

BOROUGH OF KETTERING

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Report Originator	Chris Bentley	<i>Fwd Plan Ref No:</i> A13/023	
Wards Affected	Desborough St Giles	11 th December 2013	
Title	ASSET MANAGEMENT - THE HAWTHORNS DEVELOPMENT SITE, DESBOROUGH		

Portfolio Holder: Councillor Christopher Lamb

1. PURPOSE OF REPORT

- (i) To consider the request from Desborough Town Council to delay any decision on the sale of the Hawthorns site until completion of the Neighbourhood Plan: or in the alternative
- (ii) To seek authority negotiate and enter into a collaboration agreement with the Midlands Co-op Society Ltd (MCS) in order to jointly obtain outline planning permission on adjoining parcels of land for residential development and subsequent disposal

2. INFORMATION

- 2.1 It was resolved at the Executive Committee in July 2012 that the former Leisure Centre site comprising of 8.66 acres (outlined in red on the attached plan at Appendix 1) known as the Hawthorns be disposed of for residential development in line with the Council's development brief produced in the report.
- 2.2 In May 2012 the contracted management company, Parkwood Leisure, vacated The Hawthorns and moved to the newly built Desborough Leisure Centre.
- 2.3 Demolition of The Hawthorns Leisure Centre building commenced in November 2012 and was completed in early January 2013.
- 2.4 A skate park remained in use on The Hawthorns land, until June 2013 and from that date, there has been no official use of the land for Leisure Centre purposes.
- 2.5 Since the closure of the Leisure Centre the site has been listed as an Asset of Community Value under the provisions of the Localism Act 2011. The Desborough Community Development Trust (DCDT) nominated the site for the listing and this was accepted in accordance with the procedures agreed by the Executive on 11 December 2012. Members will recall that the listing will give DCDT the opportunity to bid for the land on the open market when it comes up for sale.

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- 2.6 At its previous meeting the Executive agreed to the designation of the Desborough Town Council area as a Neighbourhood Planning area. The Town Council, in a letter dated 4th July 2013 requested that KBC did not dispose of or develop the Hawthorns site until after the completion of the Neighbourhood Plan for Desborough.
- 2.7 In considering the request members should note that current evidence suggests that Neighbourhood Plans usually take some 18 months to two years to complete, although there is no particular time limit within which the plans must come forward for adoption. In developing a neighbourhood plan, the Town Council must ensure that its proposals are in general conformity with the strategic policies within the local development plan. It should therefore be noted that the Council and Joint Planning Unit are in the process of bringing forward emerging strategic policy in the form of a revised Joint Core Strategy and Site Specific Proposals Local Development Document, the latter of which is likely to identify the Hawthorns site as a potential housing site and to which the Desborough Neighbourhood Plan would need to have regard. Neighbourhood plans, as noted above, are required to have regard to national policies and conform to local strategies.
- 2.8 It should also be noted that any significant delay to the progress of this site coming forward has the potential to jeopardise the Borough's five year housing land supply figure and consequently, could detrimentally affect Kettering Borough Council's ability to defend against unplanned housing development within the Borough, including Desborough, in the future.
- 2.9 A delay may also have economic consequences should changes be introduced to the rules on the New Homes Bonus. Members may wish to consider bringing this matter forward sooner rather than later to maximise any advantage to the Borough from the New Homes Bonus.
- 2.10 It is important for Members to remember that the remit of the Executive in this matter is as landowner and there should not be any consideration of the planning merits.

The Proposal

- 2.11 The Midland Co-op Society Ltd (MCS) own approximately 6.08 acres of land (outlined in green on the attached plan at Appendix 1) adjoining the western boundary of The Hawthorns site. MCS has expressed interest in entering into a collaboration agreement with KBC for the purpose of jointly obtaining planning permission for both sites. This would form a more attractive package to developers when the land is eventually marketed, thus providing best value for the Council. The combined site will be known as Phase 1.

