

MAIDSTONE BOROUGH COUNCIL

RECORD OF DECISION OF THE CABINET MEMBER FOR

CORPORATE SERVICES

Decision Made: 21 December 2007

SALE OF LAND AT POSTLEY ROAD/HAYLE PLACE

Issue for Decision

To consider the method of disposal for the Council owned land at Hayle Place, as shown on the Ordnance Survey extract attached to the Report of the Director of Change and Support Services, and arrangements for its marketing and eventual sale, to achieve a significant benefit for the community.

Decision Made

1. That, in accordance with the previous Cabinet decision, the Council owned land be marketed and sold together with the adjoining development land at Hayle Place owned by Mr Paul Stone.
2. That the net sale proceeds for the combined site be divided one third to the Council and two thirds to Mr Stone and that approximately 12 hectares of land be brought into Public ownership/ownership by a Trust for use as a Country Park/Nature Reserve as envisaged by the Planning Committee Decision in March 2007.
3. That the sale be by way of a two stage tender process and that the marketing is handled by Messrs Sibley Pares as joint agents for the Council and Mr Stone.
4. That the Director of Change and Support services be given delegated authority to agree the terms and conditions of the appointment of the agents, and of the land sale, in consultation with the Cabinet Member.
5. That the land adjoining Postley Road, shown on the plan attached to the Report of the Director of Change and Support Services, which is equal in area to the land being sold by the Council, is transferred to the Borough Council or Tovil Parish Council for use as Public Open Space.
6. That the Head of Legal Services be authorised to enter into the necessary documentation to give effect to these decisions.

Reasons for Decision

On 11th February 2004, the Cabinet agreed that, subject to the grant of planning permission and appropriate arrangements for a 29 acre nature reserve to be brought into public ownership, the Council owned land at Postley Road be offered for sale along with the Hayle Place Stud Farm site on the understanding that the Council will receive one third of the net proceeds of sale in respect of the combined site.

The planning committee has resolved to give the Principal Planning Officer authority to grant planning permission for residential development on the stud
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farm site with access via the Council owned land in Postley Rd, provided that a Section 106 agreement is first entered into which will provide for a 12 hectare Country Park on adjoining land to be brought into use and transferred to a Trust with a view to it being designated as a Local Nature Reserve in due course. It may be that the best way of achieving Local Nature Reserve status would be for the Council to own the land. This issue will be dealt with in a report back to the Planning Committee detailing the terms of the Section 106 Agreement for approval.

It is considered that a sale by way of a two stage tender will achieve the best sale price given the size of the development site and the likely number of prospective developers to whom it is likely to appeal. The principle of a two-stage tender allows the Council to assess initial submissions and decide upon suitable second stage candidates. Criteria for selection would include the Developer's previous history in providing this type of residential development.

Alternative actions and why rejected

I could decide that the sale should be by way of private treaty or auction. Neither of these methods of sale is recommended in this particular case for the reasons outlined above. A sale by Private Treaty could potentially leave the proposal as a 'Hostage to Fortune' which could result in an 11th hour revision of any offer at the point of exchange of contracts, a disposal by auction, although a quick route would permit any interested party to purchase the site without previous assessment by the Council.


I could decide not to appoint Sibley Pares to act for the Council. There is benefit to both Mr Stone and the Council in having one agent act for both parties on a joint disposal basis. There is no conflict of interest as both parties have a common interest and the division of the disposal proceeds has been agreed. Separate marketing of the Council's land would complicate the disposal arrangements and possibly delay the completion of the sales.

I could decide not to proceed with the sale of the Council's land. This is not recommended because it would be contrary to the previous Cabinet decision, would result in the loss of a significant capital receipt and potential community benefit and would prevent the implementation of the planning permission that the Principal Planning Officer has been given delegated authority to grant.

Background Papers

None

Background documents can be viewed at the Council Offices

Signed 
Councillor Peter Hooper
Cabinet Member for Corporate Services

Date: *21 December 2007*

Should you be concerned about this decision and wish to call it in, please submit a call in form signed by any two Non-Executive Members to the Scrutiny Manager by: **3 January 2008**