



CABINET

Tuesday 3 March 2020

SALE OF LAND IN UGGESHALL CLOSE, LOWESTOFT

EXECUTIVE SUMMARY

1. The current tenant has an ongoing application for a Right-to-buy and would like to purchase land adjacent to their home to include as part of their garden.
2. The removal of this land from Housing Revenue Account will reduce the ongoing grounds maintenance the Council will be responsible for.
3. The land is not suitable for development due to its size and lack of access.

Is the report Open or Exempt?	Open
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Wards Affected:	Gunton and St Margarets
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Cabinet Member:	Councillor Richard Kerry Cabinet Member with responsibility for Housing
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Supporting Officer:	Samantha Shimmon Tenant Services Manager 01502 523451 Samantha.Shimmon@eastsoffolk.gov.uk
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1 INTRODUCTION

- 1.1 On 20/11/2018 the Tenant living at 5 Uggeshall Close, Lowestoft made a Right-To-Buy (RTB) application to purchase their home.
- 1.2 During the application, a request was made to purchase a piece of land that is adjacent to the property and belongs to East Suffolk Council.
- 1.3 This land is not part of the original secure tenancy and is therefore a separate disposal of land.

2 DISPOSAL OF LAND

- 2.1 The land is owned by East Suffolk Council's Housing Revenue Account (HRA).
- 2.2 There is an ongoing financial commitment to the HRA for grounds maintenance of the land, following disposal the Council will no longer be liable for this, which will form a saving to the Council. In addition, whilst the Council owns the land the Council is potentially liable to any member of the Public who may injure themselves whilst on the land, disposal of the land removes this risk.
- 2.3 The land is not suitable for development purposes due to the size and lack of vehicular access to the land.
- 2.4 The land has been valued at £4,970 by ESC's Asset Management team and the buyer has agreed to pay this price and the Council's legal fees of £550.
- 2.5 The deed for the land will include a covenant preventing the land being used for development purposes without the express permission of the Council. The land has been valued taking this covenant into account.
- 2.6 The Council's Asset Management team have consulted with Assura Medical who own the doctor's surgery the land is adjacent to. Enquiries were made as to whether Assura would be interested in the land, and a deadline for a response was given. To date we have received no response to this letter and the deadline is now passed.
- 2.7 Orwell Housing own the properties across the road from the piece of land, they have also been approached and have confirmed they have no interest in purchasing this land.

3 HOW DOES THIS RELATE TO THE EAST SUFFOLK BUSINESS PLAN?

- 3.1 The funds from this sale will go into the HRA, which re-invests in its own stock as well as developing new affordable housing. This sale will reduce the ongoing maintenance responsibilities of ESC's HRA.
- 3.2 The HRA provides affordable housing, and revenue into the HRA will benefit the wellbeing of all its tenants by ensuring its stock is kept in good condition. The HRA also provides additional affordable housing with its new development and re-development programme which benefits those in the district in housing need.

4 FINANCIAL AND GOVERNANCE IMPLICATIONS

- 4.1 The valuation provided by the Council's Asset Management team has been agreed with the purchaser together with our legal costs, with all the proceeds going into the HRA.
- 4.2 Since agreeing the price with the purchaser, Asset Management have advised that a sale price higher than the valuation should be achieved if possible. All future sales will take this into account, but a price had already been agreed for this piece of land and it is felt

that the Council's reputation will be damaged if it goes back on its word following a deal being agreed.

5 OTHER KEY ISSUES

- 5.1 This report has been prepared having taken into account the results of an Equality Impact Assessment: This a private sale and doesn't have any impact either positive or negative on any group that display and of the protected characteristics.

6 CONSULTATION

- 6.1 The residents of both 6a & 6b Uggeshall Close have been consulted and have not registered any concerns over the sale. These properties are owned by Orwell Housing who have also not registered any concerns in the sale or interest in purchasing the property themselves.
- 6.2 Councillor Linda Coulam and Councillor Mary Rudd were consulted on this sale as ward Councillors. Neither raised any concerns and Councillor Linda Coulam felt the sale would benefit not only the buyers of number 5 but it would protect 6a and 6b from being overlooked from the doctor's surgery car park.

7 OTHER OPTIONS CONSIDERED

- 7.1 The land could be retained within the HRA, this would provide ongoing maintenance liability which would continue to have to be financed by the HRA. There is also the risk that the Council would be liable if any person who enters land injures themselves. The land is not suitable for development and surplus to requirement for the HRA.
- 7.2 The land could be sold on the open market, it is unlikely to be in demand by anyone except the current purchaser and this would cost the Council money to advertise the land for sale and therefore reduce the amount being transferred into the HRA.

8 REASON FOR RECOMMENDATION

- 8.1 The sale of the land gives the best financial return for the HRA to invest in its current/new stock in the district.

RECOMMENDATIONS

1. That the piece of land marked on Appendix A be sold to the buyer of 5 Uggeshall Close, Lowestoft for £4,970 + £550 for the Council's Legal fees.
2. That the title deed includes a covenant for the land to not be used for development purposes except with the express permission of the Council.

APPENDICES	
Appendix A	Plan of piece of land to be sold
Appendix B	Valuation of Land by Asset Management team
Appendix C	Google Map plan of area

BACKGROUND PAPERS		
Date	Type	Available From
11/11/19	Equality Impact Assessment	Housing Team