

**AGENDA ITEM: 9** Pages 50 – 54

Meeting Cabinet Resources Committee

Date 30 November 2010

Subject Land East of Arkley Lane, Arkley EN5

Report of Cabinet Member for Resources and Performance

**Summary**To recommend the sale of the Council's freehold interest in the

land East of Arkley Lane on the terms recommended in the

accompanying exempt report.

Officer Contributors Suzanna Ellis – Principal Valuer (Property Services)

Status (public or exempt) Public (with a separate exempt report)

Wards affected Totteridge

Enclosures Location Plan No. 205/2

For decision by Cabinet Resources Committee

Function of Executive

Reason for urgency / exemption from call-in (if

appropriate)

Not applicable

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#### 1. RECOMMENDATIONS

1.1 That the Council's freehold interest in the land edged red on the attached plan no 205/2 be sold to Mr James Copeland and Mrs Maggie Copeland on the terms set out in the accompanying exempt report.

#### 2. RELEVANT PREVIOUS DECISIONS

2.1 Short form Delegated Powers Report no.264 dated 23 October 2009 authorised by the Executive Director of Resources, agreed the rent review to be implemented on 29 September 2009.

## 3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

3.1 The Corporate Plan 2010-2013 commits the Council to delivering 'Better services with less money'. A key principle of the medium term financial strategy is to continually review the use of Council assets so as to reduce the cost of accommodation year on year and to obtain best consideration for any surplus assets to maximise funds for capital investment and/or the repayment of capital debt. The sale of the land to the East of Arkley Lane will provide a capital receipt which will support the Council's priorities.

#### 4. RISK MANAGEMENT ISSUES

- 4.1 The offer has been made by the existing tenant of the land, Mr James Copeland. The land has been leased to Mr James Copeland since 11 August 1985. If the proposed disposal does not proceed the land will continue to be occupied under an agricultural tenancy and the opportunity of realising a capital receipt may be foregone until the tenant dies or otherwise vacates the land.
- 4.2 Under the sale documentation the use of the land will be restricted to agricultural, equestrian and/or such similar uses as may be agreed. The location of the land within the green belt limits the use of the land which is reflected in the value. There may be a risk at a future date of the restrictions in the sale documentation being released in order to allow alternative development without the Council obtaining a sufficient capital receipt e.g. reflecting the enhanced value of the land. Whilst in the Council's separate roles, as respectively planning authority and landowner of the land (being green belt and agricultural land) enables the Council to have greater control over any future proposed alternative development, more recent case law has given rise to the possibility of restrictions imposed on freehold land being released more readily than previously thought. As a consequence consideration (in conjunction with the Council's Legal Department) will be given with a view to mitigating such risk within the sale documentation.

# 5. EQUALITIES AND DIVERSITY ISSUES

- 5.1 This recommendation has been evaluated against the principles in the Equalities Policy and Equalities scheme and there are no adverse implications for specific groups.
- 6. USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance & Value for Money, Staffing, IT, Property, Sustainability)
- 6.1 There are no procurement, performance and value for money, staffing, IT or sustainability implications. The financial and property implications are set out in paragraph 9 below and in the accompanying exempt report.

6.2 The proceeds of the sale will produce a 100% useable capital receipt for the General Fund.

# 7. LEGAL ISSUES

7.1 None except as mentioned in this Report or the Exempt Report and any which may arise on investigation of the legal title of the land.

## 8. CONSTITUTIONAL POWERS

8.1 The Council's constitution in Part 3, Responsibility for Functions, paragraph 3.6 states the functions delegated to the Cabinet Resources Committee including all matters relating to land and buildings owned, rented or proposed to be acquired or disposed of by the Council.

