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| <b>Report to:</b>  | <b>Cabinet</b>   |
| <b>Report of:</b><br><b>Date of Decision:</b>                    | <b>Corporate Director Economy</b><br><b>18<sup>th</sup> April 2017</b>   |
| <b>SUBJECT:</b>  | <b>SALE OF LAND AT DAWBERRY FIELDS, KINGS HEATH, BIRMINGHAM.</b>   |
| <b>Key Decision: Yes</b>   | <b>Relevant Forward Plan Ref: 002517/2016</b>  |
| <b>If not in the Forward Plan:</b><br><b>(please "tick" box)</b> | <b>Chief Executive Approved</b> <input type="checkbox"/><br><b>O &amp; S Approved</b> <input type="checkbox"/> |
| <b>Relevant Cabinet Member:</b>                                  | <b>Cllr John Clancy, Leader of the Council</b>   |
| <b>Relevant O&amp;S Chairman:</b>                                | <b>Cllr Mohammed Aikhlaq – Corporate Resources Overview and Scrutiny Committee</b>                             |
| <b>Wards affected:</b>   | <b>Brandwood</b>   |

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| <b>1. Purpose of report:</b>                   |  |
| 1.1  | To note the surplus declaration and freehold disposal of Council owned land at Dawberry Fields, Kings Heath, Birmingham, shown edged black and shaded grey (Land C), on the enclosed plan extending to 0.92 hectares.          |
| 1.2  | To note the intention to report the variation of the terms of a land sale as approved in a joint Cabinet Member Report dated January 2016 for land at Dawberry Fields, Kings Heath, Birmingham.                                |
| 1.3  | An accompanying Private Report contains confidential information on the proposed disposal.   |
| <b>2. Decision(s) recommended:</b>             |  |
|  | Cabinet is recommended to;   |
| 2.1  | Approve the surplus declaration and freehold disposal of 0.92 hectares of freehold land at Dawberry Fields, Kings Heath, Birmingham as shown shaded grey (land C) on the enclosed plan within appendix 1.                      |
| 2.2  | Note the intention to vary the sale terms of the land sale approved in a joint Cabinet Member Report dated January 2016 for land at Dawberry Fields, Kings Heath and detailed in the accompanying report on the Private agenda |
| <b>Lead Contact Officer(s):</b>                | Kathryn James<br>Interim Assistant Director Property<br>Birmingham Property Services   |
| <b>Telephone No:</b><br><b>E-mail address:</b> | 0121 675 3934<br>kathryn.james@birmingham.gov.uk   |

### **3. Consultation**

#### **3.1 Internal**

District Leads and Ward Members have been consulted on the release of additional land (land C) and the proposed sale of land, no adverse comments received. The details of this consultation is set out in appendix 3 of this report.

3.1.1 The Leader, Acting Strategic Director of Place and relevant Executive Members have been consulted regarding the contents of this report and support the proposals.

3.1.2 The City Solicitor, officers in City Finance, and other relevant officers in Place and Economy have been consulted on the preparation of this report and support the proposals.

#### **3.2 External**

The Allotment Association have been consulted on the release of the additional allotment land for development (land C) and have confirmed that they are supportive of the proposal.

### **4. Compliance Issues:**

#### **4.1 Are the recommended decisions consistent with the Council's policies, plans and strategies?**

The proposal contributes towards the strategic outcomes outlined in the 'Council Business Plan and Budget 2017+', specifically to help deliver a balanced budget and contribute to the Council's plan to rationalise its property portfolio as part of its asset management programme.

4.1.1 The development of new homes for a growing city is a key objective of the Council Business Plan and Budget 2017+.

#### **4.2 Financial Implications**

The disposal of this surplus asset will generate capital receipts for the Council to help support the Council Business Plan and Budget 2017+, and contribute to key business priorities.

#### **4.3 Legal Implications**

The power to acquire, dispose and manage assets in land and property is contained in Sections 120 and 123 of the Local Government Act 1972.

#### **4.4 Public Sector Equality Duty**

A Equality Assessment (EA001853 is attached to Appendix 2), was undertaken for this proposal, which confirms there is no adverse impact and that a full EA is not required for the purpose of this report.

- 5. Relevant background/chronology of key events:**
- 5.1 A summary of the salient points are as follows;
  - 5.2 At its meeting on the 8th March 2012 Cabinet Committee Property declared the land at Dawberry Fields Road surplus to requirements in a report entitled "Residential Land Sales Programme 2012/2014". The report also approved the subsequent sale via informal tender.
  - 5.3 As part of the due diligence prior to marketing, opportunity arose to improve the development viability of the site and a further report to Cabinet Committee Property of the 10<sup>th</sup> December 2012 approval was given to release a further acre of land as surplus and to be considered for sale.
  - 5.4 Property officers subsequently undertook an informal tender process of the land, the outcome of which was the approval of a Joint Cabinet Member Report dated January 2016 which made a recommendation of sale for Land A&B as shown on the enclosed plan within Appendix 1.
  - 5.5 Following approval of this sale, a further ongoing review of Local Service assets identified additional land i.e.; (Land C) as illustrated on the enclosed plan within Appendix 1.
  - 5.6 Site B has been appropriated into the Housing Revenue Account with the intention to provide 14 new affordable homes delivered through the BMHT programme.
  - 5.7 A report on the private agenda details the outcome of these negotiations and officers' recommendations in terms of the land sale.
  - 5.8 It should also be noted that the capital receipts generated from the sale of this land will be subject to earmarking of land sales within the Allenscroft Estate, Brandwood which was approved by Cabinet on the 26<sup>th</sup> September 2005.

- 6. Evaluation of alternative option(s):**
- 6.1 Not to proceed with the sale would mean that the site would continue to be left undeveloped and an opportunity to redevelop the site for mixed tenure family homes would be postponed.

- 7. Reasons for Decision(s):**
- 7.1 For Members to note the disposal of the site.
  - 7.2 The sale will generate a capital receipt that can be reinvested by the city.
  - 7.3 To support the council in delivering housing growth across the City by providing as many new homes as possible using the Councils resources and by entering into partnerships with other housing developers to achieve best value through economies of scale.

| Signatures  | Date  |
|---|-------|
| Cllr John Clancy<br>Leader of the Council               | ..... |
| Waheed Nazir<br>Corporate Director Economy              | ..... |
| Kathryn James<br>Interim Assistant Director of Property | ..... |

- List of Background Documents used to compile this Report:**
- Residential Land Sales Programme 2012/2014 8<sup>th</sup> March 2012
  - Disposal of Surplus Properties, 10<sup>th</sup> December 2012
  - Cabinet Member Report Sale of Land at Dawberry Fields January 2016
  - Planned Procurement Activities and Quarterly Contract Award Schedule 14<sup>th</sup> Oct 2016
  - Allenscroft Initiative Earmarked Receipts Review 2015, 11th June 2015.
  - Section 8 Consent to release allotment land
  - Land Appropriations to Support Housing Growth

- List of Appendices accompanying this Report (if any):**
- 1. Appendix 1 – Site Plan
  - 2. Equality Assessment – EA001853
  - 3. Consultation