

Report on	Beechland Park, Clady – Proposed Transfer to Northern Ireland Housing Executive of Lands for Community Development Scheme
Date of Meeting	5 th September 2019
Reporting Officer	Claire McNally, Council Solicitor
Contact Officer	Nigel Hill, Head of Parks

Is this report restricted for confidential business?	Yes	
If 'Yes', confirm below the exempt information category relied upon	No	X

1.0	Purpose of Report
1.1	To update Members' in relation to the transfer of lands situated at Beechland Park, Clady to Northern Ireland Housing Executive ("NIHE") in order to progress the proposed Community Development Scheme at Beechland Park, Clady; and
1.2	To seek Members' approval in relation to options regarding the transfer of these lands.
2.0	Background
2.1	The Council owns an area of green space within Beechland Park, Clady. This is a parcel of land in the Beechland area surrounded by houses, which is currently undeveloped and sections are being used for unofficial car parking for residents of Beechland Park. Discussions identified the open space area as potentially surplus to requirements and therefore could be considered as available for an alternative development proposal.
2.2	An opportunity arose to link this land with NIHE's Community Development Scheme in order to create a local resource for the community, addressing current issues associated to car parking and recreational greenspace. This required the Council to enter into discussions with NIHE regarding the possibility of a transfer of land to enable the site to be set aside as a community area.
2.3	The Council has no current plans to develop this section of land. It is currently maintained by the Council's Property Services. The Council had previously considered disposal of the lands to the former Department of Rural Development (DRD) for the extension of private car parking at Beechland but this was not progressed due to budget constraints

2.4	A previous report was taken to Council in October 2018, where approval was granted for the Council to agree in principle to transfer lands at Beechland Park, Clady, to NIHE and for the Council to agree the engagement with Land and Property Services to seek a valuation and to approve that negotiations with NIHE are progressed in relation to the proposed transfer.
3.0	Main Report
3.1	The Market Value of the lands were considered by LPS at the amount of £3,500. The lands were valued by LPS in the same approach as they would be valued for NIHE when they are disposing land to the Council.
3.2	NIHE has confirmed that they are not willing to pay to have the lands transferred, given there is a community benefit and in addition, NIHE would have to bear the costs for development of the lands and ongoing maintenance.
3.3	Property Services confirmed that the Council's approximate annual holding costs in relation to lands at Beechland Park, Clady, are in the region of £3,000 in terms of maintenance. LPS were asked to reconsider the Market Value of the lands in light of such holding costs to the Council, however, the valuation remained unchanged.
3.4	Under section 96(5) of the Local Government Act (Northern Ireland) 1972 ("1972 Act"), it is a statutory requirement of a council, <i>'that any disposal of land shall be at the best prices or for the best rent or otherwise on the best terms that can be reasonably obtained'</i>
3.5	<p>The options available to the Council, in the circumstances, are as follows:-</p> <ul style="list-style-type: none"> (i) Council reengage with NIHE to ascertain whether they'd be willing to take a lease of these lands instead of a transfer. However, there will still be a rental value/premium attached to such a situation and so it is unlikely that NIHE will find this option attractive; (ii) Do not transfer the lands to NIHE unless NIHE agree to pay the Market Value amount of £3,500 as considered by LPS. However, this is likely to signal an end to the proposed Community Development Scheme; (iii) Transfer the lands to NIHE for less than the LPS Valuation. In this instance, the Council is likely to have to seek consent from the Department for Communities in order to ensure compliance with its obligations under Section 96(5) of the 1972 Act.
3.6	Members are asked to consider the above options in relation to proceeding with the transfer of the lands situated at Beechland Park, Clady.

4.0	Other Considerations
4.1	Financial, Human Resources & Risk Implications
	Financial: The Council will be responsible for the payment of LPS valuation costs. It will also be responsible for its own legal fees in respect of the sale of the lands from existing legal services budget.
	Human: Officer time within existing staff.
	Risk Management:
4.2	Screening & Impact Assessments
	Equality & Good Relations Implications: N/A
	Rural Needs Implications: N/A
5.0	Recommendation(s)
5.1	That Members' confirm the option on how they require the Council to proceed in relation to the transfer of lands situation at Beechland Park, Clady.
6.0	Documents Attached & References
6.1	Appendix A – Map delineating the lands situated at Beechland Park, Clady.