

Report to:	<b>The Leader of the Council</b>
Date:	<b>29 August 2024</b>
Title:	<b>Release of Burraton Field, Saltash</b>
Portfolio Area:	<b>Resources</b>
Divisions Affected:	<b>Saltash Tamar</b>
Local Member(s) briefed:	<b>Y</b>
<b>Relevant Scrutiny Committee: Corporate Finance &amp; Performance</b>	
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Approval and clearance obtained:	<b>Y</b>
Date next steps can be taken	<b>Following expiry of call-in period</b>
<b>For Cabinet and delegated executive decisions only</b>	
Key decision? (≥£500k in value or significant effect on communities in two or more electoral divisions)	<b>Y</b>
Published in advance on Cabinet Work Programme?	<b>Y</b>
Urgency Procedure(s) used if 'N' to Work Programme?	<b>N</b>

**Exempt: Appendices 2 and 3 are not for publication by virtue of category 3**  
 (Information relating to the financial or business affairs of any particular person (including the authority holding that information)).

**Reason for exemption:** Appendices 2 and 3 contain information which is commercially sensitive for the Council and third parties. Disclosure would be likely to harm the Council's interests in respect of the potential disposal price achievable and the third parties' commercial interests. Therefore, the public interest in maintaining the exemptions outweighs the public interest in disclosing the information.

**Recommendations:**

1. That the Council enters into an Option Agreement/Conditional Contract to dispose of the Property on the basis set out in the report.
2. That authority be delegated to the Head of Property Services to finalise the terms of the Option/Conditional Contract in accordance with the Code of Practice for Land and Property Transactions and the Scheme of Delegation.
3. That, subject to the terms of the Option/Conditional Contract being satisfied, the Property is declared surplus and disposed of in accordance with the terms set out in exempt Appendix 2 to the report.

**1 Executive Summary**

- 1.1 This report covers the potential disposal of the Burraton Sports Field, Saltash, identified in Appendix 1 'the Property'.
- 1.2 The Property is currently used as a formal sports pitch laid out for football and is available for hire on per match basis.
- 1.3 Cornwall Council has received an unsolicited bid to purchase the Property for development. The details of the party that has made the approach, and of the proposed use are set out in confidential Appendix 2.
- 1.4 The report recommends that provided the bidder can secure a planning consent for the proposed use, that the site should be sold on a one-to-one basis.
- 1.5 The report sets out the process to be followed to protect the site until a planning consent is secured but to provide certainty to the developer that if a consent is secured the transfer of the land will take place.

**2 Purpose of Report and key information**

- 2.1 The purpose of the report is to obtain authority to enter into an Option/Conditional Contract agreement to dispose of the freehold interest in the Property subject to the granting of detailed planning consent for the whole site.
- 2.2 The Property is a sports field of approximately 2.3 acres. It has historically been used as a football pitch approximately once per week during the football season, however, during the 2023/24 season, the use was substantially below

that level and was being used informally by Saltash Rugby Club who lease the adjacent property from Cornwall Council.

- 2.3 A photograph, location and site plan of the Property are provided at Appendix 1.
- 2.4 Cornwall Council has been approached by the bidder identified in confidential Appendix 2 who wish to purchase the Property for development.
- 2.5 The Property has been reviewed by the Council's Asset Management Group and confirmed as not being required to support any other Council service or activity. Formal section 123 Notices will be served, and the responses considered before the Option agreement is signed.
- 2.6 The Market Value of the Property for development has been assessed and the site is considered to have a value as set out in Appendix 2. The reasoning behind the One-to-One transaction (referenced in paragraph 1.4) is set out in the confidential appendix 2.
- 2.7 Disposal of the sports field is recommended on condition that planning consent for the intended use is obtained by the bidder, and that the bidder meets the cost of any planning condition or planning requirement to make alternative provision for leisure or sport provision in the local area.
- 2.8 Given the considerable costs for a bidder associated with obtaining planning consent and the future cost of reprovision, it is proposed that the disposal is progressed through the grant of an Option agreement which will provide the bidder with certainty of sale should they be able to meet the conditions of the Option agreement.
- 2.9 Discussions have been held with the bidder and 'in principle' terms have been agreed to enter into an Option Agreement with the Council to purchase the freehold interest in the Property. Should planning consent be granted for the bidders proposed use, this will enable the Option to be exercised and the freehold of the site to be transferred. The Planning consent and its conditions will ensure that the reprovision of leisure or sports facilities will occur if required by the planning process. A summary of the terms including the proposed sale price are set out in Appendix 2.
- 2.10 Officers are satisfied that the terms proposed represent best consideration and the proposed sale price is in line with surveyor officer advice regarding the Market Value of the Property.
- 2.11 It is proposed that if the report recommendations are approved, authority should be delegated to the Head of Property Services to finalise the terms and conditions of the Option agreement and the freehold transfer. These decisions will be made in accordance with the requirements of S123 of the

Local Government Act 1972 and with the Cornwall Council Code of Practice for Land and Property Transactions.

