

SOHAM – NORTHERN GATEWAY

To: **General Purposes Committee**

Meeting Date: **6th January 2015**

From: **Director of Finance**

Electoral division(s): **Soham and Fordham Villages**

Forward Plan ref: **Not Applicable** *Key decision:* **No**

Purpose: **To approve the disposal of assets exceeding the Director of Finance's delegated limits.**

Recommendation: **General Purposes Committee is recommended:**

- a) **To declare land in the Soham Northern Gateway allocated for employment uses, and shown coloured pink and green on the attached plan, surplus to requirements;**
- b) **To declare the unallocated plots of land shown coloured blue and yellow on the attached plan surplus to requirements; and**
- c) **To Authorise the Director of Finance to agree the detailed terms for the disposal of all the above plots, in consultation with the Chairman of the General Purposes Committee.**

<i>Officer contact:</i>	
Name:	Roger Moore
Post:	Head of Strategic Assets
Email:	Roger.moore@cambridgeshire.gov.uk
Tel:	07748 930805

1. PURPOSE

- 1.1 To seek the authority of General Purposes Committee to declare land at Soham 'Surplus to County Council Requirements' and authorise disposal at the appropriate time on terms to be agreed by the Director Finance in consultation with the Chairman of the General Purposes Committee.
- 1.2 It is likely that the total net receipt for the above plots will be in excess of the delegated threshold for officers to authorise the disposal of the site.

2. BACKGROUND

- 2.1 The County Council own approximately 70 acres of farm land north of Soham at Shade Common. Part of this is referred to as Soham Northern Gateway in the emerging East Cambridgeshire Local Plan and is shown on the attached plan.
- 2.2 In 2012 the Soham Masterplan Vision identified some of the land as a potential future area for employment development and for a third primary school for the town.
- 2.3 In 2013 the Council built the new Shade Primary school on this land, with a new access road which cost circa £600,000 using capital monies from the Effective Property Asset Management Programme (EPAM) repayable back to the programme within ten years.
- 2.4 The access road serves two plots (shown coloured pink and green on the attached plan) which had been identified in the Soham Masterplan Vision for employment, industrial, storage and office use and have subsequently been allocated for employment in the emerging Local Plan. In addition the road opens up land to the north (coloured blue and yellow on attached plan) which is as yet unallocated but may be in future revisions of the Local Plan.
- 2.5 In 2013 limited marketing of the pink and green coloured plots allocated for employment was undertaken in conjunction with East Cambridgeshire District Council's Economic Development Unit to gauge interest. A variety of expressions of interest were received and Carter Jonas has now been appointed to provide specialist advice and will go on and provide formal marketing, as required.
- 2.6 During the initial marketing, approaches were received to develop part of the unallocated land (plot coloured yellow) on the A142 Ely Road frontage. The first approach from a garden centre did not follow through. The second approach for a petrol filling station/convenience store/family pub initially was for the land allocated for employment (plot coloured green) although more recently the interest has been for a much larger area of the council's as yet unallocated land (plots coloured yellow and blue).

- 2.7 It is not considered appropriate to enter into negotiations for the disposal of either the allocated plots, or the unallocated land, without marketing to fully test the potential for disposal.
- 2.8 East Cambridgeshire District Council have advised that the District Council is committed to commencing a review of the Local Plan shortly after its formal adoption, with the technical work commencing in 2015 at which time it would be possible to promote alternative development options for the County Council's land at The Shade,
- 2.9 In July 2014 a speculative approach was received from a housing developer for the plot coloured pink. The land could be required as an access to a proposed residential site west of the Soham Northern Gateway area. The value over employment use would be significant, and has therefore been the subject of consideration by the council's Strategic Assets team as a future development prospect. At present such a use would be contrary to the emerging East Cambridgeshire District Council Local plan.
- 2.10 The District Council believe that access to a residential site should be from Kingfisher Drive and not the County Council's land reasoning that this would allow it to link into the main built-up part of the town. This might rule out residential access from the Council's new roundabout although the ability to promote alternative uses of the land remains.
- 2.11 Subject to the outcome of the proposed marketing of the plots, it may therefore be in the best interests of the Council to retain this plot (coloured pink) in the medium term in case the residential use materialises.
- 2.12 The marketing of the plots will invite interest on all levels in order that the council may test a range of options, including freehold sale, leasehold disposal, or council-led development and letting for investment purposes.
- 2.13 East Cambridgeshire District Council planners have advised that there are viability issues for employment land in the district as evidenced by a recent planning approval for change of use from employment land to largely residential at Reach Road, Burwell.
- 2.14 Both Fenland and Huntingdonshire District Councils let industrial units but rural industrial units are generally only viable with Government grant funding. The County Council in partnership with East Cambridgeshire District Council unsuccessfully applied for funding to support a new Innovation Centre and starter units in the Soham Northern Gateway.
- 2.15 The Council will carefully consider the outcome of the marketing exercise to determine the most suitable basis of sale of any of the land, also having regard to the repayment and return on the investment in the access road.

3. MAIN ISSUES

- 3.1 The Council's Constitution provides that the authority for all property transactions rests with the General Purposes Committee, but there is an agreed delegation to the Director of Finance to exercise that authority for transactions where the capital value is less than £500,000.
- 3.2 The value of the whole site with an acceptable planning consent for development is likely to exceed the Director of Finance's delegated limit.
- 3.3 The Council should fully test the market before entering into negotiations for the disposal of any of the plots to be declared surplus by this report.

4. ALIGNMENT WITH CORPORATE PRIORITIES

4.1 Developing the local economy for the benefit of all

Commercial and/or housing development will generate employment opportunities, and contribute to the growth of the town and local economy.

4.2 Helping people live healthy and independent lives

Capital receipts can reduce the financial impact of budget pressures on front-line services, including helping people live healthy and independent lives.

4.3 Supporting and protecting vulnerable people

Capital receipts can reduce the financial impact of budget pressures on front-line services, including supporting and protecting vulnerable people.

5. SIGNIFICANT IMPLICATIONS

5.1 Resource Implications

There are no significant implications within this category.

5.2 Statutory, Risk and Legal Implications

There are no significant implications within this category.

5.3 Equality and Diversity Implications

There are no significant implications within this category.

5.4 Engagement and Consultation Implications

Detailed engagement and consultation with the local community will form part of any planning application for development of the site.

5.5 Localism and Local Member Involvement

The local County Council Members for Soham are aware of the emerging proposals for the land, and will be kept informed of progress.

Group Leaders were consulted on 4 December 2014 on the proposal to declare the site surplus to requirements.

5.6 Public Health Implications

There are no significant implications within this category.

Source Documents	Location
East Cambridgeshire District Council Local Development Framework and emerging Local Plan	http://www.eastcambs.gov.uk/local-development-framework/local-development-framework