

**Agenda Item No:** 14  
**Report To:** Cabinet  
**Date of Meeting:** 15<sup>th</sup> June 2017  
**Report Title:** Proposed sale of land at Priory Way and the rear of Tilden Gill Road, Tenterden  
**Report Author & Job Title:** Sharon Williams – Head of Housing  
**Portfolio Holder** Cllr. Gerald White  
**Portfolio Holder for:** Housing



**Summary:**

Following the grant of planning consent on appeal for a residential development on land to the south of Tilden Gill Road, Tenterden, the developer has approached the Council with an offer to buy land at Priory Way to facilitate access to the development site.

This report considers the advice on the valuation of the land at Priory Way and the options available to the Council.

**Key Decision:** NO  
**Significantly Affected Wards:** Tenterden  
**Recommendations:** **The Cabinet is recommended to:-**

- 1. Approve in principle to the disposal of the Housing Revenue Account (HRA) land at Priory Way as shown on the plan attached as Appendix 2 on the basis that the buffer strips shown at Appendix 3 are retained in the ownership of the Council.**
- 2. Delegate authority to the Head of Housing to achieve the best price in her view based on the valuations and to agree the terms of the disposal of land at Priory Way, in consultation with the Director of Law and Governance, Heads of Corporate Property and Finance and their Portfolio Holders.**
- 3. Agree that the capital receipt be ring-fenced to support the delivery of the HRA capital**

**programme.**

- 4. Authorise the Director of Law and Governance in consultation with the Head of Housing to execute and complete all necessary documentation to give effect to the above recommendations on such detailed terms and conditions as contained in this report and those considered appropriate.**
  
- 5. Authorise the Head of Housing in consultation with the Director of Law and Governance to dispose in the future of any parts of the existing buffer strip at market value to adjacent properties if the land becomes redundant due to the layout of the development.**

**Policy Overview:**

**Financial and Legal Implications:**

The Council has power under section 123 of the Local Government Act 1972 to dispose of land. The disposal must be for the best consideration that can reasonably be obtained.

The Council has therefore obtained two valuations, which will form the basis for negotiations.

Sale of the land will achieve a capital receipt.

If the Council takes on a new buffer strip the Council will be responsible for its maintenance.

If the land is sold and the developer proceeds with the development at land to the south of Tilden Gill Road up to 100 dwellings will be build, of which 35 per cent will be affordable dwellings.

If the land at Priory Way is not sold to the developer the Council will be able to build four affordable dwellings on the land at Priory Way.

The Property Acquisition and Investment Disposal Strategy does not apply to the sale of the land at Prior Way.

**Equalities Impact Assessment**

Not Required

**Other Material Implications:**

The Council will not be able to build 4 affordable dwellings on the housing revenue account land at Priory Way, if the land is sold to the developer and the developer proceeds with the

development of the land to the south of Tilden Gill Road.

If the land at Priory Way is sold and the developer proceeds, with the development up to 35 affordable dwellings will be built and up to 65 open market dwellings will be delivered.

The sale of the land must be conditional upon the developer obtaining planning permission for the reserved matters and revising the layout of the entrance to the development

### **Exemption Clauses**

Not For Publication by virtue of Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 (financial information) and the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

### **Appendices**

Appendix 1: Plan showing the site to the south of Tilden Gill Road, which was granted planning permission upon appeal

Appendix 2: Plan showing the HRA land at Priory Way

Appendix 3: Plan showing buffer strip at the rear of Tilden Gill Road, together with the proposed new buffer strip to the south of Tilden Gill Road.

**Exempt Appendix 4 - Valuation advice from Canterbury City Council's valuer**

**Exempt Appendix 5 – Valuation advice from Savils**

### **Background Papers:**

Planning appeal decision, dated 20 April 2016 for Land South of Tilden Gill Road, Tenterden, Kent (Appeal reference: APP/E2205/W/15/3032575)

