



## **North Devon Council**

Report Date: 05 June 2023

Topic: Site at South View, Bratton Fleming

Report by: Helen Bond Property Manager and Emma Collett, Acting Property Project Manager

### **1. INTRODUCTION**

- 1.1 The subject site was sold off as a surplus asset in October 2014 at public auction for the sum of £12,250.00 with overage provision.
- 1.2 In 2017 the original purchaser sold the site to another party for £64,000.00 and NDC received an overage payment of £12,774.00.
- 1.3 Mr B purchased the plot in 2018 for £65,000.00, there was no further notional uplift in land value at the time of this transaction. The site had planning (application number 64032) for a 4 bedroomed detached property, Mr B is building out the property himself.
- 1.4 The plot does not have vehicular access. Mr B has requested that the Council permit vehicular access across a grassed area to enable him to sell the property. He has also requested that a final payment is made to terminate the overage provision.

### **2. RECOMMENDATIONS**

- 2.1. That Members approve the following;
- 2.2. Mr B makes a payment of £5,000.00 to release the overage
- 2.3. Mr B makes a payment of £50,000.00 for the right to create a vehicular access and parking to the property, this being by granting a right of way, the route of which is at the discretion of Council Officers

### **3. REASONS FOR RECOMMENDATIONS**

- 3.1. Overall this site will have achieved £17,774.00 in overage payments to the Council, as well as the original sale price of £12,250.00.
- 3.2. Once the property has been completed, it will have a life in excess of 30 years, and this will represent the most substantive development of the site, based on build costs, there is no further uplift in value.
- 3.3. Based on an external valuation, the payment of £50,000.00 represents a fair proportion of the uplift in the finished house's value with the vehicular access and parking.
- 3.4. Planning for the property was approved at this site in December 2017, although spate planning permission would be required for the access and parking area.



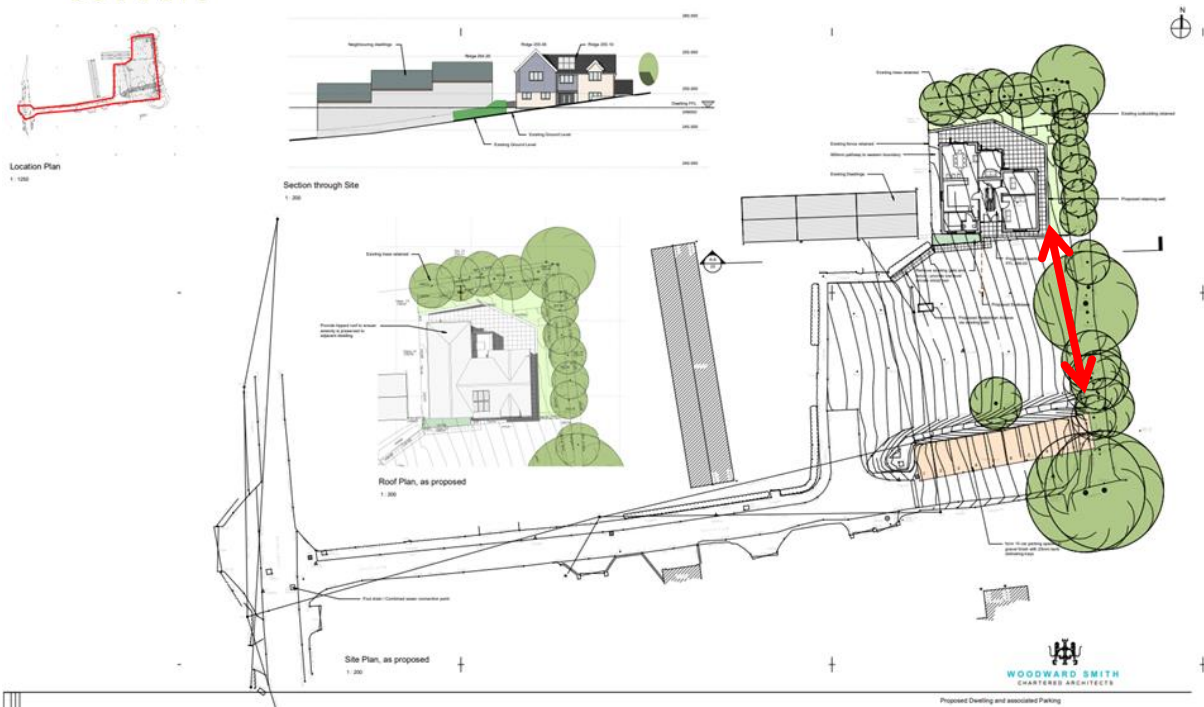
3.5. This matter has now been ongoing for over a year and needs resolution. Significant Officer time has been employed to consult with the owner, neighbours, Parish and the evaluation officer to come to the solution proposed.

