

Report of: Land and Property
Report to: Director of City Development
Date: May 2019
Subject: Land between 216 & 218 Halton Moor Avenue (Waterloo Sidings)

Are specific electoral Wards affected?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, name(s) of Ward(s):	Temple Newsam	
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, Access to Information Procedure Rule number:	10.4.3	
Appendix number:	1	

Summary of main issues

1. Network Rail have been set a target by government to release surplus land to the market to deliver 36,000 homes by 2020. An internal review of land holdings has identified land at Waterloo Sidings in Halton, a 16.77 acre (6.79 ha) allocated housing site, as a priority site for disposal for residential development.
2. The Council own land adjacent to the site on Halton Moor Avenue that provides access to the Waterloo Sidings site.
3. The Waterloo Sidings Site and the Council land (The Combined land) have been marketed, a purchaser selected and sale terms agreed subject to approval by the Director of City Development.

Recommendations

4. It is recommended that the Director of City Development approves the following;
 1. The terms of a tri partite land sale contract for The Combined Land between the Sellers Network Rail & the Council and the Purchaser identified within the confidential appendix.

2. The terms of an Option Agreement for the sale of the Council's land to Network Rail, or a nominee of Network Rail's choosing.
3. A legal charge to secure any deferred payments for The Combined Land in accordance with the payment terms of the tri partite land sale.

1 Purpose of this report

- 1.1 The purpose of this report is to recommend the approval of;
 - 1.1.1 The terms for the sale of The Combined Land by Network Rail and the Council to the purchaser identified within the Confidential Appendix.
 - 1.1.2 The terms for the Option Agreement between the Council and Network Rail for the sale of the Council land on Halton Moor Avenue.

2 Background information

- 2.1 A target set by Government for Network Rail to release surplus land from their portfolio to deliver 36,000 homes by 2020 has triggered a review of assets, a process that has identified land at Waterloo Sidings (The Development Site), located off Halton Moor Avenue in Osmondthorpe, as a priority site for disposal.
- 2.2 The land is designated as a Phase 1 Housing Site within the UDP under ref: H3-1A.23 with a capacity of 140 units. The site is carried over as a housing site within the revised submission draft of the SAP under ref: HG1 256. Further, the Halton Moor and Osmondthorpe Development Framework July 2017 identifies the site as 1 of 26 proposed housing sites. The capacity of 140 units is a guide and, subject to planning and site surveys, this number could be exceeded.
- 2.3 There is no current direct vehicular access to the site. The favoured option is over the Council land identified on the attached plan between 2016 and 2018 Halton Moor Avenue.
- 2.4 A highways assessment has been undertaken by Network Rail that has concluded that the subject site is capable of providing access to the Waterloo Sidings Site.
- 2.5 On the 21st November 2017 the Chief Officer Economy & Regeneration gave approval to enter into one to one negotiations with Network Rail for the sale of, or grant of access rights over, the subject site in order to unlock the Waterloo Sidings site for Housing Delivery. Provisionally agreed terms were to be reported back for approval.
- 2.6 On the 7th September 2018 the Chief Officer Asset Management and Regeneration approved the terms of the sale in the form of an Option Agreement. Some revisions to the agreed terms were later revised on October 2018.
- 2.7 Network Rail appointed an agent for the sale of the combined land holdings. The site was marketed, offers were received, and in December 2018 a purchaser was selected.

3 Main issues

- 3.1 As sale negotiations have progressed between Network Rail and the purchaser of The Combined Land, further revisions to the Option Agreement have been sought

to ensure that they reflect the terms agreed within the land sale contract. The Council has now been requested to become a party to The Combined Land sale contract, this will negate the requirement for the Option Agreement in its current draft form. The terms of sale contract are detailed within the confidential appendix.

- 3.2 There is still a requirement for an Option Agreement to remain in place outside of the aforementioned tri partite land sale contract. The terms of the Option Agreement are detailed within the confidential appendix.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 Temple Newsam Ward Members were contacted on the 3rd November 2017 regarding the sale of the Council land to Network Rail in order to unlock the site for the delivery of housing
- 4.1.2 A response from Councillor Helen Hayden and Councillor Michael Lyon was not received. Councillor Debra Coupar was fully supportive of the sale of the Council land to Network Rail for the purposes of housing delivery.
- 4.1.3 Ward Members, including the newly elected Councillor Nicole Sharpe were contacted again on the 16th May 2019

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 There are no equality, diversity, cohesion and integration issues arising from a sale of the subject site.

4.3 Council Policies and the Best Council Plan

- 4.3.1 Disposal of the site will generate a capital receipt to support the Council's Capital Programme that covers a wide range of Council Policies and City Priorities.
- 4.3.2 The unlocking of the Waterloo Sidings residential development site supports the Best Council Plan 2019-20 priorities of promoting inclusive growth and meeting housing need.

4.4 Resources and Value for Money

- 4.4.1 Sale of the site will realise a capital receipt and remove the responsibility for maintenance from the Council.

4.5 Legal Implications, Access to Information and Call In

- 4.5.1 Under Part 3, Section 3E(g) of the Council's Constitution (Officer Delegation Scheme (Executive Functions)) the Director of City Development has authority to discharge any function of the Executive in relation to Asset Management.
- 4.5.2 The Chief Officer - Asset Management and Regeneration, Head of Asset Management and Head of Land and Property have authority to take decisions in relation to Asset Management as delegated in the Director of City Development's sub delegation scheme.
- 4.5.3 The proposal constitutes a key decision and is therefore subject to call in.

- 4.5.4 The Head of Land and Property confirms that the proposed method of disposal set out above is the method most likely to result in the Council achieving the best consideration that can reasonably be obtained under Section 123 of the Local Government Act 1972 (or under the Housing Act 1985).
- 4.5.5 The information contained in the Appendix attached to this report relates to the financial or business affairs of a particular person, and of the Council. This information is not publicly available from the statutory registers of information kept in respect of certain companies and charities. It is considered that since this information was obtained through inviting of best and final offers for the property/land then it is not in the public interest to disclose this information at this point in time as this could lead to random competing bids which would undermine this method of inviting bids and affect the integrity of disposing of property/land by this process. Also it is considered that the release of such information would or would be likely to prejudice the Council's commercial interests in relation to other similar transactions in that prospective purchasers of other similar properties would have access to information about the nature and level of offers which may prove acceptable to the Council. It is considered that whilst there may be a public interest in disclosure, much of this information will be publicly available from the Land Registry following completion of this transaction and consequently the public interest in maintaining the exemption outweighs the public interest in disclosing this information at this point in time. It is therefore considered that this element of the report should be treated as exempt under Rule 10.4.3 of the Access to Information Procedure Rules.

4.6 Risk Management

- 4.6.1 Risk Management issues are contained within the Confidential Appendix.

5 Conclusions

- 5.1 It is concluded that a sale of the land for the purposes of unlocking a substantial housing development site would be the most commercially optimal use for the land, further the sale would help contribute towards the Councils Housing Growth targets.

6 Recommendations

- 6.1 It is recommended that the Director of City Development approves the following;
- 6.1.1 The terms of a tri partite land sale contract for The Combined Land between the Sellers Network Rail & the Council and the Purchaser identified within the confidential appendix.
- 6.1.2 The terms of an Option Agreement for the sale of the Council's land to Network Rail, or a nominee of Network Rail's choosing.
- 6.1.3 A legal charge to secure any deferred payments for The Combined Land in accordance with the payment terms of the tri partite land sale.

7 Background documents¹

- 7.1 There are none

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.