### **Contact:**

sharon.williams@ashford.gov.uk – Tel: (01233) 330803

## **Report Title: Proposed sale of land at Priory Way and the rear of Tilden Gill Road, Tenterden**

### **Introduction and Background**

1. Gatefield Estates Limited applied for outline planning permission to build up to 100 houses on the land to the south of Tilden Gill Road, which is shown on the plan attached as Appendix 1. The Council refused to grant planning permission on several grounds, including that the development was on an unallocated site outside the built-up confines of the town of Tenterden in the countryside.
2. The developer appealed the Council's decision and the Planning Inspectorate granted outline planning permission in April 2016, subject to conditions and reserved matters. One reserved matter relates to access to the site.
3. At the time of making the decision the planning inspector considered that the Council could not demonstrate a five year housing land supply.
4. The developer approached the Council with a proposal to purchase the HRA land at Priory Way in order to create an access to the site. The development would deliver 35% affordable housing.
5. The Council's land at Priory Way, that the developer wishes to acquire (shown at Appendix 2), has planning permission for a Housing Revenue Account (HRA) scheme of 4 units of affordable housing. The Council also owns a strip of land at the rear of properties in Tilden Gill Road. The developer is interested in purchasing the land at Priory Way.
6. It would not be possible to provide both the access the developer requires and build the proposed HRA 4 unit scheme.
7. Discussions took place between the developer and Canterbury City Council's valuer regarding the potential sale of the HRA land at Priory Way to provide access to the land south of Tilden Gill Road. These discussions reflected Members concerns about 'containing' the site by retaining the existing buffer strip to the rear of the dwellings on Tilden Gill Road and obtaining a new buffer strip around the boundary of the development to control further development on land beyond the land to the south of Tilden Gill Road as shown at Appendix 3.

### **Valuation Advice**

8. If the land at Priory Way is sold the Council will need to be able to demonstrate that it has achieved the best consideration that could reasonably be obtained. The Council commissioned two separate valuations, one from

Canterbury City Council and a further valuation from Savills. Valuation details are set out in at the Exempt Appendix 4 and Exempt Appendix 5 respectively.

9. The Council has received the following offers from the developer:

(a) To purchase the land at Priory Way for the value set out at paragraph A in Exempt Appendix 4 subject to the Council retaining the existing buffer strip at the rear of the properties at Tilden Gill Road AND to the developer transferring to the Council a further narrow strip of land around the perimeter of the development on the land to the south of Tilden Gill Road;

**OR**

(b) (i) To purchase the land at Priory Way for the value shown at paragraph B on Exempt Appendix 4 subject to the Council retaining the existing buffer strip at the rear of Tilden Gill Road properties. In this case the developer would not transfer an additional buffer strip around the perimeter of the development of land to the south of Tilden Gill .

**OR**

b) (ii) To purchase the land at Priory Way for the value shown at paragraph B in exempt Appendix 4 subject to the Council transferring the existing buffer strip to the developer with no restrictions.

10. A steer was sought from the then Portfolio Holder, Deputy Portfolio Holder for Housing and the Ward Member. They considered that option 9 (a) would be in the Council's best interests, given that it provides the opportunity to obtain an additional buffer strip around the perimeter of the new development and retains the existing buffer strip to the rear of Tilden Gill Road properties to control potential further development beyond the land to the south of Tilden Gill Road and, the potential to attract further benefits or capital receipts to the Council if in the future further access was required across this land.

11. The sale of the land at Priory Way is conditional upon the developer obtaining reserved matters approval. The Council has made it clear to the developer that as part of the reserved matters application the Council would require changes to the layout at the entrance to the development.

12. Whilst Canterbury County Council's valuer considers the developer's offer set out at 9b (i) to be reasonable the advice from Savills for disposal of the land on the same terms as set out at 9b(i) above suggests a significantly higher value as shown at paragraph C on the exempt paper at Appendix 5.

13. Considering the valuation advice received, the difference in value appears to amount to a difference in professional opinion on the estimation of the value

of the affordable housing element of the scheme, and the professional fees applied to the development.

14. In light of the higher valuation received from Savills, it is suggested that the Council negotiates with a view to attempt to agree a higher sum in line with the valuation advice. It is suggested that the final decision on value and the terms of disposal be delegated to the Head of Housing in consultation with the Director of Law and Governance, Heads of Corporate Property and Finance as well as the relevant Portfolio Holders.
15. The negotiations will also be subject to agreement on a revised layout at the entrance to the development.
16. The Council considers it appropriate to sell land at Priory Way, subject to the Council retaining the existing buffer strip to the rear of properties on Tilden Gill Road and the developer providing the Council with an additional buffer strip around the perimeter of the land to the south of Tilden Gill.
17. The capital receipt received will be ring-fenced to support the delivery of the HRA capital programme.

### **Implications and Risk Assessment**

18. The Council may sell the land to the developer however, the developer may decide not to build the development. This is unlikely, but the Council's sale of the land at Priory Way should be subject to the development of the land to the south of Tilden Gill Road being developed. The sale should also be subject to the land being returned to the Council, if the planning permission expires.
19. There will be an additional cost to the Council to maintain the new buffer strip.

