



**REPORT OF:** Executive Member for Finance and Governance

**Executive Member for Environmental Services** 

**LEAD OFFICERS:** Director of Growth and Development

Director of Environment and Operations

DATE: 23/6/2020

PORTFOLIO/S

Finance and Governance

**Environmental Services** 

AFFECTED:

WARD/S AFFECTED: Darwen West

**SUBJECT:** Disposal of land at Vale Street, Darwen.

#### 1. EXECUTIVE SUMMARY

The Council owns a variety of property assets across the Borough. As part of the ongoing strategic review of Council assets, this overgrown piece of land has been identified as one which could realise a capital receipt which would better serve the Council than continuing with ongoing management of underutilised sites.

It is recommended, therefore, that the Council dispose of the site by way of auction.

#### 2. RECOMMENDATIONS

That the Executive Members approve the disposal by auction of the site referred to in this report on the terms recommended.

#### 3. BACKGROUND

The site is shown on the attached plan for identification, and extends to approximately 2,255 square metres in size, part tree covered, it is in a predominantly residential area about half a mile north west of the Darwen centre.

The frontage (northwest side) of the subject site is partly level with Vale Street, but Vale Street slopes down in a north-easterly direction, so the north eastern part of the site has an embankment.

Adjoining, at the foot of this embankment is a Council owned public playground.

The neighbouring playground is to be excluded from any disposal.

Now is believed a suitable time to dispose of the property for the Council to realise a capital receipt and focus its resources on other property assets, particularly those which are better at promoting inward investment type users and employment creation.

# 4. KEY ISSUES & RISKS

EMD: V4/19 Page **1** of **3** 

The boundary between the subject site and playground is not defined and its position would be confirmed prior to disposal. The intention would be for the boundary line to be marked out, in consultation with Environmental Services, and it is recommended this line is delineated by stakes along the foot of the embankment, as this would form a practical demarcation on site.

Any purchaser should be required to erect a boundary fence as a condition of sale within 6 months of completion.

It is recommended any sale includes a clawback provision, as there could be some enhancement in value should a purchaser be successful in obtaining, for example, residential planning permission in the future after acquiring at auction.

It is recommended the overage clause allows the Council to recover 50% of development value say within the next 20 years.

Demand is anticipated from local residents, builders and investors in normal market conditions.

## 5. POLICY IMPLICATIONS

The disposal method accords with the Council's approved policy for disposal.

## 6. FINANCIAL IMPLICATIONS

The Council would receive a capital receipt.

#### 7. LEGAL IMPLICATIONS

Under S.123(2) of the Local Government Act 1972 the Council is obliged to obtain best consideration reasonably obtainable. Auction is a means of disposal of Council land under the Council's disposal policy and experience has shown that most properties at auction sell at or above the guide price.

Disposal of Open Space Notices will be displayed on site later prior to auction pursuant to s.123 s.2A Local Government Act 1972, advising where a plan of the site can be inspected and where any objections should be delivered in writing.

## 8. RESOURCE IMPLICATIONS

Legal and surveyor resources are required to complete the transaction.

The purchaser will be asked to make a reasonable contribution towards the Council's legal, surveyor and auctioneers fee as a condition of the auction.

## 9. EQUALITY AND HEALTH IMPLICATIONS

Please select one of the options below. Where appropriate please include the hyperlink to the EIA.

Option 1 Equality Impact Assessment (EIA) not required – the EIA checklist has been completed.

Option 2 In determining this matter the Executive Member needs to consider the EIA associated with this item in advance of making the decision. (insert EIA link here)

Option 3 In determining this matter the Executive Board Members need to consider the EIA associated with this item in advance of making the decision. (insert EIA attachment)	
10. CONSULTATIONS  The proposal has been subject to consultation between Council officers and the relevant Executive Member.	
Ward Councillors from the Darwen West have also been asked for comments.	
11. STATEMENT OF COMPLIANCE	
The recommendations are made further to advice from the Monitoring Officer and the Section 151 Officer has confirmed that they do not incur unlawful expenditure. They are also compliant with equality legislation and an equality analysis and impact assessment has been considered. The recommendations reflect the core principles of good governance set out in the Council's Code of Corporate Governance.	
12. DECLARATION OF INTEREST  All Declarations of Interest of any Executive Member consulted and note of any dispensation granted by the Chief Executive will be recorded and published if applicable.	
VEDGION	
VERSION:	1
CONTACT OFFICER:	Nicholas Garsrud
DATE:	23/6/2020
BACKGROUND PAPER:	Site plan.