

Decision Report - Executive Decision

Forward Plan Reference: FP/23/05/12

Decision Date – 9 August 2023

Key Decision – Yes



Development Land at Marston Magna

Executive Member(s): Cllr. Ros Wyke – Lead Member for Economic Development, Planning and Assets

Local Member(s) and Division: Cllr. Henry Hobhouse, Castle Cary Division

Lead Officer: Charlie Field, Strategic Manager - Estates

Summary / Background

- 1.1 This Key Decision is to enable the disposal of the Council's interest in parts of a surplus asset, namely a range of redundant farm buildings and land at West End, Marston Magna. It is proposed to dispose of the holding by auction in up to three separate lots as identified within Appendix 1, total approximately 3 ½ acres. The site proposed for disposal is a small part of a much larger farm holding within Marston Magna, 47.75 acres of which will be retained and continue to be let for farming purposes.
- 1.2 The estimated capital receipt for this asset is listed within Confidential Appendix 2.

Recommendations

- 2.1 **That the Lead Member for Economic Development, Planning and Assets**
 - a. Authorises the Service Director – Strategic Asset Management, in consultation with the Somerset Council Legal Services to agree the sale by auction of surplus property being part of West End Farm.
 - b. Agrees the case for Appendix 2 is regarded as exempt information and to be treated in confidence, as the case for the public interest in maintaining the exemption outweighs the public interest in disclosing that information.

Reasons for recommendations

- 3.1 The Council is committed to evaluation of and, where appropriate and practicable, rationalisation of its surplus property and land portfolio to reduce costs and to achieve capital receipts. The property was declared surplus as there is no immediate or projected future operational need to deliver services from it. Therefore, in line with the published Policy for

Disposal of Property Assets (2014), disposal of the property is considered the most appropriate option and will generate a capital receipt for the Authority. The capital receipts from this sale will contribute towards the financing of the Council's 2023/24 capital budgets as anticipated in the Medium-Term Financial Plan, with any surplus being held in reserve for future potential investment.

3.2 Whilst the property remains the responsibility of Somerset Council, expenditure is being incurred to keep the property secure and safe. Therefore, the Council's advisors recommend lotting the holding to be sold to maximise value.

3.3 The accompanying Confidential Appendix 2 contains commercially sensitive information relating to the Council's financial and business affairs. Officers therefore recommend that this is treated as exempt information. "Exempt information" is defined by Section 100 of the Local Government Act 1972, by Schedule 12A to that Act. The estimated receipt is considered to be commercially confidential to ensure that the Council obtains the best market value for this and other future disposals, and also to protect the confidential commercial interests of the buyer.

Other Options Considered

4.1 The option of retaining the farm buildings is not supported because:

- The Council does not have an operational business requirement to use the buildings.
- Leasing the property out to third party tenants is not considered viable. The tenant surrendered the barns earlier this year due to the requirement of significant capital to be invested for nil return.
- The option of developing the site for social housing was considered but discounted in this case due to the nature of the property in a fairly isolated location. Conversion of barns for social housing use, is not generally accepted due to the high cost of conversion over new build.
- Prior approval for the change of use of existing agricultural barns into five dwellinghouses has been secured, which will maximise the receipt of increasing the land value prior to the sale.

Links to Council Plan and Medium-Term Financial Plan

- 5.1** The proposed sales contribute towards the Council's 2023/4 MTFP target for capital receipts in order to support the delivery of the Somerset Council Plan 2023-2027 priorities.

Consultations and co-production

- 6.1** The Asset Management Group has been informed of the programme of disposals of Council assets and applications for planning consents.
- 6.2** The Estates Team engage with services to assess whether there is a need for the property to support statutory services. In this case, no internal need has been identified.
- 6.3** The local member for this decision has been consulted on this disposal before this decision is taken.

Financial and Risk Implications

- 7.1** Subject to the successful conclusion of the sale, the proposed disposal will achieve a capital receipt for the Council, the full estimated value of which can be found in Confidential Appendix 2.
- 7.2** Any Somerset Council costs which relate to the disposal will be funded from the capital receipt, up to a capped maximum of 4% of the sale value. Should costs exceed this value then any value exceeding this amount will be met from Property's operational revenue budget. A notional allowance is budgeted for each year in order to cover this eventuality. An estimate of the cost of sale is included in confidential appendix 2.
- 7.3** A risk in all property transactions is that the sale may not progress as quickly as the Council expects after the decision is signed, due to (for example) negotiations with the purchasers, formality of completing paperwork and change of buyer circumstances. If this were to happen, it would most likely be due to factors outside of the Council's control.

Likelihood	2	Impact	3	Risk Score	6
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Legal Implications

- 8.1** The legal work to progress the disposal of the property will be conducted through the Council's in-house Legal Services team who will draft the necessary legal documentation for the proposed disposal and will provide legal advice and support to ensure that the Council's interests in respect of the same are protected.

HR Implications

- 9.1** Having had due regard to the Public Sector Equality Duty, we do not foresee a disproportionate positive or negative impact from this decision.

Other Implications

Equalities Implications

- 9.2** An Equality Impact Assessment is not required as there are no equalities implications.

