

CARLISLE CITY COUNCIL

Report to:- Carlisle City Council

Date of Meeting:- 1 May 2007

Agenda Item No:-

Public

Policy

Delegated: Yes

Title:- **TRANSFER OF CITY COUNCIL LAND FOR THE
CARLISLE NORTHERN DEVELOPMENT ROUTE**

Report of:- **Director of Development Services**

Report reference:- **DS.44/07**

Summary:-

The Executive considered the attached report DS.26/07 on 19 March 2007. It was also re-appraised of the earlier report from its meeting of 3 July 2006. The views of Corporate Resources Overview and Scrutiny 27 July 2006 DS.38/06 were reported and Members were updated on discussions with Cumbria County Council on the matter. The Executive made the following resolution.

1. That it be recommended to the full City Council that it accede to the County Council's request and refer its intention to the Secretary of State, subject to any disposal being conditional on the City Council first being satisfied that the Carlisle Northern Development Route would proceed to be constructed and the land in question will be required to facilitate this construction.
2. That the Executive requests officers, subject to the decision of full City Council, to write to the Chief Executive of the County Council advising him of this intention and welcoming his assurance that the County Council will be as supportive as possible in the potential use of its assets in future to further the aspirations of Carlisle Renaissance.

Recommendation:-

That the Council endorses the decision of the Executive.

Contact Officer: Catherine Elliot

Ext: 7502

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers: Executive Reports DS.96/06 and DS.106/06, Community O&S minute COS.131/06



REPORT TO EXECUTIVE

PORTFOLIO AREA: CROSS CUTTING

Date of Meeting: 19 March 2007

Public

Key Decision: Yes

Recorded in Forward Plan: Yes

Inside Policy Framework: No

**Title: TRANSFER OF CITY COUNCIL LAND FOR THE CARLISLE
NORTHERN DEVELOPMENT ROUTE**

Report of: DIRECTOR OF DEVELOPMENT SERVICES

Report reference: DS. 26 /07

Summary:

This report updates Members on discussions with Cumbria County Council regarding the potential transfer of land to the County Council at less than market value in order to assist the funding of the Carlisle Northern Development Route. A decision is requested based on the updated information. The matter will require consent from the Secretary of State.

Note: In compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers: Report to the Secretary of State of Transport by the Inspector dated 20 January 2003 from the Planning Inspectorate (Ref. DN5049/55/7/06); the Cumbria County Council Statement of Case for the Carlisle Northern Development Route dated 10 April 2002; Proof of Evidence for Economic Development in respect of the Carlisle Northern Development Route dated 8 November 2002 (also Cumbria County Council); the Cumbria County Council Compulsory Purchase Order Notice to Treat dated 25 May 2006; the City Council's Asset Management Plan 2006/2001.

Recommendations:

That the Executive:

- (i) Recommend to Full Council that it accede to the County Council's request and refer its intention to the Secretary of State.
- (ii) Request officers, subject to the decision of Full Council, to write to the Chief Executive of the County Council advising him of this intention and welcoming his assurance that the County Council will be as supportive as possible in the potential use of its assets in future to further the aspirations of Carlisle Renaissance.

Contact Officer: Catherine Elliot

Ext: 7502

1. BACKGROUND

- 1.1** The Carlisle Northern Development Route (CNDR) has been planned for many years. It is a scheme funded through a Private Finance Initiative (PFI). On 3 July 2006 the Executive considered a report regarding a request from Cumbria County Council to transfer City Council landed interests of around seven acres at nil consideration as part of the contributory funding package in partnership. The need had arisen because the pricing responses to the PFI scheme tender from the private sector were well above the budget estimates.
- 1.2** Members of the City Council's Executive were minded to approve the proposal in principle, but wanted to seek the views of Corporate Resources Overview and Scrutiny before making a final recommendation to the Full Council. If the transfer is agreed, the decision will be referred on to the Secretary of State.
- 1.3** The Executive also asked that the Town Clerk and Chief Executive write to the Chief Executive of Cumbria County Council, to request discussions on an 'in principle' reciprocal agreement in connection with any County Council owned land that maybe required for the fulfilment of the Carlisle Renaissance agenda.
- 1.4** Corporate Resources Overview and Scrutiny Committee considered the matter on 27 July 2006. They resolved that the Executive be advised that the Committee is agreeable, in principle, to the transfer of certain land holdings needed for the construction of the Carlisle Northern Development Route to the County Council in order to assist the construction of the road scheme.
- 1.5** The Committee also reiterated the need for a reciprocal arrangement and requested the Executive to enter into negotiations with the County Council with a view to securing an equality of exchange to further the City Council's Renaissance objectives.
- 1.6** The previous report to the Executive (DS.38/06) gives full details of the proposal and the circumstances in which the Council can dispose of land at less than market value. The report is attached.

