

Record of officer decision

Decision title:	Disposal of a land parcel at Haugh Road, Hereford Enterprise Zone, Rotherwas
Date of decision:	14 January 2022
Decision maker:	Director for Economy and Place
Authority for delegated decision:	Herefordshire Council's constitution - Scheme of Delegation Part 3 Functions Scheme, Section 7 Officer Functions - 3.7.5 operational decisions. Disposals Policy for Council owned land on the Hereford Enterprise Zone http://hc-modgov:9070/ieDecisionDetails.aspx?ID=3123
Ward:	Dinedor Hill
Consultation:	None. This is not a new service.
Decision made:	That the council commits to sell its freehold interest in a plot of land extending to approximately 0.19 acres off Haugh Road, Rotherwas.
Reasons for decision:	<p>Compliance with approved council policy.</p> <p>To facilitate the growth of existing Herefordshire business.</p> <p>Deliver private sector investment and job creation in the EZ which will boost confidence and interest from others and help generate further private sector investment and job creation.</p> <p>Following the award of enterprise zone status in August 2011 approximately 45 hectares (110 acres) of council owned land was included, along with other privately owned land, in the designated EZ.</p> <p>All the EZ land is being actively marketed, and is being sold according to independent land valuations and the EZ Land Disposal Policy which was approved by cabinet member on 7 January 2016.</p> <p>Sustained progress has been achieved with well over 50 acres sold to date.</p> <p>The sale of the land is on a freehold basis. The purchaser will not accept or proceed with the purchase on any other basis.</p> <p>This sale has the full endorsement of the Hereford Enterprise Zone Board.</p> <p>The sale is to a local business who wishes to develop small scale business units for rent.</p> <p>The decision to sell this plot supports council policy to use capital receipts from sale of land within the Enterprise Zone to fund the capital expenditure on installing necessary infrastructure across the site. The latest council decision to incur this expenditure is available via this link: http://councillors.herefordshire.gov.uk/ieDecisionDetails.aspx?ID=6182</p>
Highlight any associated risks/finance/legal/equality	The purchase price will be £61,000.

<p>considerations:</p>	<p>The land has not been elected for tax so VAT will not be chargeable on this transaction.</p> <p>The capital receipt will form part of the council’s capital receipt’s target in 2021/22.</p> <p>A principal council cannot dispose of its land for a consideration less than the best that can be reasonably obtained in the market, except with the express consent of the Secretary of State (section 123(1), Local Government Act 1972 (LGA 1972)). The council needs to be able to evidence that the best price has been obtained for the site and it will only be able to demonstrate that it achieved the best consideration possible by:</p> <ul style="list-style-type: none"> • marketing the property; • obtaining an appropriate independent valuation; or • both of the above. <p>The EZ land is being actively and comprehensively marketed. Given that this particular land parcel is a non- strategic windfall site, the plot has been specifically separately marketed through a local agent in order to demonstrate best value.</p> <p>The S151 officer and the Strategic Property Services Manager have been consulted on the sale and are satisfied that best price has been achieved. The council’s legal team will deal with the transaction. Respective partners will be responsible for their own legal costs. The council’s costs will be taken from the capital receipt generated.</p> <p>Consideration will be given to the reservation of rights in the transfer documentation for running of services etc. for the benefit of remaining plots. The transferee should also indemnify the council against future breach of any existing covenants affecting the plot, as contained in the relevant registered title with the imposition of site specific further obligations and covenants as appropriate.</p>
<p>Details of any alternative options considered and rejected:</p>	<p>None – not to proceed with the sale would result in the loss of a capital receipt for the Council, would inhibit the productive use of a parcel of land which will otherwise remain fallow, and would adversely impact the council’s ability to achieve the outcomes expected of the enterprise zone.</p>
<p>Details of any declarations of interest made:</p>	<p>None</p>

I am an officer delegated to make the decision

Signed:

Print Name: Neil Taylor

Job Title: Interim Director for Economy and Environment