### **Equalities Impact Assessment**

20. Not required.

### **Informal Consultation**

21. Informal consultation was carried out with the Ward Member, the then Portfolio Holders, and relevant officers.
22. The Ward Member and the then Portfolio Holder are reluctantly in agreement with the disposal of land at Priory way, in light of the planning inspector's

decision to grant planning permission for land to the south of Tilden Gill Road.

23. The Ward Members very strongly agree that the Council should agree to the disposal of land at Priory Way on the basis of retaining the existing buffer strip and gaining a new one, on the condition that the Council be given access to the buffer strips to maintain them at least twice a year.

### **Other Options Considered**

24. The Council has also considered the following options:

- i) To dispose of the land at Priory Way, with the Council retaining the existing buffer strip and without acquiring a new buffer strip
- ii) To dispose of the land at Priory Way together with the existing buffer strip, with the Council acquiring a new buffer strip
- iii) To dispose of the land at Priory Way together with the existing buffer strip, without the Council acquiring a new buffer strip
- iv) Not to dispose of the land at Priory Way or the existing buffer strip.

25. Whilst the Council could decide not to sell the land and instead provide the 4 units of affordable housing as originally proposed, it is unlikely that the proposed development would be halted as there may be other alternatives for accessing the site. Failure to secure this current proposal could result in the development happening in any case, the Council not receiving any income, and the possibility of further development in the future.

### **Reasons for Supporting Option Recommended**

26. The option recommended is supported, albeit reluctantly, by the Ward Members and the Portfolio Holder for Housing. Whilst the Council did not support the original planning application, planning permission was granted on appeal. Given that the developer has indicated other potential access points to the site over Council land together with third party land this scheme is very likely to proceed. This sale would achieve a significant capital receipt for the Council to be able to re-invest in future housing schemes and regeneration.

27. The option recommended also protects the Council's interests in the future with the retention of the buffer strip and the gaining of a further ribbon of land around the development.

### **Next Steps in Process**

28. Should Members agree to the recommendation to dispose of the land, it is suggested that, in view of the valuation advice received from Savills, negotiations with the developer should reflect the higher value advised.
29. It is suggested that the decision on the final sale value and the terms of the disposal be delegated to the Head of Housing, in consultation with the Director of Law and Governance and Heads of Corporate Property and Finance and their Portfolio Holders.
30. It should be borne in mind that, if the proposal above is chosen and proceeds, parts of the existing buffer strip between Tilden Gill Road and the proposed development may, once a layout for the development is finalised, become redundant. Authority is sought to delegate to the Head of Housing in consultation with the Director of Law and Governance the disposal of such parts of the existing buffer strip at market value to adjacent properties if that scenario were to come to fruition at some time in the future.

## **Conclusion**

31. The granting of planning permission on appeal for the residential development on the land to the south of Tilden Gill Road caused local concern.
32. It is recommended that Cabinet agrees in principle to the disposal of land at Priory Way, subject to the Council retaining the existing buffer strip to the rear of properties on Tilden Gill Road and to the Council obtaining a further buffer strip around the development of the land to the south of Tilden Gill Road and the decision on the final sale value and the terms of the disposal be delegated to the Head of Housing, in consultation with the Director of Law and Governance and Heads of Housing Corporate Property and Finance and their Portfolio Holders

## **Portfolio Holder's Views**

33. Whilst the Council did not support the original planning application for the development at Tilden Gill, permission was granted on appeal by the Planning Inspectorate and therefore this development is regrettably likely to proceed.
34. In the circumstances, the recommendations set out for disposal of the HRA land at Priory Way are in the Council's best interests and are supported. The negotiations have reflected the ward members view to retain an existing buffer strip and to for an additional new buffer strip to transfer to the Council. This will help to control further development beyond the existing site boundaries and provides an opportunity to attract further benefits or capital receipts to the Council if further access was required across this land in the future.