#### 4. REPORT

.1 The subject site was sold off as a surplus asset in October 2014 at public auction for the sum of £12,250.00 with overage provision. The overage only relates to the uplift in land value and does not relate directly to the value of the finished property. The original Restrictive Covenant was put in place by Deed and is for a period of 30 years from 2014. It was in place to ensure that any uplift in value due to development was recognised and a percentage of that uplift be paid to the council. The site was originally sold in the open market without planning permission, but this deed recognised the hope value should development take place.

4.2 In 2017 the original purchaser sold the site to another party for £64,000.00 and NDC received an overage payment of £12,774.00.

4.3 Mr B purchased the plot in 2018 for £65,000.00, there was no further notional uplift in land value at the time of this transaction. The site had planning (application number 64032) for a 4 bedroomed detached property, Mr B is building out the property himself. As the site plan below indicates, this plot was previously a garden licenced to the adjacent property. The four bedroomed house being built on the plot takes up the majority of the plot. There is no parking directly linked to the property. Even a small extension, bearing in mind current build costs, is unlikely to result in any uplift in land value. The garden area remaining is small for a property of this size.



4.4 Mr B has offered £5,000.00 to release the overage. The original overage related to the uplift in value of the land, this element has therefore been collected by the council. Once the property has been completed, it will have a life in excess of 30 years, and this will represent the most substantive development of the site. There will therefore be no further hope value to be released.

4.5 Leaving the overage in place is likely to depress the value of the property for the remaining term until 2034. This wasn't the original intention of the provision, which was put in place to provide the council with the benefit from an uplift in value once a site had been developed, this has been received with the payment of the £12,774.0 and then enhanced by the additional figure proposed by the current owner, at no risk to the Council.

4.6 Construction of the property has commenced and the property is on the open market. The house is being marketed for OIEO £600,000. An external valuation advises that the value without parking is £525,000.

4.7 The matter of the access has been considered as a separate issue. The proposed payment to the council of £50,000.00 for the right to this access represents a fair proportion of the uplift in value by having the access in place. A statement from Mr B is attached Appendix A.

4.8 The proposed access would run adjacent to the eastern boundary of the site, taking up a controlled area of the open space. As indicated by the red line on the above plan. For clarity, this grassed area is not formal Public Open Space.



4.9 Officers have consulted with the neighbours and Parish Council, through the Ward Member. Similar access has been offered to neighbours but no-one at this time wishes to take up this offer. Neighbours at 5-11 South View were consulted, 4 occupants responded – 2 to recommend parking access and 2 to object. Neighbour responses are available to review in full on request.

This could still be available to neighbours in the future. The current parking in the area is limited. By granting the owner of this site their own vehicle access, reduces demand on the existing parking area, and provides spaces for other residents.

Mr B would need to apply for planning to provide parking and access, and any Member approval related to this matter would not prejudice that planning decision.

## 5. RESOURCE IMPLICATIONS

5.1. Legal Services to legally document the access arrangement.

5.2. Support from the Property Team in achieving completion of the legal documents.

5.3. A capital receipt of £55,000.00

## 6. EQUALITIES ASSESSMENT

6.1. Completed and emailed to [equality@northdevon.gov.uk](mailto:equality@northdevon.gov.uk).

## 7. ENVIRONMENTAL ASSESSMENT

7.1. Complete and emailed to [donna.sibley@torridge.gov.uk](mailto:donna.sibley@torridge.gov.uk)

## 8. CORPORATE PRIORITIES

8.1. What impact, positive or negative, does the subject of this report have on:

8.1.1. The commercialisation agenda: - A capital receipt from the owner without detrimental impact to the Councils existing assets

8.1.2. Improving customer focus and/or – providing support to the owner of the site after an extensive period of negotiation. Potential for reputational damage if property is left empty/unsold.

8.1.3. Regeneration or economic development – Potential for neighbours to improve their access in the future, improving parking

## 9. CONSTITUTIONAL CONTEXT

9.1. Article of Part 3 Annex 1 paragraph:

9.2. Delegated power

## 10. STATEMENT OF CONFIDENTIALITY

This report contains no confidential information or exempt information under the provisions of Schedule 12A of 1972 Act.



## 11. BACKGROUND PAPERS

The following background papers were used in the preparation of this report:  
(The background papers are available for inspection and kept by the author of the report).

Appendix A – Statement from Developer

The Valuation report is available upon request

Neighbour responses available on request

Photographs of site visit (February 2023) available on request

## 12. STATEMENT OF INTERNAL ADVICE

The author (below) confirms that advice has been taken from all appropriate Councillors and Officers: Helen Bond, Property Manager and Emma Collett, Acting Project Manager for Property