

**CABINET**

Wednesday 17 January 2018

**LAND ADJACENT TO 3 CORNFIELD CRESCENT, CORTON - COVENANT REMOVAL (REP1756)****EXECUTIVE SUMMARY**

1. Waveney District Council sold the land adjacent to No 3 Cornfield Crescent on 3 October 2013 to Mr and Mrs Johnson for £5,025.
2. Richden Homes are in the process of purchasing this land with planning permission to build a 2 bedroom bungalow upon removal of the covenant on this piece of land. This report seeks permission to remove the covenant for a sum of £20,000 plus fees.

Is the report Open or Exempt?	Open
<b>Wards Affected:</b>	Gunton and Corton
<b>Cabinet Member:</b>	Councillor Bruce Provan – Cabinet Member for Resources
<b>Supporting Officer:</b>	Kerry Blair Job Title Head of Operations. Telephone Number 01502 523007 Email address <a href="mailto:Kerry.Blair@eastsoffolk.gov.uk">Kerry.Blair@eastsoffolk.gov.uk</a>

## **1 INTRODUCTION**

- 1.1 On 3 October 2013, land adjacent to No 3 Cornfield Crescent, Corton was sold by Waveney District Council for £5,025 to Mr and Mrs Johnson.
- 1.2 The land was sold with the following covenants attached to the conveyance.
- a) No part of the property shall be used at any time for any purpose other than as garden land.
  - b) Not to erect any building of any kind on the property.
  - c) To ensure that any fences or other structures enclosing the property are constructed in accordance with any planning requirements or approval, prior to any works of this nature being carried out.
  - d) To forever hereafter maintain any structures forming the boundaries of the property which are the responsibility of the purchasers.
- 1.3 The land has changed hands twice and has recently been sold to Richden Homes. Gilbert Builders, acting on behalf of Richden Homes, have approached the Council for the removal of the covenants to construct a 2 bedroom bungalow.
- 1.4 The Council has been advised that Richden Homes and Gilbert builders have common shareholders and Gilbert Builders will be main contractor.

## **2 NEGOTIATIONS**

- 2.1 The land is known as land adjacent to no 3 Cornfield Crescent, Corton and is shown edged red on the plan at **Appendix A**.
- 2.2 The Council was approached by Gilbert Builders seeking the removal of the covenants detailed in para 1.2 a) & b) to allow the construction of a 2 bedroom bungalow. Richden Homes secured planning permission from Waveney District Council on 14<sup>th</sup> November 2017, Planning permission number DC/17/4067/FUL.
- 2.3 Following the grant of planning permission, negotiations have taken place between the Council and Gilbert Builders Ltd. An appraisal has been undertaken of the site and the sum of £20,000 has been agreed subject to Cabinet approval, for the removal of parts a) and b) of the covenant, as listed in paragraph 1.2, above. It has also been provisionally agreed for an additional £700 payment for legal and processing fees to the Council.

## **3 HOW DOES THIS RELATE TO EAST SUFFOLK BUSINESS PLAN?**

- 3.1 Within the East Suffolk Business Plan, Waveney District Council aspires to achieve financial self sufficiency. The Council is keen to consider opportunities within its asset portfolio that achieves these aspirations. The land at Cornfield Crescent was sold subject to a restrictive covenant to ensure the Council reserved financial uplift if the property obtained consent for any other use than as garden land. Release of parts of the covenant would therefore contribute to greater financial self-sufficiency within the District.

## **4 FINANCIAL AND GOVERNANCE IMPLICATIONS**

- 4.1 The proposal provides additional capital revenue to the council. In addition, the legal and processing costs associated with the release of the covenant are being funded by the developer.

**5 OTHER KEY ISSUES**

5.1 None.

**6 CONSULTATION**

6.1 None.

**7 OTHER OPTIONS CONSIDERED**

7.1 The Council reserve the right to retain the covenant and to restrict the use of the land as garden land only.

**8 REASON FOR RECOMMENDATION**

8.1 To conclude negotiations with Richden Homes and allow permission to develop the site.

**RECOMMENDATIONS**

The Cabinet:

Approves the offer of £20,000 the payment of legal and processing fees of £700 for the release of the following two covenants:

- a) No part of the property shall be used at any time for any purpose other than as garden land.
- b) Not to erect any building of any kind on the property.

**APPENDICES**

**Appendix A**

Plan – showing site extents edged in red.

**BACKGROUND PAPERS – None**