

**CABINET**

**COUNCILLOR MARTIN TENNANT  
MAJOR PROJECTS AND PROPERTY  
PORTFOLIO HOLDER**

**24<sup>th</sup> July 2018**

**KEY DECISION: YES**

**REPORT NO. LEG1806**

**SALE OF FORMER HIGHWAY LAND AT  
PEGASUS AVENUE – NORTH TOWN REDEVELOPMENT PHASE 6**

**SUMMARY AND RECOMMENDATIONS:**

This report recommends the sale of former highway land at Pegasus Avenue, Aldershot (shown in Appendix 1) from the Council to VIVID following the redevelopment of North Town - Phase 6.

**Recommendation**

To delegate authority to the Executive Director, in consultation with the Major Projects and Property Portfolio Holder, to sell the former highway land at North Town, Phase 6 for a price to be determined, based on advice from the District Valuer.

**1. INTRODUCTION**

- 1.1 The redevelopment of the North Town estate by VIVID, included the demolition 471 flats to make way for 697 new homes, in six phases. The Council helped fund this redevelopment.
- 1.2 This redevelopment involved the redesign of the estate, which included the re-configurations of some of the adopted highways. Some roads and footpaths have been stopped up and then built upon as part of the redevelopment. In October 2017, Cabinet considered report LEG 1716, which set out proposals in relation to earlier phases of the development.
- 1.3 When this happens, highway rights cease and the land beneath the former highway remains with the owner, in this case, the Council own the subsoil of these areas and VIVID require these areas to be transferred to them, so they can let or sell the newly constructed properties.

**3. DETAILS OF THE PROPOSAL**

- 3.1 VIVID have now received a red book valuation of the former highway land from Savills.
- 3.2 The District Valuer has been asked to assess the report and calculate the value of the land to be transferred. Once this value has been received, the

Council can agree the sale of the land to VIVID, enabling them to move tenants into the properties.

#### **4. CONSULTATION**

- 4.1 The Ward Councillors have been kept informed of the situation and VIVID are aware of the contents of this report.

#### **5. IMPLICATIONS**

##### ***Risks***

- 5.1 There is no risk to the Council, as the District Valuer will be assessing the value of the land.

##### ***Legal implications***

- 5.2 Section 123 of the Local Government Act 1972 provides that local authorities may dispose of land as they see fit, but cannot dispose of land other than by way of a short tenancy, for less than best consideration.
- 5.3 The General Disposal Consent 2003 modifies the Local Government Act 1972 to remove the need for the Secretary of State's consent to disposals at an undervalue where the disposal would be likely to contribute to economic, social or environmental wellbeing, provide the disposal does not exceed £2m.

##### ***Financial and Resource Implications***

- 5.4 There is no cost to the Council as VIVID will cover the cost associated with the District Valuer's report and the legal costs of the subsequent transaction. Savills' assessment of the value of the land is nil; however, if the District Valuer places a higher value on the land, the Council may receive a receipt for the land.

#### **6. CONCLUSIONS**

- 6.1 Delegated authority is sought to enable the land transfer to proceed quickly, once the value of the land has been provided by the District Valuer.

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**Background documents:** Plan of area to be transferred (Appendix 1)

**Contact Details:** Karen Edwards, Executive Director

APPENDIX 1

