1 Purpose of Report

1.1 To seek Cabinet authority for the sale of Council owned land that forms part of the Hatherton Branch of the former Staffordshire and Worcestershire Canal to the Lichfield and Hatherton Canals Restoration Trust Ltd.

2 Recommendations

2.1 That Cabinet authorises the Head of Planning and Regeneration to agree the terms for the sale of Council owned land as identified on plan no 4129 to the Lichfield and Hatherton Canals Restoration Trust Ltd on the basis as set out in Para 5.4 of the report.

3 Key Issues and Reasons for Recommendation

3.1 The Council acquired the freehold interest in land that forms part of the Hatherton Branch of the former Staffordshire and Worcestershire Canal from the British Waterways Board in 1963. Much of the land acquired and forming part of the canal has since been sold off by the Council for industrial purposes. The remainder of the Council owned land is now landlocked and is shown hatched black on plan no. 4129.

3.2 The Council has been approached by the Lichfield and Hatherton Canals Restoration Trust Ltd. which wishes to acquire the former canal land as it lies along the route of the proposed Hatherton Branch canal which they are hoping to eventually restore. Under the Council’s approved Local Plan Policy TR4 the route of proposed Hatherton Branch Canal is protected from prejudicial
development. As such the land concerned can only be used for a restored canal and therefore has no alternative use value.

4 Relationship to Corporate Priorities

4.1 This report supports the Council’s Corporate Priorities as follows:

(i) Prosperity – economic resilience. The proposal by the Lichfield and Hatherton Canal Restoration Trust Ltd. to restore the canal will contribute to the Council’s service aim to deliver community regeneration and development (through creative, tourism and leisure industries and use of natural resources)

5 Report Detail

5.1 The Council acquired the freehold interest in land that forms part of the Hatherton Branch of the former Staffordshire and Worcestershire Canal from the British Waterways Board in 1963. Much of the land acquired and forming part of the canal has since been sold off by the Council for industrial purposes. The only area remaining in the ownership of the Council is now landlocked and is shown hatched on plan no. 4129.

5.2 The Council has been approached by the Lichfield and Hatherton Canals Restoration Trust Ltd. which wishes to acquire the former canal land and in the future incorporate it into a restored Hatherton Branch Canal linking the Staffordshire and Worcestershire Canal to the Coventry Canal near Lichfield. The route of the proposed canal through this District is protected under the Council’s approved Local Plan Policy TR4 Hatherton Branch Canal which supports the restoration of the canal as well as protecting the route from prejudicial development. As such the land concerned can only be used for a restored canal and therefore has no alternative use value.

5.3 Under Section 123 of the Local Government Act 1972 an Authority when disposing of land is required to demonstrate that it has obtained best value for its land and this is normally achieved by disposal on the open market. Due to the protection afforded this land through the Local Plan policy there is no market for the land as it cannot be developed for an alternative use other than a canal. Furthermore under the General Disposal Consent (England) 2003 an Authority may dispose of land at less than market value where it can demonstrate that the land concerned will contribute to the economic, social or environmental well-being of the area or any persons or residents in its area.

5.4 As previously stated due to the protection afforded to the land and the fact it is landlocked it has little value whilst a restored canal has the potential to produce future economic and social benefits through increased tourism and leisure opportunities. As a consequence therefore it is proposed that the land be disposed of to the Trust for a nominal £1.00 subject to a covenant restricting its
use to the construction of the Hatherton Branch Canal with each party paying their own legal costs.

5.5 The restoration of the Hatherton Branch Canal is a long term project and the Lichfield and Hatherton Canals Restoration Trust Ltd. will also need to negotiate the acquisition of land in private ownership. In order to protect its own interests, the Council can include a pre-emption clause within the sale agreement so that, should the Canal project not proceed for any reason within a reasonable timescale (say 25 years), the Council would have the right to purchase its land back from the Trust for £1.00.

6 Implications

6.1 Financial

6.1.1 As referred to in para 5.2 to 5.4 the land in question has no market value as it can only be used for the purpose of a restored canal and therefore has no alternative use value, additionally it is landlocked and so has no access. It is therefore proposed to sell the land for a nominal fee of £1 to the Lichfield and Hatherton Canals Restoration Trust Ltd for restoration purposes.

6.1.2 The Council does not pay any maintenance costs for the land.

6.1.3 On the basis that both parties meet their own legal costs; Cannock’s will be merely staff time, then there are no further financial implications for the Council as a result of this report.

6.2 Legal

The legal implications are set out in the report.

6.3 Human Resources

None

6.4 Section 17 (Crime Prevention)

None

6.5 Human Rights Act

None

6.6 Data Protection

None

6.7 Risk Management
None

6.8  Equality & Diversity
    None

6.9  Best Value
    None

7  Appendices to the Report

Plan no. 4129

Previous Consideration

Background Papers