

## **Report to Cabinet Member for Finance and Property**

**April 2022**

**Property Holdings: Promotion Agreement with a land promoter and an adjoining landowner relating to the proposed development of land at Smugglers Lane, Upper Beeding, Horsham, West Sussex, BN44 3HH**

**Report by Assistant Director of Property and Assets**

**Electoral division: Bramber Castle**

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### **Summary**

This report seeks authority for West Sussex County Council to enter into a promotion agreement with a land promotion company and an adjoining landowner for the promotion of a housing development and the eventual disposal of up to 0.62ha (1.53 acres) of WSCC owned land at Smugglers Lane, Upper Beeding, Nr Horsham in conjunction with an adjoining landowner as per the attached plan in **Appendix B (Restricted to members only)**.

This is mostly grazing land currently accessible from a narrow lane classified as a green lane. To maximise the development potential of the land, vehicular access to the proposed development is to be secured from the adjoining land by agreement.

The land promotion company has approached WSCC and the adjoining landowner, who owns 1.12 ha (2.76 acres), with a view to promoting and securing planning permission for the combined site in conjunction with the WSCC land with a view to marketing the whole site for disposal, subject to the grant of a satisfactory planning permission for housing development.

### **Recommendations**

That the Cabinet Member endorses:

- (1) That an area of WSCC land at Smugglers Lane, Upper Beeding, Horsham, comprising 0.62 ha (1.53 acres) is declared surplus to the County Council's operational requirements; and that
- (2) The County Council enters into a planning promotion agreement with a Land Promoter and an adjoining landowner to promote and secure a detailed planning permission for housing development on the combined land ownership with a view to marketing and disposing of the WSCC freehold land at an agreed minimum value as set out in **Appendix A (restricted to Members only)**; and that

- (3) Authority is delegated to the Assistant Director of Property and Assets in conjunction with the Director of Law and Assurance to conclude the terms of the promotion agreement, and, subject to the grant of a satisfactory planning permission, agree the eventual marketing and sale of the land to the highest bidder.
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## **Proposal**

### **1 Background and context**

- 1.1 This County Council owned land, comprising 0.62 ha (1.53 acres) formerly known as Pound House field was acquired in 1946 for highway purposes. For many years the land has been let as grazing land to the adjoining owner who has accessed the land from their adjoining field.
- 1.2 The land is no longer required for a highway scheme or any other County Council use or requirements.
- 1.3 The County Council's land and the adjoining owner's land, comprising a further 1.12 hectares (2.76 acres), has recently been included in the Local Upper Beeding Neighbourhood Plan for housing development.
- 1.4 WSCC's appointed agent has acted for the County Council in negotiations and has advised that a promotion agreement is the most suitable way of proceeding to secure the eventual sale of the land for best value. The land promotion company has already submitted a planning application for the WSCC land in conjunction with the adjoining land.

### **2 Proposal details**

- 2.1 It is recommended that the land is declared surplus to the County Council's requirements and that WSCC enters into a promotion agreement with the Land Promotion company and an adjoining landowner, to promote the combined parcels of land for housing development and for eventual onward sale. Further details relating to the eventual share of sale proceeds is as set out in **Appendix A (Restricted to members only)**
- 2.2 The proposal remains subject to contract.
- 2.3 It is proposed that the Cabinet Member for Finance and Property agrees to this transaction being concluded by delegated authority to the Assistant Director of Property and Assets in conjunction with the Director of Law and Assurance.

### **3 Other options considered (and reasons for not proposing)**

- 3.1 The land in question is accessed via a green lane and development from this access is limited. This proposal seeks to maximise the value of the land for housing development. Other options would be an independent sale of the land for grazing land or other permitted uses.

### **4 Consultation, engagement and advice**

- 4.1 The Local Member for Bramber Castle has been consulted.

4.2 The Promoter, having obtained pre-application advice, has submitted a planning application and continues to engage with the Local Planning Authority. It is understood that the Parish Council is supportive of development in this location and the land is allocated in the Local Neighbourhood Plan

4.3 The promoter has undertaken some consultation with local residents.

## 5 Finance

### Revenue consequences

5.1 None immediately although future grazing land licences will be precluded.

### Capital consequences

5.2 A capital receipt will be achievable calculated on the eventual market sale price of the combined site having regard to the planning approval obtained and the percentage shares receivable by each party under the terms of the promotion agreement. The date of the capital receipt will be conditional on the grant of a satisfactory planning consent being obtained by the Land Promoter and the subsequent marketing of the site and the sale to the highest bidder.

5.3 The promotion agreement contains a minimum sum receivable by the Council.

5.4 There will be no direct costs to the Council if a satisfactory planning permission is not secured or in the event that a successful purchaser cannot be found.

5.5 The effect of the proposal.

(a) **How the cost represents good value**

This is not a cost but a proposal with the aim of the eventual delivery of a significant capital receipt.

(b) **Future savings/efficiencies being delivered**

A reduction in the administration of overseeing land where the scope for income is limited

(c) **Human Resources, IT and Assets Impact**

The proposal supports the Asset Strategy to rationalise the property estate. There are no HR or IT implications.

## 6 Risk implications and mitigations

<b>Risk</b>	<b>Mitigating Action (in place or planned)</b>
The Land promoter fails to gain a satisfactory planning consent and or a suitable purchaser is not found so the land is not sold.	At expiry of the promotion agreement WSCC will still retain the freehold of the land, and could potentially re- market for grazing land use, or other permitted uses.

## **7 Policy alignment and compliance**

- 7.1 In 2018 the County Council agreed to adopt an Asset Management Policy and Strategy. An objective of the strategy is to acquire, manage, maintain and dispose of property assets effectively, efficiently and sustainably, together with optimising financial return and commercial opportunities. In line with this strategy the County Council now proposes to dispose of its freehold interest in this piece of land.
- 7.2 There are no direct implications arising from the proposal on equality duty and human rights, climate change, crime and disorder, public health or social value.

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### **Appendices**

Appendix A (Restricted to Members only)

Appendix B – Site Plan (Restricted to Members only)

### **Background Papers**

None