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- 2.12 Adjoining the MCS land to the west, is a 7.13 acre plot of agricultural land (outlined in blue on the attached plan at Appendix 1) owned by KBC. Beyond and adjoining that there are two parcels of land. One owned by a third party, and the other adjoining the Rothwell Road and extending to the north towards the town centre owned by MCS (outlined in orange and yellow respectively on the attached plan at Appendix 1). There is potential to consider these three plots for future development as Phase 2. For information the Ise river flood zone is also shown on the attached plan at Appendix 1 and should not affect the development of either Phase.
- 2.13 The land owned by Kettering Borough Council (KBC) (outlined in blue on the attached plan at Appendix 1) and known locally as Middle Dams, Lower Steeping, is the subject of a 5 year farm business tenancy. On expiry of the 5-year term, the farm business tenancy will be terminated (notice to terminate the agreement has already been served) and alternative uses can then be considered.
- 2.14 It is proposed that the collaboration agreement will extend to Phase 2. KBC Development Services have requested that a master planning exercise be undertaken to explore the feasibility of developing both phases. The benefits of this approach would be to help KBC Development Services understand the constraints and opportunities of developing both phases.
- 2.15 If for any reason Phase 2 land cannot be developed due to difficulty in securing the third party land (outlined in orange on the attached plan at Appendix 1) then it is proposed that KBC will consider development of the land outlined in blue either as part of Phase 1 or as a separate development.
- 2.16 The proposed collaboration agreement between KBC and MCS will allow for each party to share the costs of obtaining planning permission and marketing the adjoining land together with an agreement that neither party will ransom the other over access. The net proceeds from the sale of the adjoining land to be shared pro-rata based on land ownership.
- 2.17 KBC's land (outlined in blue on the attached plan at Appendix 1) was identified as a future housing site by the most recent strategic housing land availability assessment but discarded because it was land-locked. An agreement to develop Phase 1 and 2 would ensure that there was long-term potential for some further development to be realised across both ownerships, subject of course to satisfactory planning permission at some future point in time. It would consequently also assist with policy aspirations as to housing provision.

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3. CONSULTATION AND CUSTOMER IMPACT

- 3.1 Planning permission will be required for both Phase 1 and 2 in relation to the proposed development and as such, be subject to statutory consultation. During which time the public will have the opportunity to comment on any proposed scheme

4. POLICY IMPLICATIONS

- 4.1 KBC's Site Specific Proposals Local Development Document will allocate sites for development for the period 2011 – 2031. Sites to the South of Desborough are currently being considered and consulted upon as a part of this emerging development plan. Formulating an agreement with landowners will assist in collecting and providing evidence to support allocation of the land for residential development and assist in policy aspirations

5. FINANCIAL RESOURCE IMPLICATIONS

- 5.1 The estimated joint cost to obtain satisfactory outline planning permission for Phase 1 is in the region of £120,000. All costs relating to obtaining planning permission would be shared between KBC and MCS on a pro-rata land ownership basis. This approach is likely to be more cost effective than each party separately promoting their own site. Development Services may request that an outline application is submitted for both Phases. This may increase the estimated cost to obtain outline planning permission but not double the estimated cost.
- 5.2 The capital receipt will be dependent upon how much of the site can be allocated for housing and that portion which needs to be allocated for other purposes, such as open space. Longer term there will be a further capital receipt from phase two of the development proposal. The value of developable land with residential planning permission for open market dwellings (non social) was estimated in the July 2012 report to be £400,000 per acre. Although there is very little movement in values from 2012 confidence is increasing in the market and there is a good chance that values will have increased by the time planning permission has been achieved.

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6. RECOMMENDATION

That the Executive considers:

- (i) The request by Desborough Town Council to delay any further action on the Hawthorns site until the outcome of the Neighbourhood planning process.
- (ii) In the event that (i) is not agreed, the proposal as set out in the report to enter into a collaboration agreement between KBC and MCS in respect of the land identified in Appendix 1 be agreed and the Head of Democratic and Legal Services be authorised to negotiate the terms and enter into the agreement.

Background Papers:

Title

Date

Contact Officer

Previous Minutes/Reports: 18 July 2012

Ref:

Date: