

**REPORT ON BEHALF OF THE PROJECTS & PROPERTY GROUP**

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**SUBJECT: UPDATE ON THE DISPOSAL OF THE AUTHORITY'S LAND  
HOLDING AT SAGESTON (NORTH)**

Introduction:

At a meeting of the NPA on 2<sup>nd</sup> Feb 2011 it was resolved that Officers progress the residential development of land at Sageston by obtaining specialist inputs necessary for the submission of a planning application and in parallel, explore partnership working with a residential developer.

An information item presented to Members on 26<sup>th</sup> September 2012 advised that the Pembs CC Planning & Rights of Way Committee had resolved to approve outline planning permission for 90-100 dwellings on the land subject to the completion of a legal agreement pertaining to planning obligations including the provision of on-site affordable housing.

Members were also advised that upon the grant of outline planning permission an external firm of Chartered Surveyors would commence an initial 6 month marketing exercise and that Officers would report back to Members with a further update.

For reasons outside of your Officers control the process of negotiating the S.106 Agreement with PCC has taken considerably longer than anticipated with terms having recently been agreed, albeit not yet documented.

Those terms reflect a 20% affordable housing requirement and a community contribution cost of £1,752 per dwelling. The grant of outline planning permission will automatically follow the documentation of the S.106, with the former triggering statutory timetables requiring submission of reserved matters within 3 years and a material start on site within 5 years. Failure to submit a reserved matters application within the 3 year deadline would result in the outline planning permission lapsing and a resulting loss to the Authority of the sites residential land value.

Your Officers can make no financial case for retaining any interest in the land beyond its sale with outline planning permission. Ensuring best value for the Authority as at the date of disposal will therefore require careful and effective use of the 3 year window. In doing so we must allow reasonable time for marketing the site, followed by an adequate period to negotiate and document a sale whilst still leaving a minimum of 12 months for any new owner to prepare and submit a reserved matters planning application. It would therefore be prudent to allocate no more than 18 months for marketing, negotiation and documentation of a sale plus a 6 months contingency for any unforeseen delays.

Due to the on-going delay in the grant of outline planning permission any marketing by external agents has remained on hold up to and including the date of this report. However, since Officers last reported to Members we have provided Pembrokeshire Housing Association with an informal update on the likely affordable housing opportunity and have also received an unsolicited expression of interest from retained agents acting on behalf of a volume house builder which has remained active in the County during the economic downturn.

The opportunity to progress discussions with either or both of these interested parties prior to the granting of outline planning permission would be to the advantage of this Authority by making best use of the available time. However, such a course of action could also give rise to justifiable claims of preferential treatment and should therefore be declined.

### Conclusion

Your Officers remain of the opinion that the marketing strategy as presented to Members on the 26<sup>th</sup> September 2012 remains fit for purpose and should be followed subject to one additional recommendation. Upon commencement of the external marketing exercise, your Officers should also invite direct discussions with Pembrokeshire Housing Association in pursuit of partnership working and a best practise approach for the delivery of the 20% affordable housing requirement.

**RECOMMENDATION: That Member's endorse the ongoing actions of Officers including direct discussions with Pembrokeshire Housing Association in pursuit of partnership working.**