



ADUR & WORTHING  
COUNCILS

Joint Strategic Committee  
8 September 2020

Key Decision Yes

Ward(s) Affected: Widewater

## **Purchase of New Salts Farm, Lancing**

### **Report by the Director for the Digital, Sustainability and Resources**

#### **Executive Summary**

##### **1. Purpose**

- 1.1. To agree to purchase 70 acres of farmland known as New Salts Farm, Lancing.
- 1.2. To agree that the land will be held for the purposes of conserving and enhancing the natural environment; enhancing biodiversity; and contributing to the Council's ambition of being Carbon Neutral by 2030.
- 1.3. To agree to promote the land through the next Adur Local Plan preparation process to secure it for these purposes for the long term.
- 1.4. Agree to ring fence part of the capital receipt from the sale of Adur Civic Centre to fund the purchase of the New Salts Farm.

##### **2. Recommendations**

2.1 The Joint Strategic Committee is recommended to:

- i. To agree to the purchase of land at New Salts Farm, Lancing;
- ii. To recommend to Full Council the approval of a total budget

envelope of £925,000 comprising a purchase price of £875,000 and up to £50,000 in fees to cover the cost of acquisition including surveys, fees and stamp duty). This will be funded from borrowing.

- iii. Note the revenue budget consequences of the borrowing will need to be accommodated within the 2021/22 budget as part of budget setting pending the capital receipt being received from the sale of Adur Civic Centre.
- iv. Delegate authority to the Head of Major Projects and Investment to agree detailed terms of the transaction and enter the contract for the purchase subject to a satisfactory survey of the road, and legal and technical due diligence
- v. Authorise £40,000 to be used to prepare an action plan for the improvement of the site for the purposes set out in paragraph 1.2 of this report.

### **3. Background and Context**

- 3.1. New Salts Farm is an area of grazing land located north of the A259 on the eastern edge of Lancing. It forms part of the “green gap” identified in the Adur Local Plan that separates Lancing from Shoreham to the east. The land is valued for its contribution to the local landscape character, the setting of local heritage assets and ensures the local distinctiveness of the villages and towns that make up Adur District. A site plan is shown at Appendix 1
- 3.2. The site was promoted by the current owner Hyde Group through the preparation of the Adur Local Plan in 2016. It was not included in the final housing strategy due to concerns that its development would have the green gap, and around the design of the development to overcome flooding issues. This approach was supported by the Local Plan Inspector in their report.
- 3.3. In spring 2020 Hyde Group undertook a review of their investments in Adur District and concluded that the New Salts Farm site was no longer suitable and offered it for sale.
- 3.4. Adur District continues to have a high housing need, and while there is significant changes expected to be made to the planning system, the

demand for new homes is unlikely to dissipate. Recognising this, the landholding was considered by a number of developers with a view to promoting it in any future local plan review for new homes.

- 3.5. In *Platforms for Our Places: Going Further*, Adur District Council committed to delivering more woodland, help recover natural environments, boost biodiversity and enable community led sustainability initiatives. The Council have been actively working on implementing its Climate Change strategy through a number of energy, waste reduction and biodiversity initiatives, and are working towards its ambition of being a Carbon Neutral organisation by 2030.
- 3.6. The purchase of New Salts Farm therefore enables the Council to achieve two key objectives. Firstly, it would ensure that the adopted planning objective of maintaining a separation between settlements can be maintained for the long term. Secondly, dedicating the site for the purposes of conserving and enhancing the natural environment, enhancing biodiversity, and contributing to the ambition of being Carbon Neutral by 2030 enables the Council to deliver on a central platform commitment within *Platforms for our Places: Going Further*.

#### **4. Working with Hyde Group**

- 4.1 Hyde Group are a registered provider of affordable homes who are very active in Adur District. At present they are building out new affordable homes at the Ropetackle North development, and have recently received planning permission at Kingston Wharf for 255 homes. There is a strong working relationship with Hyde Group on enabling regeneration and delivering affordable housing in the District.
- 4.2 In July 2019 the committee agreed that Hyde Group would be the preferred bidder for the purchase of the former Adur Civic Centre in Shoreham town centre. Plans are progressing for 173 new homes and 1,000 sq.m of office space. A planning application has been delayed by Hyde Group due to coronavirus, however legal contracts have been finalised and substantial pre-application advice has been undertaken by the planning department to ensure a high quality design. Once the Council exchanges contracts on this deal a deposit is payable, with two further payments due to the Council on grant of planning permission, and 12 months after completion.

- 4.3 Building on this relationship, officers have been able to secure a position as the preferred bidder for the New Salts Farm site. It is intended that the cost of purchasing New Salts Farm can be paid for using the forthcoming capital receipt from the sale of Adur Civic Centre and can be ring fenced for this purpose as part of the current budget setting process.