## **Contact and Email**

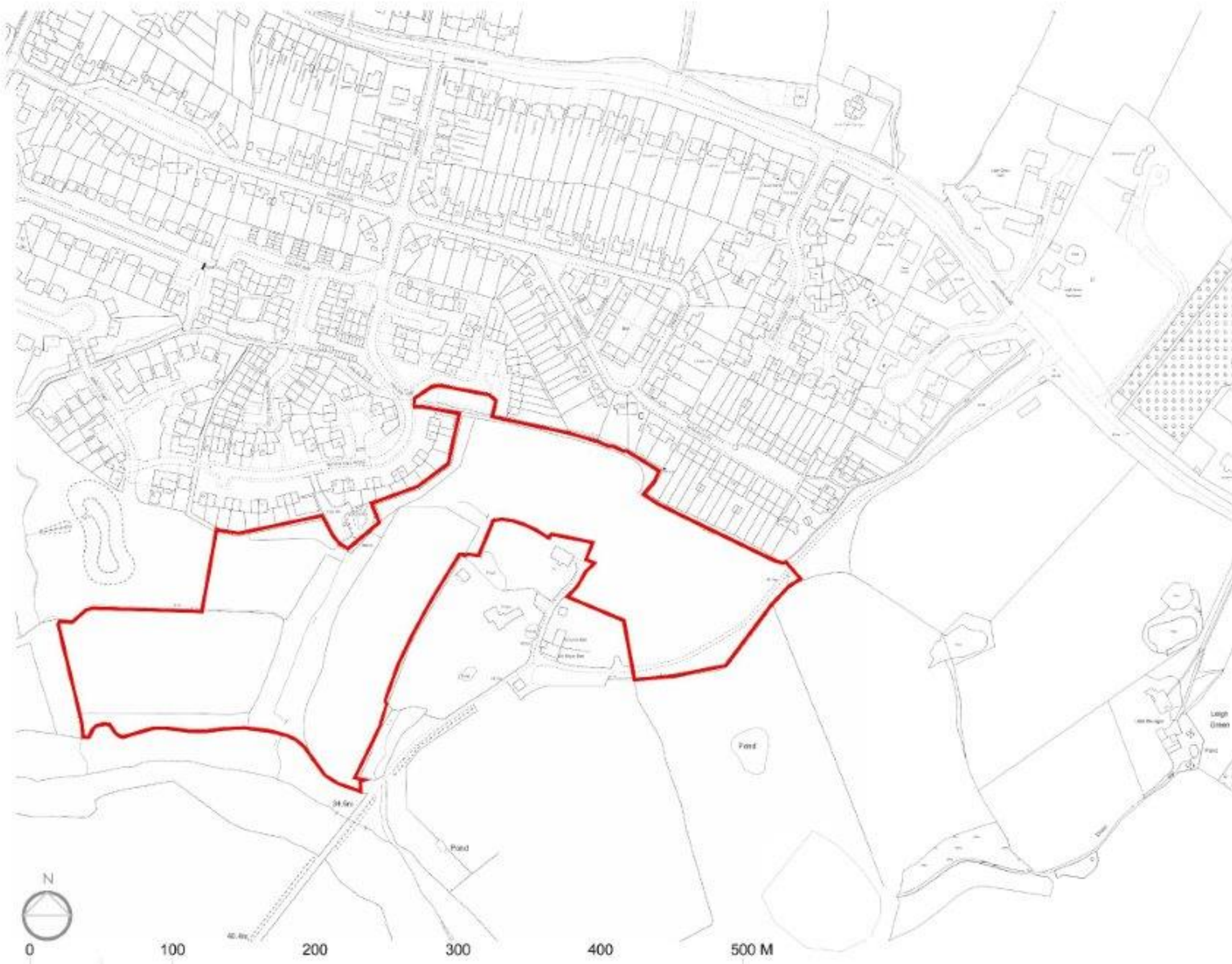
35. Sharon Williams  
email [Sharon.williams@ashford.gov.uk](mailto:Sharon.williams@ashford.gov.uk)





REV	DATE	DESCRIPTION	BY	CHECKED
A	15/04/14		JR	JR
B	23/04/14		JR	JR
B	23/04/14	ADD NORTH POOL	AD	JR
C	23/04/14	LINK TO NEW LEGAL BOUNDARY		
D	23/04/14	ADDED ROAD		
E	06/05/14	LINK TO ADJACENT PLOT		

 Site Application Boundary  
5.64Ha



CLIENT:  
**C&G Properties PLC**

PROJECT:  
**Tilden Gill, Tenterden**

DRAWING:  
**Site Location Plan**

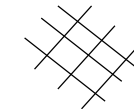
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DATE: **May 14** REV: **E**

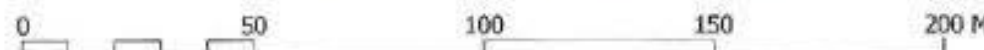




REV	NO	DESCRIPTION	DATE	DRAWN



Indicative area proposed for transfer currently including adopted Highway and subject to reserved matters application for access