2.12 Divisional members for all Saltash wards, Saltash Town Council and the relevant portfolio holder have been consulted as set out in section 5 of the report.

### **3 Benefits for Customers/Residents**

3.1 The current leisure provision is underutilised which may reflect both the quality of the provision and its demand. The proposal could see replacement or improvements to leisure facilities in the area if required by the planning process which should be of a higher standard and provision leading, in turn, to increased demand / usage. It is considered that as the proposals will be subject to consultation and local scrutiny through a planning application, including Sport England as a statutory consultee, there will be public consultation and scrutiny of the proposals that the developer brings forward. This will ensure that any replacement/improvement facilities required by the planning process should address local needs. This consultation will take place in advance of the land transfer.

3.2 The mechanism for the planning consultation to be formalised will be through planning conditions and through any required S106 planning agreement contributions to ensure the reprocision of any lost sports provision in the area as part of the planning approval process.

3.3 A sale of the Property will generate a capital receipt.

3.4 Development for the use set out in Appendix 2 would provide additional facilities to Saltash residents.

3.5 Release of the freehold interest in the Property will reduce revenue holding costs by approximately £3,000 per annum.

### **4 Relevant Previous Decisions**

4.1 None.

### **5 Consultation and Engagement**

5.1 The following divisional Members representing Saltash electoral wards have been consulted:

- Saltash Tamar

- Saltash Trematon & Landrak
- Saltash Essa

5.2 Representatives of Saltash Town Council have also been consulted.

5.3 The divisional Members and representatives of Saltash Town Council were supportive of the principles of the recommendations of this report. Some concerns were expressed in relation to highways matters which would need to be addressed as part of the prospective purchaser's planning application.

5.4 The Portfolio Holder for Resources has been consulted and is supportive of the recommendations set out in this report.

5.5 The community will be consulted on the proposal through the planning process led by the developer. Their input will heavily shape the planning outcome. This will all occur before the land transfer takes place.

## **6 Financial Implications of the proposed course of action/decision**

6.1 The release of the Property will produce a capital receipt which will be in line with the best value for the site complying with s123 of the Local Government Act.

6.2 Disposal of the Property will see the current use of the site cease with a reduction in revenue holding costs for the holding service which are estimated to be £3,000 per annum. It is not possible to set out the future revenue cost of any reprovision of sports facilities or indeed if these will sit with the Council or a third party.

6.3 The sale would be exempt from VAT as the property is not opted. There will be only a minimal impact on the Council's VAT partial exemption, as maintenance costs have been minimal, and costs associated with the disposal are not significant.

## **7 Legal/Governance Implications of the proposed course of action/decision**

7.1 Section 123 of the Local Government Act 1972 empowers the Council to dispose of land held by it in any manner it wishes and places a duty on the Council to obtain the best price reasonably obtainable, unless consent has been obtained from the Secretary of State.

7.2 The Council's constitution and scheme of delegation empowers the Service Director for Assets, Capital and Commercial to declare assets for sale that have a value of less than £1m, with Cabinet or the Leader (under executive