## **5. Future Plans and Next Steps**

- 5.1 At this stage further work is required to identify a best approach to deliver on our intended purposes for the site. There are various opportunities including planting, habitat restoration, or sustainable energy that may be appropriate. Greater understanding of the existing ecology networks, soil structure, flooding, accessibility, landscape and planning issues are required to inform a preferred approach. Engagement with local stakeholders is also recommended to achieve broad support and buy in for a preferred approach.
- 5.2 A project team will be established including representatives from the Major Projects & Investment Service, Sustainability Team, and Environment Service to develop a preferred approach and an investment case. A further report will be prepared for the committee to agree an action plan for the land. It is intended that this will be presented to the committee no later than February 2021.
- 5.3 To ensure the site remains in use for the purposes set out in paragraph 1.2, it is recommended that the Council as landowner promote the land for these purposes within any future local plan review.

## **6. Land Purchase Due Diligence**

- 6.1 In acquiring this site, the council will need to meet the acquisition and ongoing holding and management costs of this site, including any repair liabilities for New Salts Farm Road (a private road forms part of the sale), fencing, security etc.
- 6.2 Officers are currently undertaking a full suite of technical due diligence on the site, including researching the extent of any liabilities and ability to recover these from users, as well as other environmental surveys, legal reports etc. to ensure that the council is fully informed as part of the acquisition.

## **7. Financial Implications**

7.1 There is currently no budget available for the purchase of this site within the capital programme. Consequently to enable the purchase to progress a budget will need to be created, and as we do not have either substantial capital receipts or earmarked reserves, the purchase will need to be funded through borrowing.

7.2 Overall, the cost of the acquisition is estimated to be £925,000 which includes all fees and related charges. The associated borrowing costs will be:

- 2020/21 £11,560
- 2021/22 £30,500

The in-year costs can be funded from the existing treasury management budgets. The overall impact in 2021/22 will be built into the budget for next year. Members are reminded that the Medium Term Financial Plan includes a provision of £80,000 for new items.

7.3 If the Council purchases the site, then it will assume responsibility for the maintenance of the private road. As part of the due diligence process, the condition of the road will need to be assessed and appropriate provision made for annual maintenance responsibilities which are unknown at this time.

7.4 The Council will need to develop a fully costed management plan for the site which will then need to be resourced. It is intended to bring a report back to the Council later in the year addressing this issue.

7.5 The acquisition of the site may present the Council with opportunities to invest in other sustainability initiatives such as solar farm. This may help offset the costs of purchasing the site.

7.6 The sale of Adur Civic Centre to Hyde Group will generate a significant capital receipt for Adur District within the current financial year. Part of this receipt is to be ringfenced to reduce the cost of borrowing and impact on the revenue budget in the medium term.

Finance Officer: Sarah Gobey

Date: 25th August 2020

## **8. Legal Implications**

- 8.1 Section 111 of The Local Government Act 1972 provides that the Council shall have the power to do anything (whether or not involving expenditure, borrowing, or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to the discharge of any of their functions.
- 8.2 Section 1 of The Localism Act 2011 empowers the Council to do anything an individual can do apart from that which is specifically prohibited by pre-existing legislation.
- 8.3 Section 1 of The Local Government (Contracts) Act 1997 provides that every statutory provision conferring or imposing a function on a Local Authority confers the powers on the Local Authority to enter into a contract with another person for the provision of making available of assets or services, or both for the purposes of, or in connection with, the discharge of the function by the Local Authority.
- 8.4 The maintenance of the unadopted road is a potential ongoing liability for the Council, subject to a contribution towards the cost of upkeep from other users of the road. The extent of those contributions are still being assessed via legal due diligence.

Legal Officer: Andrew Mathias

Date: 24th August 2020

### **Background Papers**

- Platforms for our Places
- Sustainable AW

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## **Sustainability & Risk Assessment**

### **1. Economic**

- It is considered that there will be a minor positive impact in economic terms. There is currently low economic value derived from the site from the existing grazing license and the proposed action plan can be used as a means to deliver investment and improvement.

### **2. Social**

#### **2.1 Social Value**

- The purchase will have a significant positive impact on social value by preserving landscape, separation of settlements and heritage features which are considered to be of significant local social value.

#### **2.2 Equality Issues**

- It is considered that there are no equality issues arising from the proposed purchase. An Equalities Impact Assessment will be prepared when considering the proposed action plan for the site.

#### **2.3 Community Safety Issues (Section 17)**

- It is considered that the purchase will not have any discernible impact on community safety issues

#### **2.4 Human Rights Issues**

- It is not considered to have any impact on Human Rights issues

### **3. Environmental**

- The purchase of the land will have a significant positive impact on environmental improvement.

### **4. Governance**

- The proposed purchase aligns in almost all aspects with Platform 3: Tackling Climate Change and Supporting our Natural Environment in *Platforms for our Places Going Further 2020-2022*