

COUNCIL

26 JANUARY 2017

LAND ADJACENT TO GOLF DRIVING RANGE, STREET END ROAD, CHATHAM

Portfolio Holder: Councillor Adrian Gulvin, Resources
Report from: Perry Holmes, Chief Legal Officer
Author: Des Andrews, Senior Valuation Surveyor

Summary

This report provides details of a proposed land and property transaction over £500,000 in respect of the Cabinet's decision on 22 November 2016 relating to land adjacent to the Golf Driving Range, Street End Road, Chatham.

This report is submitted for Members' information.

1. Budget and Policy Framework

- 1.1 As the consideration payable to the Council for the release or variation of the restrictive covenant and the disposal of or grant of rights over the Council's land is likely to exceed £20,000, this was a matter for Cabinet.
- 1.2 This report complies with the constitutional requirement that Cabinet decisions in respect of land and property transactions over £500,000 are to be reported to the next Council meeting for information.

2. Background

- 2.1 The land hatched black on attached plan (Appendix 1) was transferred by the City Council of Rochester upon Medway in August 1984.
- 2.2 The transfer restricted the use of the land: "For purposes of a golf driving range with its ancillary facilities or for the purpose of other similar leisure activities only and for no other purpose whatsoever." The transfer also contained limited rights over parts of the Council owned land edged black on attached plan.
- 2.3 The current owners of the golf driving range have marketed the site and entered into formal discussions with a major residential developer with a view to selling the site for the development of an estimated 120 residential units.

- 2.4 Both the owners and the residential developer have met with the Planning Department for pre application planning advice and planning officers are in principle supportive of the proposal.
- 2.5 Before the development can take place, the restrictive covenant as set out in paragraph 2.2 above will need to be released or varied and the developer will need to either acquire the Council's land edged black or be granted additional rights across it. Therefore, a report was submitted to Cabinet on 22 November 2016

3. Cabinet – 22 November 2016

3.1 The Cabinet agreed the following on 22 November 2016:

3.1.1 The Cabinet agreed to delegate authority to the Chief Legal Officer, in consultation with the Portfolio Holder for Resources to:

- (i) Vary or release the restrictive covenant which the golf driving range is subject to on the best terms reasonably obtainable.
- (ii) Declare surplus the Council's frontage land as shown edged black on the plan at Appendix 1 to the report, and dispose of it and/or grant rights over it on the best terms reasonably obtainable.

4. Advice and analysis

4.1 The Cabinet's decisions will hopefully facilitate the regeneration of a significant area which will provide approximately 120 residential units (Including an element – 25% of affordable units). In addition to this, the Council should be able to realise a significant capital receipt from this transaction.

5. Risk management

5.1 The Cabinet was advised on 22 November 2016 that if the Council refused to vary or/release the covenant and dispose of its land or grant additional rights over it this would frustrate the development of the driving range and the Council will not be able to realise a significant capital receipt.

Risk	Description	Action to avoid or mitigate risk
The Driving Range is not developed.	Planning consent is granted for the development of the driving range but due the restrictive covenant and lack of adequate rights over the Council's land the site can't be developed.	Grant delegated authority to allow the covenant to be released or varied and to grant rights over the Council's land or dispose of it.

6. Consultation

- 6.1 The Council's Planning department has been consulted and on the basis that this is an urban site and the Council is significantly short on its 5 year housing land supply target, it is considered that release of this site in principle for housing is acceptable.

7. Financial and legal implications

- 7.1 The Council is under a duty to obtain the best consideration reasonably obtainable when it disposes of interests in property, unless consent is obtained from the Secretary of State or one of the general consents applies.

8. Recommendation

- 8.1 The Council is asked to note the report.

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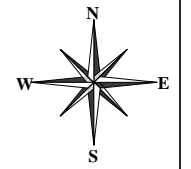
Appendices

Appendix 1 – site plan

Background papers

Report to Cabinet 22 November 2016 (agenda item 8 refers):

<https://democracy.medway.gov.uk/ieListDocuments.aspx?CId=115&MId=3372&Ver=4>



**Land at Street End Road (adj. Chatham Golf Driving Range)
Chatham**