2. UPDATE ON PROGRESS

- 2.1** A request was made in writing to the County Council. Officer discussions were also held. The County Council did not feel able to confirm a 'reciprocal agreement' although the Chief Executive did state that:

...the County Council is committed to the successful implementation of the Renaissance of Carlisle and will be pleased to enter into detailed discussions with the City Council at the appropriate time with a view to making available County Council owned land that is required for development. Please be assured that where our property assets may be needed to secure this we will seek to be as supportive as possible and any future requests to the Cabinet and County Council will be presented and considered in a positive and constructive way.

- 2.2** Later discussions between the Leaders of the two Councils elicited a similar response.
- 2.3** As regards the latest position on the road itself, the Department of Transport have approved the additional funding for the PFI project. The final decision lies with the Treasury. They have raised some queries and County Officers have gone back to the bidders for further information. It is anticipated this additional information will go to the Treasury Group meeting in the third week of March for a final decision. Subject to approval the project would immediately go out to tender and a preferred bidder announced in early 2008. The advice is that slippage caused by the Treasury queries can be made up within the programme, which should enable a start on site November 2008.
- 2.4** It is considered that there may have been some upward movement in the land valuation identified in the previous report to the Executive, although this is unlikely to be significant. A formal valuation will be required if authority is sought from the Secretary of State so the necessary work would be done at that time.

3. CONCLUSION

- 3.1** The CNDR is coming close to final approval. The City Council has been strongly supportive of this scheme in partnership with the County Council because of the considerable social, economic and environmental benefits that the road will bring to Carlisle and its renaissance. The City Council would not wish to place obstacles in the way of its development at this crucial time in the progress of the scheme. Officers believe that discussions with the County Council have gone as far as they can and that a formal decision on a 'reciprocal agreement' will not be reached at the present time.

- 3.2** It is recommended that the Executive recommend to Full Council that it accede to the County Council's request and refer its intention to the Secretary of State. It is also recommended that, subject to the decision of Full Council, a response is sent to the Chief Executive of the County Council advising him of this intention and welcoming his assurance that the County Council will be as supportive as possible in the potential use of its assets in future to further the aspirations of Carlisle Renaissance.

4. CONSULTATION

- 4.1** Corporate Resources Overview and Scrutiny Committee discussed the original report and its response is set out in paragraph 1.4 above.
- 4.2** Discussions have been held with Cumbria County Council.

5. RECOMMENDATIONS

That the Executive:

- (i) Recommend to Full Council that it accede to the County Council's request and refer its intention to the Secretary of State.
- (ii) Request officers, subject to the decision of Full Council, to write to the Chief Executive of the County Council advising him of this intention and welcoming his assurance that the County Council will be as supportive as possible in the potential use of its assets in future to further the aspirations of Carlisle Renaissance.

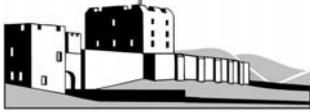
6. REASONS FOR THE RECOMMENDATIONS

- 6.1** To assist the proceeding of the Carlisle Northern Development Route in partnership with the County Council.

7. IMPLICATIONS

As set out in report DS 38/06 (attached).

Note: In compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers: Report to the Secretary of State of Transport by the Inspector dated 20 January 2003 from the Planning Inspectorate (Ref. DN5049/55/7/06); the Cumbria County Council Statement of Case for the Carlisle Northern Development Route dated 10 April 2002; Proof of Evidence for Economic Development in respect of the Carlisle Northern Development Route dated 8 November 2002 (also Cumbria County Council); the Cumbria County Council Compulsory Purchase Order Notice to Treat dated 25 May 2006; the City Council's Asset Management Plan 2006/2001.



CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE

Committee Report

Public

Date of Meeting: 27 July 2006

Title: TRANSFER OF CITY COUNCIL LAND FOR THE CARLISLE
NORTHERN DEVELOPMENT ROUTE

Report of: DIRECTOR OF DEVELOPMENT SERVICES

Report reference: DS 38/06

Summary:

This report provides Members with the opportunity to consider whether the City Council should transfer land to the County Council at less than market value in order to assist the funding of the road scheme. The report outlines the quantifiable economic, social and environmental benefits that the scheme would bring to Carlisle and north Cumbria. It describes the process involved if the Council were minded to transfer land at less than best consideration. The matter will require consent from the Secretary of State.

Recommendations: It is recommended that:

It is recommended that the views of this Corporate Resources Overview and Scrutiny Committee are sought on the matter, in order for the Executive to consider those views, prior to making any final recommendations to Council in respect of the principle of any disposal at less than full market value.

Note: In compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers: Report to the Secretary of State of Transport by the Inspector dated 20 January 2003 from the Planning Inspectorate (Ref. DN5049/55/7/06); the Cumbria County Council Statement of Case for the Carlisle Northern Development Route dated 10 April 2002; Proof of Evidence for Economic Development in respect of the Carlisle Northern Development Route dated 8 November 2002 (also Cumbria County Council); the Cumbria County Council Compulsory Purchase Order Notice to Treat dated 25 May 2006; the City Council's Asset Management Plan 2006/2001.

Contact Officer: David Atkinson

Ext: 7420

Note: In compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers: Report to the Secretary of State of Transport by the Inspector dated 20 January 2003 from the Planning Inspectorate (Ref. DN5049/55/7/06); the Cumbria County Council Statement of Case for the Carlisle Northern Development Route dated 10 April 2002; Proof of Evidence for Economic Development in respect of the Carlisle Northern Development Route dated 8 November 2002 (also Cumbria County Council); the Cumbria County Council Compulsory Purchase Order Notice to Treat dated 25 May 2006; the City Council's Asset Management Plan 2006/2001.

INTRODUCTION

8. The Carlisle Northern Development Route (CNDR) has been planned for many years. It is a scheme funded through a Private Finance Initiative (PFI).
9. The City Council has been strongly supportive of this scheme in partnership with the County Council because of the considerable social, economic and environmental benefits that the road will bring to Carlisle and its renaissance.
10. After the PFI scheme tender documentation was prepared by the County Council for contractors to bid, the pricing responses from the private sector were well above the budget estimates.
11. In representations to central government by the County Council for additional funding, the direction back has been an instruction for the land acquisition matters to be resolved at a local level.
12. The County Council have, therefore, requested that the City Council landed interests be transferred at nil consideration as part of the contributory funding package in partnership.
13. The report seeks a decision from Members consequent of this.
14. The Executive at its meeting on 3 July 2006 resolved:
 1. ***That the Executive is minded to approve the transfer of certain land holdings needed for the construction of the Carlisle Northern Development Route at nil consideration in order to assist the construction of the road scheme, subject to the views of the Corporate Resources Overview and Scrutiny Committee being received on the matter.***
 2. ***That the Town Clerk and Chief Executive be requested to enter into discussions with the County Council with a view to securing in principle a reciprocal agreement in connection with any County Council owned land that may be required for the fulfilment of the Carlisle Renaissance Agenda.***

CNDR SCHEME OBJECTIVES

7. The objectives of the project are defined in the Local Transport Plan as follows:
- (i) to maximise all development opportunities for the Kingmoor Park regional strategic employment site by comprehensive improvement of transport infrastructure to the site;
 - (ii) to permit a significant amount of traffic restraint in the city centre and increase the mode share of public transport and cycling;
 - (iii) to assist economic growth by reducing transport costs;
 - (iv) to enhance road safety by reducing accidents;

 - (v) to improve strategic links between West Cumbria, Scotland and the North East of England and enable the development of a major road/rail interchange at Kingmoor Park.
8. The total scheme cost for the road is over £30 million (excluding any road maintenance to other County roads).

THE COUNCIL'S POLICY ON LAND DISPOSALS

9. In the Asset Management Plan, the Council's policy is clear.
- ◆ ***The Council will dispose of Assets that it does not require on the open market on a freehold and leasehold basis at best consideration***
10. The proposal brought before the Executive and this Committee is a departure from this policy but can be recommended – if Members' wish – because there are significant and quantifiable benefits.