# 9. BACKGROUND INFORMATION

- 9.1 The subject land is shown as the area outlined in red on the attached plan having an area of around 6.84 Hectares (16.9 Acres). The land comprises poor quality grassland, the boundaries are marked by broken hedge lines, interspersed with mature trees and rough post and barbed wire fencing.
- 9.2 The land is accessed off Arkley Lane which leads to an area used for vehicular parking, general storage and stabling. The stables consist of a range of looseboxes of timber construction under a corrugated asbestos cement roof.
- 9.3 The property is located on the east side of an unsurfaced track at the northern end of Arkley Lane. The land falls within the metropolitan green belt with the northern perimeter forming part of the northern boundary of the London Borough of Barnet.
- 9.4 The land is accessed off the A411 (Arkley to Barnet) which leads onto Arkley Lane. Arkley Lane is an unclassified dead-end land serving private residential and agricultural property. At the end of the lane an unmade bridleway continues on to the A1.
- 9.5 The freehold of the land is owned by the Council and is currently let to Mr James Copeland (the potential purchaser of the land) under a lease dated the 11 August 1985 for a term of 2 years thereafter continuing from year to year. Currently an annual rent is payable and is detailed in the accompanying exempt report.
- 9.6 Mr James Copeland has used the land for equestrian activities for over 10 years and the London Borough of Barnet granted planning permission on 16 January 1990 for the development of 3 loose boxes which was also granted retrospective Landlords Consent on 4 October 1991.
- 9.7 Mr James Copeland is proposing to buy the land to enable improvements to the land for the equestrian activities to better benefit the community, particularly to explore the potential of providing horse ball activities which links into the young within the Borough, as well as better provision for riding for the disabled. To do this will require further investment into the land through seeking planning permission and to put in better electricity and water supplies. Mr James Copeland and his wife, Mrs Maggie Copeland have an established record of linking in with a wide age range of people within the borough including school youngsters.

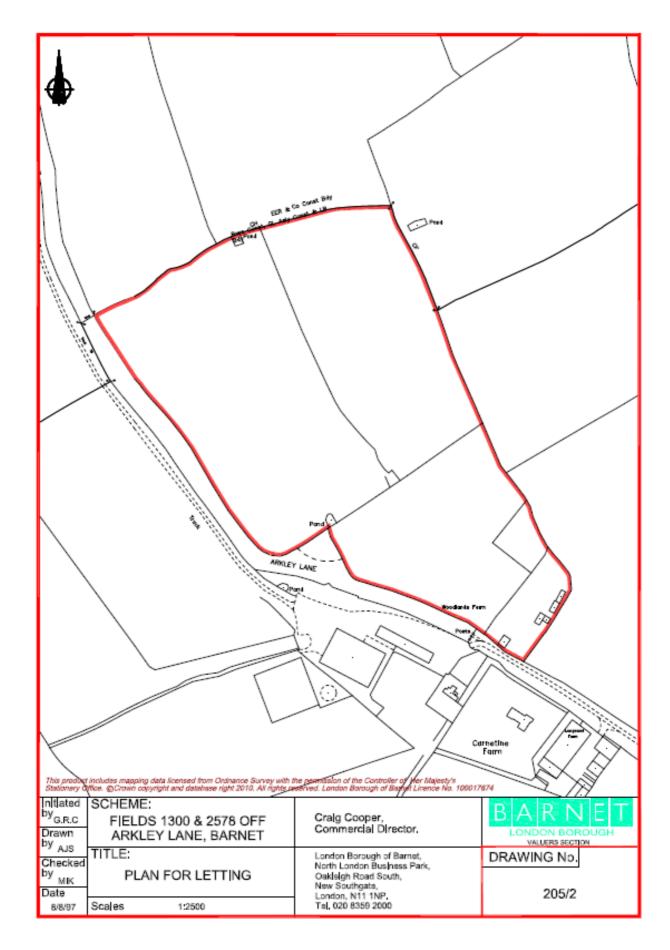
9.8 Mr Copeland has sought to acquire the freehold from the Council over a number of years, but agreement of terms has to date not been achieved. The agreement now reached is considered to represent best value to the Council, and reflects an element of marriage value due to the merging of the interests. Independent advice has been sought in this regard.

# 10. LIST OF BACKGROUND PAPERS

10.1 None.

Legal – JO'H CFO – MC

# Site Plan



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