

**Sale of Land at 50 Castle Street by Saffron Walden Museum Society
Resources Committee, item 9**

Committee: Resources Committee

Agenda Item

Date: 17th November 2005

9

Title: Sale of Land at 50 Castle Street by
Saffron Walden Museum Society

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Item for
decision

Summary

Saffron Walden Museum Society intends to sell a small plot of land at the rear of 50 Castle Street so that the proceeds can be applied to the Heritage Quest Centre. The plot of land is part of the Museum plot on lease to the Council and so would reduce the overall value of land leased. However the plot is small and meets the criteria which enable the Council to waive the right to financial compensation in respect of the reduced value of the lease. Committee is asked to approve this so the sale can proceed.

Recommendations

Committee is asked to confirm that the Council can surrender its lease of the land without consideration, i.e. that the Museum Society would not pay the Council compensation for the reduction of land leased to the Council

Background Papers

Agreements between Saffron Walden Museum Society and Uttlesford District Council 1991, 1996 and 2004; Lease dated 7th October 1996

(available from Legal Services)

Map attached showing plot to be sold

Impact

Communication/Consultation	Owner/occupier of 50 Castle Street has been consulted and is keen to purchase
Community Safety	None
Equalities	None
Finance	None
Human Rights	None

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Legal implications	It is essential that member approval is gained prior to sale.
Ward-specific impacts	Saffron Walden
Workforce/Workplace	No detrimental impact on Museum Service or staff; proceeds of sale will benefit Museum Service

Situation

- 1 Land on long-term lease to the Council from Saffron Walden Museum Society includes a small plot of land at the rear of 50 Castle Street, Saffron Walden, to the immediate east of the Museum building. It forms the back garden of 50 Castle Street and is currently rented to the owner/occupier of that address. The owner has expressed an interest in purchasing the plot to provide a permanent garden with the house.
- 2 The Museum Society wishes to retain the far end of the plot (the part directly adjacent to the Museum) for potential future extension of the Museum, and in the meantime, to prevent any other development encroaching on the Museum. However the part of the plot nearest the house 50 Castle Street could be easily fenced off and sold without compromising the Museum Service's current operations or Forward Plan.
- 3 The Museum Society wishes to sell the part nearest the house to the owner/occupier of 50 Castle Street so that the proceeds from the sale (£10,000) can be wholly applied to the Heritage Quest Centre, for which a large fund-raising appeal is now underway. Sale has been agreed with the owner/occupier and is ready for completion. The Museum Service would therefore benefit directly.
- 4 To facilitate the sale of the land by the Museum Society, the Council needs to surrender its lease over this area of Land. In such circumstances the lessee (the Council) may request financial compensation from the landowner (the Museum Society) in respect of the land sold. The district valuer will be independently valuing the land in terms of how much the value of the land included in the Lease to the Council will be reduced by removing this plot of land, and this information will be available by the time of the committee meeting and will be verbally reported.
- 5 The Local Government Act 1972 provides that the Council can only dispose of land for the best consideration possible. However, the General Disposal (Consent) Order 2003 does allow for land to be disposed of at less than best consideration if the following criteria are met:
 - i) The land disposed of is likely to contribute to the achievement of one of the following objectives in respect of the whole or any part of the district
 1. the promotion or improvement of economic well-being

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2. the promotion or improvement of social well-being; or
 3. the promotion or improvement of environmental well-being; and
- ii) the difference in value between best consideration and the actual consideration for the disposal does not exceed £2 million.
- 6 In this case the Council may agree to surrender the plot for no consideration because the sale would meet the criteria:
- i) as it will facilitate a capital receipt to the Museum Society without the need for any deduction to be made pay the Council, the money will go to providing a Heritage Quest Centre, which will become an important part of the Museum Service in the District and will itself promote social well-being and economic well-being for the District and the difference between the unrestricted value of the land;
 - ii) the consideration for the disposal is well below the £2,000,000 (two million pounds) threshold.

Risk Analysis

Risk	Likelihood	Impact	Mitigating actions
If the land is not sold there will be no donation to the Resource Centre.	low	high	Member approval will allow this transaction to progress.