LOCAL GOVERNMENT ACT 1972: GENERAL DISPOSAL CONSENT 2003

11. Local Authorities are given powers under the 1972 Act to dispose of land in any manner they wish to, including sale of their freehold interests and the granting of leases. The only constraint is that a disposal must be for the best consideration reasonably obtainable.

12. Central Government have recognised that there may be circumstances where an authority considers it appropriate to dispose of land at an under value. However, authorities should not divest themselves of valuable public assets unless they are satisfied that the circumstances warrant such action.
13. It is considered in this case that the circumstances do warrant such action if Members' decide.
14. When disposing of land at an undervalue, authorities must remain aware of the need to fulfil their fiduciary duty in a way which is accountable to local people.
15. Consent for a disposal at an undervalue of £2 million or less is not required from the Secretary of State when the authority considers it will help secure the promotion or improvement of the economic, social or environmental wellbeing of its area. At above this figure, consent is required.

COMPULSORY PURCHASE POSITION

16. The County Council are the promoting authority under highway legislation. They have appropriate compulsory purchase powers to acquire all land for the scheme in question.
17. The County have proceeded through the proper formal compulsory purchase route, including an Inquiry, confirmed by the Secretary of State for Transport. The County have now served what is known as Notices to Treat on affected occupiers and owners - including the City Council. This means that the land will be in the control of the County Council in due course.
18. The County Council in their correspondence upon serving the Notice to Treat, have stated that because they have not yet received confirmation of funding to enable the scheme to proceed, they do not wish to serve what is known as a Notice of Entry. It is this latter notice which fixes the date upon which the valuations should be agreed and would allow the County Council to take occupation of land in order for the scheme to be constructed on site.

THE CITY COUNCIL'S LANDED INTERESTS

19. Most of the City's landed interests affected by the scheme are shown in the attached schedule, Appendix A.

20. The scheme design is fluid in order to try and reduce costs of acquisition, particularly at Chandler Way. The final land take may, therefore, alter.
21. It is considered that the open market value of the interests under the compulsory purchase statutory rules concerning valuation matters is £2.5 million (two million five hundred thousand pounds). This is for the freehold interests subject to various leases. This has broadly been agreed with the valuers acting for the County.
22. This includes what is known as betterment i.e. increased value to any retained land owned by the City Council as a consequence of the scheme, once the road is up and running.
23. For the purposes of clarity, this valuation does not include what is known as accommodation works i.e. any physical adaptations required, such as fences and landscaping, once the scheme is completed. This would be a matter for discussion and negotiation between the City and County Council representatives.
24. This valuation figure is at today's date. It is, of course, subject to change according to market circumstances and valuation assumptions, dependent upon the final detail. The final design changes at Chandler Way, for example, aim to reduce the valuation figure that would otherwise be paid.

EVIDENTIAL BENEFITS OF THE SCHEME

25. The Carlisle Northern Development Route is undoubtedly one of the biggest and most important contributory factors to Carlisle's long term wellbeing – economically, socially and environmentally.
26. Particularly, it is important for Members to consider the conclusions of the Inspector of the Secretary of State for Transport in the report following the Compulsory Purchase Order Inquiry. He states in his summary:

The (County) Council's case was unchallenged at Inquiry and there are no outstanding objections to the side roads order. It seems to me that the low level of objections to the scheme is a recognition of its intrinsic merits. It would allow full development of Kingmoor Park with the benefits to business which would bring as well as employment benefits to Carlisle and wider afield. Carlisle traffic would be relieved so allowing public transport

measures to be introduced which should encourage the mode shift sought by the Council. The sensitive heritage and environmental issues along the route have been carefully addressed and are without objection except specific to individual property. It seems to me that there is much merit in the scheme.

