



Open Report on behalf of Andy Gutherson, Executive Director – Place

Report to:	Environment and Economy Scrutiny Committee
Date:	17 January 2023
Subject:	Economic Infrastructure Development Land Sales Strategy

Summary:

The Economic Infrastructure Development Land Sales Strategy has been reviewed and updated. The purpose of the document is to provide operational guidelines to describe the role of the service and team to elected members and other Council Departments. The document has been produced in such a way that it acts as a Procedure Manual and provides a useful reference and guidance document for each team member to facilitate consistent decision-making and ensure the adoption of a coordinated approach to the management, marketing, and sale of the Council's portfolio of development land.

The overarching aim of the service is to provide the market with suitable opportunities to enhance economic prosperity and job growth across Lincolnshire whilst at the same time optimising capital receipts from the Council's land disposals. These priorities must be considered with some flexibility to reflect current market conditions, the characteristics of each location and to take account of various statutes and guidance which govern the work of officers in Local Government.

Whilst the Development Land Sales Strategy assists team members to balance these objectives, it is a dynamic document and has been refined to reflect latest best practice and wider market and economic conditions.

The Strategy also provides a number of targets to ensure that it is successfully implemented. These targets are designed to:

- Streamline and maximise marketing of all available sites across the county
- Maintain capital receipts at market levels
- Ensure the portfolio of development sites are proactively managed

Actions Required:

Members of the Environment and Economic Scrutiny Committee are invited to comment on to what extent the various principles described above will allow the Council to effectively manage, market and sell the assets and meet the twin objectives of

supporting the growth of the local economy AND optimising capital receipt income. In particular:

- 1) To what extent the criteria described in this paper are appropriate and will assist the Council with consistent decision-making.
- 2) To what extent will the targets summarised above provide sufficient rigor to the Council's Development Land Sales Strategy.

1. Background

Within the Economic Infrastructure Service, the Regeneration Team is responsible for managing a selection of serviced employment sites which are owned by the Council for the sole purpose of encouraging economic growth, job creation and realising capital receipts. In parallel with this over-arching objective, the Council must manage, market, and sell sites in a commercially astute way to optimise capital receipts, comply with legislation and ensure that the Council's holding costs are minimised.

To assist officers to balance these requirements, officers produced a Development Land Sales Strategy at the beginning of 2019 which described the role of the Team in managing the Council's sites for sale. Since 2019, several land parcels have been successfully sold and the remaining portfolio is focused on a handful of geographic areas as set out in the Strategy. The purpose of this paper is to present a refreshed document which is reflective of recent economic changes.

The Development Land Sales Strategy provides a useful guide for elected members and acts as a Procedure Manual for officers to refer to for guidance and ensure consistent decision-making. It provides a framework to ensure that the best use is made of the Council's assets and includes, in addition to general information about the delivery of the service, criteria such as; the need to reflect local and national economic considerations, market conditions, achieving market value, service charges; legislative obligations, maintenance and upkeep arrangements; approach to negotiations; and approval to proceed,

The Development Land Sales Strategy will be regularly reviewed and updated to reflect the changing workload of the team and any changes to case law and statute which affects the way that the estate is managed or how assets are sold.

A copy of the Development Land Sales Strategy is attached for information which includes an interactive map showing the location of the sites by District, as well as the commercial property portfolio.

2. Conclusion

The Development Land Sales Strategy is a simple and clear document that raises the profile of the service and explains “what we do” to our members and other Council Departments.

It is a useful reference document for new members of staff as well as newly elected Councillors to understand what we do, how we do things and why, and what skills, knowledge and experience we have within the Team.

The overarching aim of our service is to provide suitable premises and opportunities to the market to enhance economic growth and job creation across Lincolnshire whilst at the same time optimising capital receipts from the Council's land sales.

Consideration of all the criteria set out in the Development Land Sales Strategy provides clear guidance to officers and members regarding the sale of development land. As well as applying our knowledge and experience of market factors and other economic considerations, we ensure that our asking prices represent “market value” at all times in accordance with the requirements of s123 of the Local Government Act 1972 which requires local authorities to achieve “best consideration”.

A simple analysis of the recently completed land sales indicates that these principles are being effectively applied and by refreshing the Development Land Sales Strategy we will continue to ensure consistent decision making concerning the sale of the remaining development land parcels.

Implementing the Development Land Sales Strategy will ensure that the Council manages, markets and disposes of its assets in such a way as to support the delivery of the Council's objectives of sustaining and growing the business economy. It will achieve this by helping businesses to become the drivers of economic growth by providing a climate in which they can invest, enhance their business performance, and offer attractive jobs to a skilled workforce.

3. Consultation

a) Risks and Impact Analysis

Not Applicable.

4. Appendices

These are listed below and attached at the back of the report	
Appendix A	Lincolnshire County Council, Economic Infrastructure - Development Land Sales Strategy

5. Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by Simon Wright, Regeneration and Portfolio Manager, who can be contacted on 07827 820467 or simon.wright@lincolnshire.gov.uk.

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