

Executive Member Decision



REPORT OF:	Executive Member for Finance and Governance, Executive Member for Growth and Development
LEAD OFFICERS:	Strategic Director of PLACE
DATE:	Friday, 5 March 2021

PORTFOLIO(S) AFFECTED:	Growth and Development
WARD/S AFFECTED:	Ewood Blackburn South & Lower Darwen
KEY DECISION:	Yes

SUBJECT:

Disposal of land at Heys Lane, Blackburn

1. EXECUTIVE SUMMARY

1.1 To seek approval to sell 2.86 acres of land at Heys Lane, Blackburn ("the Site"), as illustrated on the plan attached at Annex A, to Bidder A.

2. RECOMMENDATIONS

That the Executive Members:

2.1 Note, the Council owned site makes up a small part of 101 acres of residential development land at Bank Hey, currently in multiple ownership.

2.2 Approve the sale of the site to Bidder A for the agreed price.

2.3 Authorise the Director of HR, Governance and Engagement, to complete the necessary legal formalities.

3. BACKGROUND

3.1 The site provides an access point into the Bank Hey Development Site, which is allocated for residential development in the Local Plan. The masterplan for the area estimates 315 homes to be built by 2026, with potential for an additional 335 homes beyond this date bringing the total number of residential properties to 650. The Council has identified the opportunity to include its non-strategic land in this larger site to maximise potential capital receipt.

3.2 The Bank Hey Development Site extends to 101.85 acres (41.2 hectares) and is in multiple ownership. The Council's proportion of the site is calculated at 2.8%.

3.3 Lea Hough Chartered Surveyors have promoted Bank Hey Development Site on behalf of the joint landowners and validated and accepted an offer for the land from Bidder A.

3.4 The Council will receive a 2.8% share of the minimum sale price. If lower than expected abnormal costs lead to a higher land value, the Council's receipt will be increased proportionately.

3.5 Contracts are anticipated to exchange in Spring 2021. Allowing an extended period to obtain planning due to the size of the site, completion is expected in April 2022.

3.6 The Council's capital receipt will be received upon completion.

4. KEY ISSUES & RISKS

4.1 The Council has combined its site with those of a number of other landowners in order to maximise the benefit and value of the site.

4.2 Should the transaction not be completed the Council will retain a piece of land with little value or use when considered in isolation.

4.3 The disposal of the wider Bank Hey Development Site will make a significant contribution to achieving the Council's housing delivery targets.

5. POLICY IMPLICATIONS

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

5.2 The site is allocated for housing development within the Council's adopted Local Plan Part 2 (2015). The proposed disposal will help to progress delivery of essential housing development in accordance with the Local Plan, and will work towards meeting the Council's targets for housing delivery.

6. FINANCIAL IMPLICATIONS

6.1 The Council will receive a capital receipt upon completion

7. LEGAL IMPLICATIONS

7.1 The disposal method complies with the Council's legal obligations for such transactions and with the Council's Disposal Policy 2019.

8. RESOURCE IMPLICATIONS

8.1 Legal and surveyor resources will be required to complete the transaction although the disposal will be coordinated by a lead solicitor paid for by the developer.

9. EQUALITY AND HEALTH IMPLICATIONS

Please select one of the options below.

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.

10. CONSULTATIONS

10.1 The proposal has been subject to consultations between Council Officers, Executive Members, and Legal and Planning departments. Public consultation will take place on receipt of any future planning application for development of the site.

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 in the Summary of Decisions published.

CONTACT OFFICER:	Simon Jones, Growth Programme Director
DATE:	24 th February 2021
BACKGROUND PAPER:	None