

## Central Bedfordshire Council

EXECUTIVE - 9 December 2014

---

### Stratton Park Disposals

Report of Cllr Maurice Jones, Deputy Leader and Executive Member for Corporate Resources ([maurice.jones@centralbedfordshire.gov.uk](mailto:maurice.jones@centralbedfordshire.gov.uk))

Advising Officers: Deb Broadbent-Clarke, Director of Improvement and Corporate Services ([Deb.Broadbent-Clarke@centralbedfordshire.gov.uk](mailto:Deb.Broadbent-Clarke@centralbedfordshire.gov.uk))  
David Cox, Chief Assets Officer ([David.Cox@centralbedfordshire.gov.uk](mailto:David.Cox@centralbedfordshire.gov.uk))

**This report relates to a Key Decision**

---

#### Purpose of this report

1. The purpose of the report is to update the Executive on progress with Stratton Business Park and seek Executive approval to undertake disposals of land to meet known local business demands and support jobs growth.

#### RECOMMENDATIONS

The Executive is asked to:

1. **authorise the Director of Improvement and Corporate Services, in consultation with the Deputy Leader and Executive Member for Corporate Resources, to dispose of 12 to 15 acres of serviced land on Stratton Phase 5 to local business A to enable its subsequent expansion;**
2. **authorise the Director of Improvement and Corporate Services, in consultation with the Deputy Leader and Executive Member for Corporate Resources, to dispose of 5 acres of serviced land on Stratton Phase 5 to local business B to enable its subsequent expansion; and**
3. **note that it is intended to invest up to £2M in infrastructure, planning and other necessary advance work and in collaboration with the owners of Phase 6. If as seems likely there will be a delay between the requirement for funding for infrastructure and the deposit of the capital receipt then this cash flow issue will be addressed in the Council's budget for 2015/16.**

## Overview and Scrutiny

2. This report has not been considered by Corporate Resources Overview and Scrutiny because it deals with the disposal of a council asset as anticipated in the Capital Receipts part of the Medium Term Financial Plan.

## Background

3. Stratton Business Park in Biggleswade has 3 different areas – known as Phases 4, 5 and 6 which are in different stages of development;
  - Phase 4 is in the conditional ownership of a private firm and was the subject of a previous Executive report.
  - Phase 5 is entirely in the ownership of Central Bedfordshire Council and is the main subject of this report as there are two local businesses who wish to purchase parts of Phase 5.
  - Phase 6 is mostly in private ownership and is not yet ready for development. The private owners have engaged a promoter to act on their behalf and we are in dialogue with him.

A map showing the sites is shown at Appendix A.

4. The proposals for Phase 5 are:
  - a. Local business A is seeking to expand its presence at Stratton Business Park, creating new jobs and needs to purchase 12 to 15 acres of serviced land.
  - b. Local business B is also seeking to expand its presence at Stratton, creating new jobs and requires 5 acres of serviced land.
  - c. Disposal to these businesses will leave some 11 to 14 acres remaining on Phase 5.
  - d. In order to maximise the utility of the land and the prospective capital receipt to the Council, there will be a requirement to invest in infrastructure such as access. The council's officers are exploring with the promoter who is acting for the owners of Phase 6 how we might collaborate and share costs of infrastructure – this will have the double benefit of reducing cost to the council and accelerating the availability for sale of Phase 6 and therefore the prospect of more jobs and investment.

5. The proposal for Phase 6 is to enter into a collaboration agreement with the land owners to share the necessary infrastructure and planning requirements. It is intended that each party will share the advanced work required (infrastructure, planning, etc) where appropriate to avoid abortive costs and duplication of access arrangements and the like.
6. Revenue, capital receipts and investment costs:
  - a. There will be increased NNDR contribution from the sites with receipts anticipated as follows:

Phase 4 - phased from April 2017  
Phase 5 - phased from September 2016  
Phase 6 - phased from April 2018
  - b. The costs of engagement with consultants to prepare information necessary to secure planning and to progress infrastructure will be shared with Phase 6.
  - c. Anticipated Capital receipts from the Phase 5 disposal are shown in the exempt report.