**Tilden Gill**

**Land Acquisition from ABC**

CLIENT:  
CB&G Properties PLC

PROJECT:  
Tilden Gill, Tenterden

DRAWING:  
Land Transfer

SCALE: 1:2000 @ A3 DWG NO: 1541 P 20  
(1:1000 @ A1)

DATE: Sep'16 REV: #

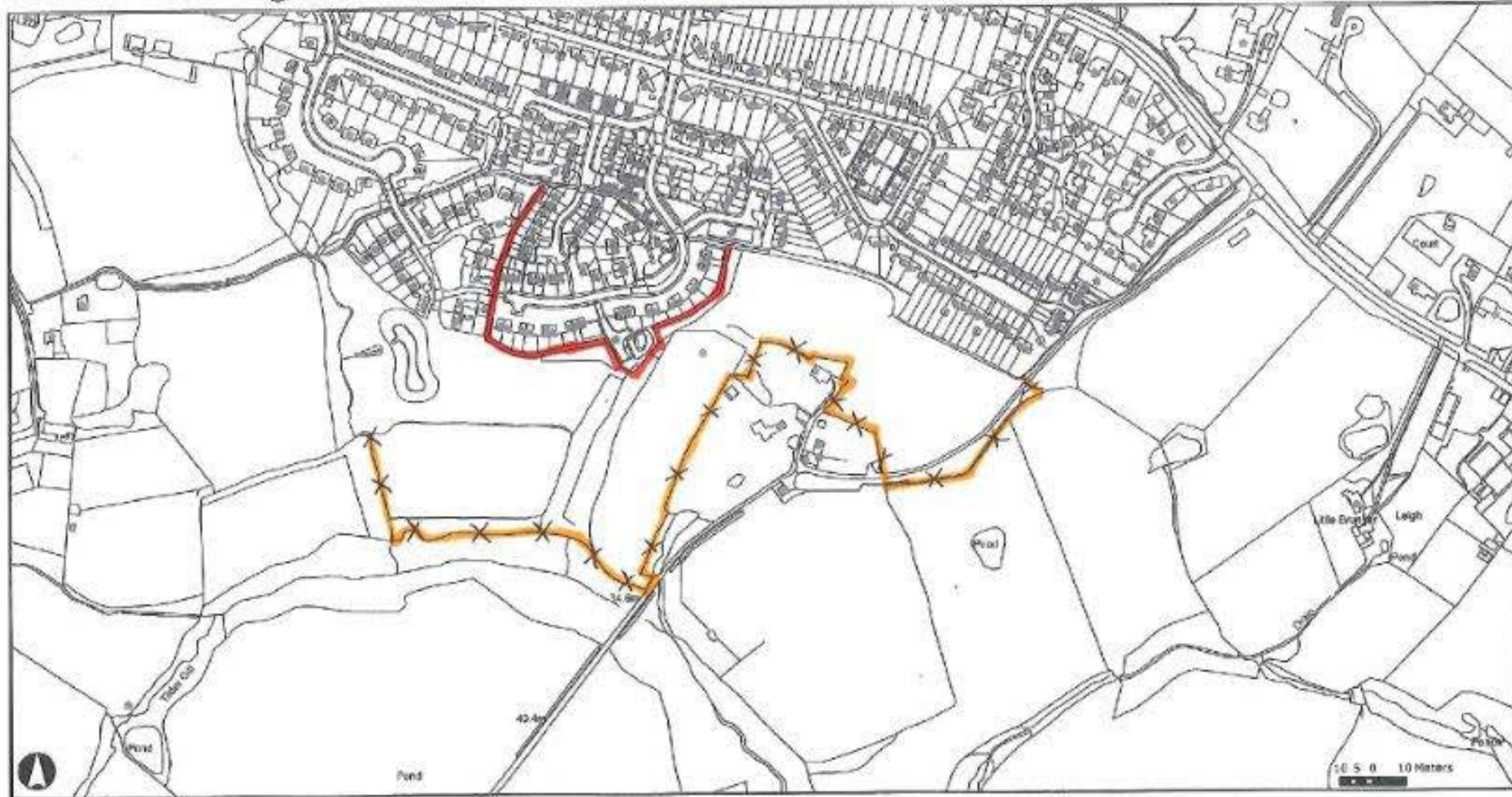


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# Ashford Borough Council



Existing Buffer  
Proposed New Buffer.

LLPG

Parish Boundary

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