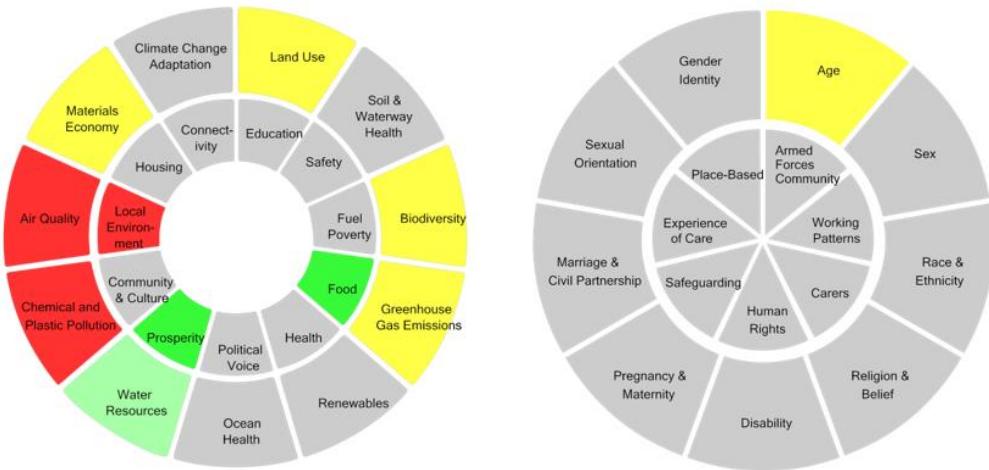
powers) then empowered to make decisions on assets with a value exceeding this.

- 7.3 The Council's Code of Practice for Land and Property transactions makes provision for the relevant Strategic Director with responsibility for property matters to agree to enter into one-to-one contractual arrangements where there is for all practical purposes only one potential purchaser provided they negotiate a fair price with that purchaser and record their action in the Property Log. Exempt appendix 2 sets out why a one to one contractual arrangement is recommended in this case.
- 7.4 The disposal process for one-to-one transactions (once decision to dispose has been made on behalf of cabinet or strategic director accordance to relevant price threshold) is delegated to the Head of Property and Landlord Services under the scheme of delegations.
- 7.5 Given the land is public open space the disposal will need to be advertised and the process followed in accordance with section 123 of the Local Government Act 1972 prior to the Council entering into the Option Agreement.
- 7.6 The delegation provided for in this report allows the detailed terms of the disposal to be addressed as part of the conveyancing process.

## **8 Risk Implications of the proposed course of action/decision**

- 8.1 The risk of the loss of leisure or sports facilities through the disposal of the site will be mitigated by the requirements of the Option Agreement/Conditional Contract which will require planning consent to be obtained. Sport England is a statutory consultee for planning applications and would need to be satisfied that reprovision of sports facilities in the area was not compromised in order to support the grant of planning consent for development of the site, although it is a consultee only and the requirement around planning conditions or planning obligations via a S106 planning agreement in respect of reprovision or improvement of suitable facilities in the local area is a matter of the planning process. The sale of the site would only complete upon the purchaser obtaining planning consent.

## 9 Cornwall Development and Decision Wheel



- 9.1 The property included in this report has been reviewed by the Cornwall Development and Decision Wheel team.
- 9.2 The impacts of the proposed disposal have been assessed as mixed with the most significant positive impacts relating to Food and Prosperity.

## 10 Options available

- 10.1 Option 1 – Dispose of the site by way of Option agreement/Conditional Contract for the amount and on the terms set out in Appendix 2. This provides certainty to the bidder and will provide them with confidence to make the necessary expenditure to progress a planning application.
- 10.2 Option 2 – Offer the opportunity on the open market. Whilst this would ensure robust testing of the market, any prospective bidder is unlikely to be prepared to make an offer to purchase the site without confidence of exclusivity because obtaining planning consent for alternative uses will require a significant commitment of time and money. Exempt appendix 2 covers this issue in more detail.
- 10.3 Do nothing – continue to hold the site which is not currently well utilised. The Council seeks through this process to unlock a development site, meet the leisure needs of Saltash for the future and generate a capital receipt. It is the officers' view that the potential outcomes warrant either Option 1 or Option 2 and that to do nothing is not an acceptable option for the site.

## 11 Supporting Information (Appendices)

- 11.1 Appendix 1 – Site plan, location plan and photograph.
- 11.2 Appendix 2 – details of the bidder and their proposed development proposal, details of the assessment of Market Value by Property Services and details of the proposed Option agreement terms – EXEMPT.
- 11.3 Appendix 3 – Cornwall Development and Decision Wheel – EXEMPT.

## 12 Background Papers

- 12.1 None.

## 13 Approval and clearance

### All reports:

Final report sign offs	This report has been cleared by (or mark not required if appropriate)	Date
Governance/Legal (Required for <b>all</b> reports)	Helen Furneaux	29/08/2024
Finance (Required for <b>all</b> reports)	Tracy Stepney	09/04/2024
Cornwall Development and Decision Wheel (where required)		
Service Director (Required for <b>all</b> reports)	Peter Marsh	03/09/2024
Strategic Director (If required)		