The capital receipt from the sales of Phase 5 (net of infrastructure costs) is subject to the disaggregation agreement with Bedford Borough Council.

### **Options for consideration**

7. Options including direct disposal 'as is' or disposal to a developer through a development partnership were considered. In the case of disposal 'as is' this was ruled out because it would significantly reduce capital receipts and deny CBC the opportunity to support local businesses. In the case of disposal to a developer through a development partnership this was ruled out for the proposed lands deals with local businesses because there would be a delay in securing current interest. Future disposal routes of the remaining Council land will be considered following these initial deals, focusing on maximising the benefit to the wider economy and in line with Council priorities.

### **Reasons for decision**

8. Options for alternative methods of disposal have been reviewed and the proposed serviced site option is considered the optimum solution to both secure know existing local businesses demand, delivering jobs in Biggleswade and to maximise capital receipts.

## **Council Priorities**

9. Enhancing Central Bedfordshire – the project will support the regeneration plans for Biggleswade and surrounding area as well as supporting the delivery of employment uses in the adopted Core Strategy and the emerging Development Strategy, by bringing Council assets forward for development on a major allocated site.
10. Improved infrastructure – the development of the site will contribute towards the delivery of new infrastructure.
11. Value for money - the project will optimise the value of Council assets and achieve best consideration in the disposal of these.

## **Corporate Implications**

### **Legal Implications**

12. The Local Government Act 2000, places a duty on the Council to promote the economic, social and environmental well being of its area. Under General Disposal Consent (England) 2003, the Council may dispose of land where:
  - the sale is likely to promote or improve the economic, social or environmental well being of its area and;
  - the difference between the 'unrestricted value' of the land and the consideration received does not exceed £2M (ODPM2003a).
13. Disposal of the land can take account of non-financial benefits where the aim of the sale will be to deliver wider environmental, economic or social benefits.
14. In terms of valuation of the land we will seek external valuations if appropriate.

### **Financial Implications**

15. The financial implications are covered in the Exempt report.

### **Equalities Implications**

16. Central Bedfordshire Council has a statutory duty to promote equality of opportunity, eliminate unlawful discrimination, harassment and victimisation and foster good relations in respect of nine protected characteristics; age disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation. Good development can improve environments and opportunities for communities experiencing disadvantage.

17. Development which does not adequately engage with, or consider the needs of, local communities is unlikely to improve their life chances and may further entrench area-based disadvantage. Promoting equality of opportunity and social inclusion relates to the access to facilities and services, enhancing employment opportunities, the protection of open spaces as well as a broad range of policies concerned with the quality of life. Addressing the strategic land use, transport and development aspects of these needs is key to ensuring that development is used to its full potential to deliver benefits to all communities.

### **Sustainability**

18. As part of the planning process the development will be required to take account of all planning policy requirements and unless viability considerations dictate otherwise, to fully comply with those policies. Proposals will also be expected to comply with the Council's planning guidance, including for example, the Council's adopted Design Guide. The development will therefore deliver high quality sustainable development as well as meeting any national standards that are in place. Where possible the Council will use reasonable efforts to ensure these standards are met.
19. The development of the Stratton site will create significant employment opportunities during the construction phase and upon occupation. It is estimated this could be in excess of 3,500 jobs dependent on use. This is in the region of 13% of the Council's jobs growth target of 27,000 new jobs to 2031. Likewise, the provision of new employment space will enable known existing local business to expand and grow in the Biggleswade area, further facilitating the wider regeneration aspirations for the area. Where possible, contractors and occupiers will be encouraged to use local labour and suppliers, including those from neighbouring disadvantaged communities.

### **Conclusion and next Steps**

20. This is a clear opportunity to support the growth of existing local business and the sale of plots of land on Stratton Business Park phase 5 will enable the Council to realise potential. This development will also pave the way for the wider delivery of Phases 5 and 6, which when developed out will make a significant contribution to the local economy and jobs growth.

### **Appendices**

21. Appendix A: Plan of Stratton stage 1 disposals (15 acres)

### **Background Papers**

22. None