

Bath & North East Somerset Council

DECISION MAKER:	Cllr Bellotti Cabinet Member for Community Resources Cllr Crossley, Leader of the Council	
MEETING/ DECISION DATE:	On or after 8 November 2014	EXECUTIVE FORWARD PLAN REFERENCE: E 2707
TITLE:	K2A Development Site – Approval of Cost Plan	
WARD:	All [or list specific wards]	
AN OPEN PUBLIC ITEM		
List of attachments to this report: Appendix 1 – Schedule of Budget Costs		

1 THE ISSUE

- 1.1 The Council has entered into a provisional contract to sell land forming part of the K2A development site at Keynsham. In order to facilitate the development, up-front costs will need to be incurred by the Council, which will be recovered from sale proceeds. This report seeks cabinet member approval for this expenditure.

2 RECOMMENDATION

- 2.1 That Budget Approval is given to:

2.1.1 The acquisition of the freehold land known as Abbots Wood, which will remove the right of way restriction in favour of the landowner, the Woodland Trust (WT)

2.1.2 A further sum to cover the additional disposal costs that were unforeseen.

- 2.2 This will enable the Contract to be completed releasing the sale proceeds and an additional premium payment as set out within this report.

3 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

3.1 The upfront costs to deliver the necessary agreements to allow the sale of K2A are provided at Schedule 1. These costs will be recovered from the increased sale proceeds that Council will obtain upon completion of the sale.

3.2 The additional budget requirement will be met from an increase in the sales proceeds of c£400k.

3.3 If Abbots Wood is acquired there will be continued revenue costs involved in the management of the land. This is in the region of £1.5k per annum and the Council will take actions to mitigate these costs in the long term..

3.4 Money will be available from the s106 agreement entered into with the developer which makes a provision for the maintenance for Open Spaces.

4 STATUTORY CONSIDERATIONS AND BASIS FOR PROPOSAL

4.1 Promoting independence and positive lives for everyone –the proposed housing includes both a range of dwellings and tenure with 35% affordable homes; these units will be a range from 1a 1 bed apartment to a 4 bed house, together with affordable rented and intermediate units. 4 of the affordable units are designed as wheelchair compatible.

4.2 Creating neighbourhoods where people are proud to live – the acquisition of the land adjacent to the existing council owned K2A site will enable the construction of 266 new homes for families within the Keynsham area. The new development will incorporate a large playground which will be accessible to all ages and abilities. The adjacent woodland will enhance the environment and is fully accessible to the public.

5 THE REPORT

5.1 In the mid-1990's approximately 20 acres of woodland, known as Abbot's Wood was transferred to the Woodland Trust. The woodland was subject to a restrictive covenant that it would not be used for any purpose other than as woodland for the benefit and enjoyment of the public.

5.2 A right of way was reserved in favour of the Trust to gain access from the road adjacent to what is now known as the K2A site through to the wood. However, no plan was attached to the Right of Way. Subsequently, conditional contracts have been exchanged between the Council and a developer BDW to develop the K2A land for residential use.

5.3 A condition of contract completion is for the formal variation of the right of way to be specified along the preferred BDW's access route through their new development. In addition, BDW required an easement to be agreed with the Trust for a foul drain to be laid through the centre of the wood to connect into the foul sewer at the Taylor Wimpey site known as K2.

5.4 Agreement had previously been reached with the Agent acting for the Trust to allow a variation of the right of way as detailed in the Appendix:

5.5. The Head of Property at the Woodland Trust has now proposed a new offer to the Council to move matters forward following an impasse in negotiations with their Agent.

5.6. In return for the same sum, the Council would purchase the freehold of Abbot's Wood, with the future use restricted to a community woodland. There would be a right of pre-emption in favour of the Trust at market value if the Council were to consider a disposal on the open market. A transfer to the Town Council for instance would not trigger such a right.

5.7. It should be noted that the cost of acquiring the woodland will exceed the open market value of the land as the Council is a special purchaser. However, its acquisition will facilitate the release of the capital receipt payable by BDW for the purchase of the K2A site by enabling the Council to address the conditions of the contract between itself and BDW, through granting an easement in favour of BDW for the laying of a drain through the wood, and reserving a right of way through the development along the route agreed with BDW.

6 RATIONALE

- 6.1 Without incurring the additional up-front disposal costs and purchasing Abbots Wood, this Council cannot satisfy the condition relating to the variation of the right of way.
- 6.2 Once the right of way is varied, the Council can complete the disposal to BDW which will release a total capital receipt..
- 6.3 This Council will be in a position to grant a drainage easement through the woodland which will remove any requirement for BDW to initiate a Wessex Water requisition

7 OTHER OPTIONS CONSIDERED

- 7.1 Pay the Woodland Trust compensation to vary the right of way, plus accommodation works as part of a negotiated settlement.
- 7.2 The option to purchase the wood is the cheaper of the two options proposed and in addition, the Council will own the woodland as an asset

8 CONSULTATION

- 8.1 Cabinet members; Other B&NES Services; Section 151 Finance Officer; Chief Executive; Monitoring Officer
- 8.2 The report will be circulated to the above consultees and any comments or amendments incorporated in to the final document

9 RISK MANAGEMENT

- 9.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision making risk management guidance.

Contact person	<i>Marie Percival 01225 477537</i>
Background papers	<i>Conditional Contract between BDW and this Council – available to view in Property Services</i>
Please contact the report author if you need to access this report in an alternative format	