



CABINET MEMBER DECISION

Decision:

That the Assistant Director for Property Delivery is authorised to proceed with the freehold disposal of 0.173 hectares at Wherry's Lane, Bourne for the sum of £250,000 (Two hundred and fifty thousand pounds) to Gravitas Housing Ltd in connection with housing development as detailed in report RIM0374.

(1) **Details of Decision**

To seek authority to dispose of 0.173Ha (0.430 acres) of land at Wherry's Lane, Bourne to Gravitas Housing Ltd.

(2) **Considerations/Evidence**

The following options have been considered by Officers and rejected.

i) Development of the Site for affordable homes.

The Site is located in a prime location in the town centre and offers an opportunity to develop a high quality market housing scheme generating a commercial return.

The adjacent site has already been developed with residential flats for sale on the open market. A proposal to develop an all affordable scheme would therefore be inconsistent with the current adjacent uses and occupancies.

An affordable scheme on the site may also fall short of achieving the development density of a market sale scheme if tailored to specific housing needs. This has the potential to limit maximising the development capacity of "The Site" and affect the commercial return.

ii) Development of the site for retail or commercial use.

Despite ongoing marketing and previous receipt of expressions of interest for the Council's 7 existing retail units at Wherry's Lane, Bourne, the status of the units remains as follows;

Wherry's Lane Phase 1 Retail Units	
Unit No	Status
1	Vacant
2	Let

3	Vacant
4	Let
5	Vacant
6	Vacant - previously let but vacated in August 17
7	Let

Four of the units are vacant and some units have been for a significant period of time. Two of the vacant units are currently under offer.

Further market intelligence has been provided by the Council's commissioned commercial property agents and this states that demand for retail space in Bourne is low. This has been evidenced by a number of vacant retail units on North Street and 3 units in the Burghley Centre that are currently vacant or have ceased trading. The agents have confirmed that they currently have no enquiries for additional retail space in Bourne.

On this evidence there would be significant risks in developing more retail accommodation on the Wherry's Lane site as this could result in the Council incurring costs for business rates and ongoing management costs if any new units remained vacant for prolonged periods.

(3) Reasons for Decision:

The Council owns undeveloped land of 0.43 acres located on Wherry's Lane off Burghley Street in Bourne (The Site). The land forms part of a larger site purchased for the Council's general fund asset portfolio. Part of the land was developed in 2014-15 by the Council to provide 7 ground floor retail units and 14 upper floor apartments for leasehold sale. The sale of "The Site" will enable Gravitas Housing Limited (Gravitas) to complete the development of the site previously acquired. Gravitas is a wholly owned company controlled by the Council which was established to develop market housing for rent and/or sale.

The Site is identified for housing in the draft Local Plan and has been considered as suitable for development of housing for sale by Gravitas. The Council's Shareholder Committee at its meeting in October 2017, (subject to the Council's agreement to release the land), approved the progression of a scheme for 25 homes comprising apartments and town houses. The Site has been valued by the District Valuer at £250,000 as the market value.

A requirement for nine s106 affordable homes will be triggered under the Council's planning policy H3 of the adopted Core Strategy on sites of 5 or more dwellings. Alternatively a commuted sum can be paid by Gravitas towards the off-site provision of the affordable homes.

The benefits to the Council in selling the land and it being developed as intended will be as follows;

- A capital receipt of £250,000 will be achieved.
- New homes will address a demand for housing of this type in one of the District's main urban centres.
- New Homes Bonus will be received for each of the new homes developed.
- The new homes will generate additional Council Tax income.
- A commuted sum of c£530,000 will be paid toward the provision of affordable homes in the area.

Conflicts of Interest

(Any conflict of interest declared by any other Cabinet Member consulted in relation to the decision to be recorded).

NONE

Dispensations

(Any dispensation granted by the Monitoring Officer in respect of any declared conflict of interest to be noted).

NONE

Decision taken by:

Name: Councillor Kelham Cooke
Deputy Leader also Cabinet Member for Business Transformation and Commissioning

Date of Decision: 10 January 2018

Date of Publication of Record of Decision: 11 January 2018

Date decision effective (i.e. 5 days after the date of publication of record of decision unless subject to call-in by the Chairman of an Overview and Scrutiny Committee or any 5 members of the Council from any political groups):

19 January 2018