residential development of the site and Mar City is currently consulting residents on its detailed proposals for development which include starter homes, as well as larger family homes. In addition the company intend that Public Open Space will run throughout the development, providing an excellent setting for a family orientated housing scheme, which the company believe will be of great benefit to the area.
- 1.7 Sale of the lands to Mar City would allow for development of the Council's land which due to its location and adverse ground conditions would not be developable in isolation.

Further details are attached for your information

## 2. Recommendation

- 2.1 That Minute Nos. 28/12 (2), (3) and (4) of the Asset Management Land Disposal Cabinet Committee taken on 23 May 2012, in relation to disposal of land at Needwood Grove, West Bromwich, be not proceeded with.
- 2.2 That, the Director – Governance be authorised to dispose of the freehold interest in approximately 3.48 hectares of lands off Hall Green Road and Needwood Grove, West Bromwich shown edged black for identification purposes only on Plan No CPD/21900/7 to Mar City Homes Ltd on terms and conditions to be agreed by the Director – Regeneration and Economy.
- 2.3 That the Director – Governance be authorised to enter into or execute under seal, if necessary, any other related documentation in connection with the disposal of the land referred to in 2.2 on terms to be agreed by the Director – Regeneration and Economy.

**Nick Bubalo**  
**Director – Regeneration and Economy**

### Contact Officers

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### **3. Strategic Resources Implications**

#### **3.0 Strategic Resource Implications**

- 3.1 The Director - Regeneration & Economy estimates the value of the freehold interest in the Council's lands if sold to Mar City Homes Ltd would achieve a capital receipt in the region of £XXXXXX
- 3.2 Sale of the Council's lands direct to Mar City should achieve a higher capital receipt because the Council's land is undevelopable in isolation.

#### **4.0 Legal and Statutory Implications**

- 4.1 Local authorities have powers under the Local Government Act 1972 to dispose of land.
- 4.2 It is Government policy that local authorities should dispose of surplus land wherever possible. Section 123 of the Local Government Act 1972 imposes a statutory duty on local authorities that land should be sold for the best consideration reasonably obtainable. This should be satisfied by a valuation agreed by the Director – Regeneration and Economy. Secretary of State consent is required if land is to be sold at less than best consideration. Specific Secretary of State consent is not required if an authority considers it appropriate to dispose of land at an undervalue in order to secure the promotion of improvement of the economic, social or environmental well being of its area – in that case the disposal will fall under the Secretary of State's general consent (as long as the undervalue is less than £2m).
- 4.3 The land to be sold constitutes open space. Section 123(2A) of the Local Government Act 1972 states: "a Principal Council may not dispose under subsection (1) of any land consisting or forming part of an open space unless before disposing of the land they cause notice of their intention to do so, specifying the land in question, to be advertised in two consecutive weeks in a newspaper circulating in the area in which the land is situated, and consider any objections to the proposed disposal which may be made to them".

In these circumstances Section 123(2A) will need to be complied with.

#### **5.0 Implications for the Council's Scorecard Priorities**

- 5.1 The site would support the Council's priorities of encouraging the transformation and physical improvement of the environment by bringing underused land back into productive use.

5.2 The release of the site for redevelopment will help the Council contribute further towards housing provision within the borough.

## 6 **Background Details**

6.1 There are no further background details to add to this report.

### **Source Documents**

Asset Management and Land Disposal Committee 23 May 2012.