



Belfast City Council

Report to:	Strategic Policy & Resources Committee
Subject:	Disposal of Land at Glen Road to Oaklee Housing Association
Date:	21 September 2012
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1	Relevant Background Information
1.1	At its meeting of 20 April 2005 the Development Committee agreed in principle to the proposed disposal of former traveller lands, including land at Glen Road (adjoining Glen Road Heights) to the Northern Ireland Housing Executive (NIHE) for development of social housing subject to agreement on valuation. Committee were also asked to note that the NIHE current methodology for site acquisition involves appointing Housing Associations.
1.2	At a subsequent meeting of 16 th November 2005 the Development Committee were advised that the NIHE had instructed the Valuation & Lands Office (now Land & Property Services – LPS) to enter into discussions to acquire Council's Glen Road site which extends to approximately 8.5 acres (including the Glen Road Heights approach road) Appendix 1 – location map.
1.3	NIHE subsequently nominated Oaklee & Fold Housing Associations jointly to progress development proposals and acquire the Council's land. At their meeting of 21 st September 2007 the Development Committee were advised of Oaklee/Fold Housing Associations comprehensive development proposal for a major housing development for the Glen Road on a much larger site of approximately 30 acres which included NIHE land and land in private ownership that adjoins Council's land.
1.4	Following formal presentation of development plans a planning consultant was appointed in June 2008 to advise Council on the implications of the Oaklee/Fold proposals for a comprehensive scheme in terms of impact on the development potential for the Council's land. LPS were also formally

	requested to provide valuations of Council's land both as part of the larger comprehensive scheme including other land and also in the event of Council's land being developed independently.
1.5	Despite prolonged negotiations with Oaklee/Fold's independent valuer (BTW Shiells) to progress on the basis of a comprehensive acquisition of all three landholdings no agreement could be reached on the relative split of site values and the private landowner also did not want to progress on the basis of the proposed scheme. Under dBMAP proposals it had been considered that a comprehensive approach was the sole means of providing any social housing at this location – hence the need to progress land assembly under a similar comprehensive approach.
1.6	Through discussion with Planning Service the Estates Management Unit have been able to confirm that appropriate phased development, eventually delivering the comprehensive development envisaged under dBMAP, would be acceptable in planning terms. This approach effectively permits Council to progress a disposal to Oaklee/Fold of its landholding in isolation from the other landowners that would not prejudice further comprehensive development coming forward in the future.

2	Key Issues
2.1	Both BUAP and dBMAP indicate that Council's land, in association with adjoining lands, is zoned for housing. Key Site Requirements (KSR) have been included in dBMAP relating to these three ownerships to ensure a comprehensive approach to development is achieved. NIHE have also identified these lands as suitable for social housing. Delivery of a comprehensive development approach, that includes the Council's Glen Road land, requires the acquisition of additional adjoining lands from NIHE and a private 3 rd party.
2.2	Following the Council's initial decision to sell this and other lands to the NIHE for social housing purposes, NIHE nominated specific housing associations in respect of individual locations. Oaklee and Fold Housing Associations (Oaklee to take the lead role and acquire the land) are the nominated social housing providers for these particular Council owned lands. Oaklee/Fold prepared an initial concept masterplan encompassing the adjoining land ownerships as envisaged in dBMAP adopting the KSR for a comprehensive development of approximately 440 residential units.
2.3	Originally envisaged as a mixed residential design and build scheme (mix of social, affordable and private units), with the lead taken by a private developer who would retain ownership of the residential units built for the private sector, a change in EU procurement regulations prohibited pursuit of this approach. Whilst changes in procurement procedures delayed the process it has also not proved possible for Oaklee/Fold to reach agreement with all the parties on the relative split of land values that would permit comprehensive acquisition. This effectively stalled the process and despite numerous meetings with Oaklee and their valuer no comprehensive purchase deal agreeable to all three parties could be achieved.

2.4	Given this impasse the Estates Management Unit initiated discussions with Planning Service to ensure that Oaklee/Fold could proceed with purchase and development of Council's land in isolation from the other landowners that would comply with the Key Site Requirements outlined in dBMAP to achieve phased development of the comprehensive scheme envisaged in dBMAP.
2.5	Oaklee/Fold now proposes a development of 92 social residential units in total on Council's land providing a mix of semi-detached and terraced style houses and 3 wheelchair bungalows. The proposals are consistent with the wider Glen 10 proposals in terms of the nature of the envisaged development also taking account of wider traffic implications on the Glen Road itself through provision of appropriate access that would serve the larger comprehensive development envisaged under dBMAP. Oaklee/Fold proposes to submit a planning application whilst engaging in full consultation with all relevant and interested parties to their proposed development.
2.6	Following very protracted and prolonged negotiations between LPS, acting on behalf of the Council, and an independent valuer appointed by Oaklee/Fold Housing Associations a premium of £1,575,000 for disposal of these lands has now been provisionally agreed, subject to Committee approval
2.7	Oaklee/Fold has indicated that their proposed purchase is not conditional on planning and they are keen to complete the acquisition as soon as possible. Subject to obtaining Committee approval to the disposal they hope to lodge a planning application in the very future and undertake stakeholder and community engagement on their proposals. The disposal to Oaklee/Fold would contain an overage provision which would provide for an additional premium to be paid if they obtain planning approval for more than the proposed 92 housing units.

3	Resource Implications
3.1	<p><u>Financial</u></p> <p>The sale of these lands will result in a capital return to the Council of £1,570, 000 which could be directed to the Councils Investment Programme or other priorities.</p>
3.2	<p><u>Human Resources</u></p> <p>Staff Resource in Estates & Legal Services to progress.</p>
3.3	<p><u>Asset and Other Implications</u></p> <p>The disposal of this vacant site and development as a social housing scheme should lead to improved social, economic and regeneration benefits for the area, as well as providing a capital return for the Council.</p>

4	Equality and Good Relations Implications
4.1	There are no equality implications to this proposal.

5	Recommendations
5.1	It is recommended that the Committee approves the disposal of these lands to Oaklee Housing Association for £1,575,000 subject to detailed terms being agreed with the Estates Management Unit and Legal Services.

6	Decision Tracking
Director of Property & Projects to ensure that this disposal is followed up within 6 months of the Committee decision.	

7	Key to Abbreviations
<p>NIHE – Northern Ireland Housing Executive LPS – Land & Property Services dBMAP – draft Belfast Metropolitan Area Plan BUAP – Belfast Urban Area Plan KSR – Key Site Requirements</p>	

8	Documents Attached
Appendix 1 – location map	