Executive – 4 August 2016

Present: Councillor Edwards (Vice-Chairman) (In the Chair)

Councillors Beale, Berry, Habgood, Mrs Herbert, Parrish and

Mrs Warmington

Officers: Shirlene Adam (Director - Operations), Terry May (Assistant Director -

Property and Development), Ken Francis (Assistant Strategy Officer) and

Richard Bryant (Democratic Services Manager)

Also present: Councillors M Adkins, Booth, Cavill, Farbahi, Gaines and Horsley

Anne Elder, Chairman of the Standards Advisory Committee

(The meeting commenced at 6.15 pm.)

37. Apologies

The Chairman (Councillor Williams).

38. Minutes

The minutes of the meeting of the Executive held on 7 July 2016, copies of which had been circulated, were taken as read and were signed.

39. **Declarations of Interest**

Councillor Mrs Herbert declared a personal interest as an employee of the Department of Work and Pensions. Councillor Beale declared personal interests as a Board Member and Director of Tone FM and as a Governor of the South West Ambulance NHS Trust. Councillor Edwards declared a personal interest as the Chairman of Governors of Queens College. Councillor Parrish declared a personal interest as the District Councils' representative on the Somerset Pensions Committee.

40. Disposal of Freehold Interest in Land at Frobisher Way, Taunton

Considered report previously circulated, concerning an under-utilised plot of Council-owned land within an industrial estate at Frobisher Way, Taunton. Approval to sell the freehold interest by way of auction was sought.

The land comprised a flat regular shaped site of approximately 0.9 acres (0.36 Ha) and currently benefitted from a planning permission granted in September 2015 for the development of 10 small industrial units.

However, the site was presently tenanted by Cooks Transport for use as a transport depot at a level of rent which was considered to be under utilisation of the land.

Representations had been made by Cooks Transport who wished to remain on the site and these had been formalised in a letter which was available to Members of the Executive. Mr Cook also took the opportunity to attend the meeting and address the Executive.

Although the site could be developed by the Council in partnership with the private sector, this course of action was not recommended due to the adverse effect on the value of the site and therefore on the value of the investment retained by Taunton Deane. As an investment, the small units would be far from ideal for the Council as they would be management intensive.

As a result, the disposal of the land at auction was proposed. This was in preference to a tender process as the sale was contractually enforceable upon the fall of the hammer, therefore adding speed and certainty and minimising costs. The auction process should ensure market value was obtained.

Noted that there was a possibility that a purchaser might not wish to implement the planning permission. For this reason, it was intended to create a legal obligation on any purchaser to implement the permission within a reasonable and agreed time period.

A contamination report would be commissioned before marketing and this would form part of the legal pack. The content of this report could well affect the Market Value and the likely capital receipt.

The auction reserve price would be set in consultation with the Portfolio Holder prior to sale and would be influenced by feedback and responses to marketing and advice from the auctioneer.

The matter had been discussed at the Corporate Scrutiny Committee on 21 July 2016. Members expressed concern that:-

- Disposal of the land could damage the interests of the existing tenant and that this would have a negative economic impact on Taunton Deane; and
- The planning permission on the land had not been shown to maximise the value of the land.

There was also a view that the costs of remediation of any contamination would be high and would impact directly upon the price achieved.

During the discussion of this item, Members were of the view that further negotiations should be undertaken with the current occupier of the site to establish whether there was an opportunity to enable this successful business to remain on the land at Frobisher Way as well as meeting Taunton Deane's Economic Development objectives.

Resolved that further engagement with the existing tenant be undertaken with the aim of using best endeavours to reach a solution that met the Council's aspirations for Economic Development. Should this not be forthcoming, the sale of the Frobisher Way, Taunton land by auction be supported, with a legal requirement (exact method upon advice from Legal) for the purchaser to ensure that the planning

permission (or similar) was implemented.

41. Disposal of Freehold Interest in former Park Keeper's Bungalow at 277 Cheddon Road, Taunton

Considered report previously circulated, concerning 277 Cheddon Road, Taunton which was currently owned by the Council.

The property was vacant, having formerly been in use as park keeper's residential accommodation. Approval to sell the Freehold interest by way of auction was sought.

The property comprised a two bedroom detached bungalow on a flat regular shaped plot of approximately 0.19 acres (0.08 Ha) within an established residential area, bordering Taunton Green Recreation Ground. The bungalow had been vacant for some time and had fallen into a state of disrepair following lack of occupation and vandalism.

An assessment of investment return had been carried out assuming that the bungalow was refurbished and let at a market rent. This showed a low investment return, reflecting low rent relative to the capital value of the property.

Further reported that the Council's Planning Department had confirmed that it would be supportive of a proposal to redevelop the site for denser single storey housing. Such development would comprise three or four semi-detached or terraced bungalows.

Currently, no schemes had been drawn up and so it was not clear how many bungalows could be accommodated on the site.

During the discussion of this item it was **resolved** that the that the press and public be excluded from the meeting because of the likelihood that exempt information would otherwise be disclosed relating to Clause 3 of Schedule 12A to the Local Government Act, 1972 and the public interest in withholding the information outweighed the public interest in disclosing the information to the public. This was to enable the proposed reserve price of the site to be discussed and to allow the details as to the merits of applying for a planning permission for development prior to any sale to be made available to the Members of the Executive.

Noted that an auction of the property was proposed in preference to a tender process as the sale was contractually enforceable upon the fall of the hammer, therefore adding speed and certainty and minimising costs. The auction process should ensure market value was obtained.

This matter had also been discussed at the Corporate Scrutiny Committee on 21 July 2016. Members had expressed surprise that the Council did not wish to let or develop the site for income. The wisdom of disposing of the site without first obtaining a planning permission for its re-development was questioned too.

The Executive was also of the view that it was likely the site would have a higher

value if a planning permission to erect further dwellings was successfully obtained.

Resolved that subject to outline planning permission being obtained for the redevelopment of the land at 277 Cheddon Road, Taunton, the subsequent sale of the land by auction be supported with a reserve price to be set by Asset Management in conjunction with the Portfolio Holder prior to sale.

42. **Executive Forward Plan**

Submitted for information the Forward Plan of the Executive over the next few months.

Resolved that the Forward Plan be noted.

(The meeting ended at 7.34 p.m.)