Community Safety Implications

- 9.3** There are none

Climate Change and Sustainability Implications

- 9.4** There are none

Health and Safety Implications

- 9.5** There are none

Health and Wellbeing Implications

- 9.6** There are none

Social Value

- 9.7** There are none

Scrutiny comments / recommendations:

- 10.1** The proposed decision has not been considered by a Scrutiny Committee in its own right. However, in December 2017 the Scrutiny for Policies and Place Committee met to discuss the County Farm disposals, and the outcomes of this meeting support the disposal of these land parcels. The documents related to this committee meeting, including the summary of outcomes, are linked in the appendices section of this report.

Background

- 11.1** The current council policy is to sell the buildings on the farm estate, reducing revenue maintenance costs, retaining such land considered of strategic value until it can be optimised and continuing to lease land for farming where possible.

11.2 The farm buildings comprise of a range of traditional and modern building, along with land are located to the Western side of the village of Marston Magna, near Yeovil. The farmhouse that originally served the land was disposed of by the Council in 2009. The remainder has been leased to the current tenant since 1976 by way of an Agricultural Holdings Act tenancy and surrendered the tenancy of the farm buildings back to the Council during the early part of 2023. The tenant will continue to lease forty acres of agricultural land.

The Council's land holding within Marston Magna which will continue to be let for farming purposes is 47.75 acres.

11.3

Planning consent has been granted on the 3 lots, which allows for the conversion and development of 2 barns and 1 modern building with adjacent parking.

Details of this planning permission, which has raised the holdings land value, are linked below which could be used by the Council to support forthcoming Medium-Term Financial Plans.

Lot 1 (identified within Appendix 1 outlined in red), comprises of a modern steel framed building, and extends to 2.82 acres. Permission has been granted for conversion to a detached 4-bedroom dwelling with a proposed gross internal floor area of 236.8sqm. In addition to the building, there is an additional modern building included within this lot and a parcel of agriculture land situated to the north which is laid to pasture.

Lot 2 (identified within Appendix 1 outlined in green), which has the benefit of its own road access to the South, comprises of a detached single storey traditional brick and tile barn and extends to 0.58 of an acre. Permission has been granted for conversion to 3 single storey dwellings comprising of 2 semi-detached 3-bedroom dwellings with a proposed gross internal area of 91.2sqm and 83sqm respectively along with a mid-terrace 2-bedroom dwelling with a proposed internal floor area of 62sqm.

Lot 3 (identified within Appendix 1 outlined in blue), which will be accessed via a right of access over the existing access track located to the East which forms part of Lot 1, comprises of a detached two-storey traditional brick and tile barn, and extends to 0.15 of an acre. Permission has been granted for conversion to a detached 4-bedroom dwelling with a proposed gross internal floor area of 185.8sqm.

Background Papers

- 12.1** Appendix 1 - Plan of proposed lots
Confidential Appendix 2 - Proposed sale value
Appendix 3 - Sale Particulars

- 12.2** Planning Approvals for five dwellings

23/00728/PAMB | Prior approval for the change of use of existing agricultural barn into a dwellinghouse. | West End Farm Little Marston Road Marston Magna Yeovil Somerset BA22 8BN

23/00730/PAMB | Prior approval for the change of use of existing agricultural barn into a dwellinghouse. | West End Farm Little Marston Road Marston Magna Yeovil Somerset BA22 8BN

23/00729/PAMB | Prior approval for the change of use of existing agricultural barn into 3 dwellinghouses. | West End Farm Little Marston Road Marston Magna Yeovil Somerset BA22 8BN

- 12.3** Cabinet Member Key Decision - Outcome of County Farms Review 18 October 2010

http://www1.somerset.gov.uk/council/meetings/portfolio_reports.asp?report=92

Scrutiny Committee (Policies and Place) - Report from the County Farms Task and Finish Group 5 December 2017

[Meeting of SCC Scrutiny for Policies and Place Committee on Tuesday, 5th December, 2017, 10.00 am - Modern Council \(somerset.gov.uk\)](#)

Non-Key Decision Paper - West End, Marston Magna

[NKD End of Tenancy at West End Farm, Marston Magna.docx](#)

Report Sign-Off

	Officer Name	Date Completed
Legal & Governance Implications	David Clark	05/07/2023
Communications	Chris Palmer	05/07/2023
Finance & Procurement	Nicola Hix	05/07/2023
Workforce	Chris Squire	05/07/2023
Asset Management	Oliver Woodhams	11/07/2023
Executive Director / Senior Manager	Jason Vaughan	26/06/2023
Strategy & Performance	Alyn Jones	21/06/2023
Executive Lead Member	Cllr Ros Wyke – Lead Member for Economic Development, Planning and Assets	31/07/2023
Consulted:	Councillor Name	
Local Division Member	Cllr Henry Hobhouse (Castle Cary)	01/08/2023
Opposition Spokesperson	Cllr Mark Healey for Prosperity, Assets and Development	31/07/2023
Scrutiny Chair	Cllr Bob Filmer – Scrutiny Committee – Corporate & Resources	24/07/2023