27. The Inspector's report outlines the policy context at a national level for the scheme, where he believes that the CNDR would be consistent with national policy as the need for bypasses is recognised as is the need to support business and economic growth – both of which the CNDR would achieve.
28. The Inspector noted that the impact on the scheme on the ecology had been addressed by seeking to minimise habitat reduction and, where necessary, replacing that which will be lost by a greater area. In coming to his conclusions, he specifically stated that the environmental objections relating to individual properties had been taken into account.
29. The Inspector noted that evidence submitted was clear, that the provision of the CNDR would result in a significant reduction in Carlisle City Centre traffic. There would be desirable benefits for journey reliability and safety. Should the CNDR not materialise, the long term predicted increase in traffic would merely exacerbate an already difficult position.
30. He also noted that the economic and employment case seemed persuasive as it linked to jobs being created at Kingmoor Park connected to a better West Cumbrian access strategy.
31. The Inspector concluded that for the purposes of access to Kingmoor Park, of reducing traffic congestion in Carlisle and for economic and employment purposes, the need for the CNDR was clear.

CARLISLE RENAISSANCE

32. **Commentary by Faber Maunsell, the City Council's consultant, in respect of the emerging transport vision and strategy**

This note provides a commentary of the report to the Executive and this Committee in relation to the emerging Transport Vision and Strategy for Carlisle.

The key role of the CNDR is to improve movement in and around the city by providing an alternative route for the large volume of through traffic that currently moves from the M6 corridor to West Cumbria – particularly to and from Southern Scotland.

The issue of only one viable crossing of the River Eden from North to South for vehicular travel currently creates significant levels of unnecessary through, often heavy goods, traffic across and around the city centre. This in turn creates issues of increased severance, congestion and air pollution.

Faber Maunsell see the CNDR as a key element of the City Transport Vision and Strategy from which to build. It provides several key opportunities;

- It removes a large proportion of the above mentioned through traffic, offering attractive choice
- Even relatively small changes in flows around the City Centre start to allow local level improvements such as pedestrian crossings
- Removal of through traffic is likely to assist in accommodating any increases in City Centre demand as major schemes such as Rickergate are developed
- On Castle Way in particular some re-allocation of roadspace may be viable, either on the link or at key junctions - this would create opportunities for public realm improvements, pedestrian severance reductions (at grade crossings) and air quality improvements around key historic assets
- CNDR, combined with effective Park and Ride starts to provide opportunity for good access for essential users to higher quality City Centre car parks and for reallocation of some roadspace to sustainable modes on key radial corridors into the city.
- There is potential to add to the CNDR in future by providing further links to it from areas such as Willow Holme industrial estate, further reducing the impact on the A7 corridor but perhaps more importantly diverting HGV's away from residential or historic areas of the City

We agree that the CNDR appears to be a 'large contributory factor to Carlisle's long term wellbeing'.

We suggest that the CNDR is a major stimulator/catalyst scheme to assist Carlisle in becoming an integrated 'Accessible City' exemplar.

We feel that if the effects of the CNDR are harnessed effectively in and around the City Centre, rather than simply being seen as extra vehicular capacity, it could have significant benefits for the City and Hinterland.

The CNDR certainly adds to rather than acts as a detriment to the Transport Vision and Strategy emerging for Carlisle. The key will be making sure the benefits gained from it are used to the full to assist in creating choice of transport and improved public realm.

SUMMARY BENEFITS OF THE SCHEME

34. Economic Benefit

- (i) Protect and contribute to the development of existing assets at Parkhouse and Kingstown;
- (ii) Support the development and substantial future expansion of Kingmoor Park, reinforcing the position as a Regional Strategic Employment Site;
- (iii) Kingmoor Park Properties have indicated that the site has the potential to create 5,000 jobs over the next five years and that the development of the transport infrastructure around KMP is essential to facilitate this employment growth (County Council Press release 12/10/2004);
- (iv) Will improve access for businesses on existing sites to the west of the City and open up new opportunities;
- (v) Will contribute to strengthening Carlisle's Inward Investment offering;
- (vi) Will open up opportunities for new developments along the line of the route particularly at the area of Kingmoor Park referred to as the Hub;

- (vii) The reduction of congestion with the City Centre will benefit businesses, strengthen Carlisle's Tourism offering and provide capacity to undertake new developments as part of the Renaissance agenda and contributing to the Renaissance "Movement Strategy";
- (viii) Will provide better access for deprived communities on west side of the City eg Raffles and Morton to concentration of employment opportunities in the north;
- (ix) Will provide temporary boost to economy through the construction phase;
- (x) At a County level, the CNDR will remove the need for vehicles heading west from having to pass through the City. This will help support efforts to regenerate West Cumbria;
- (xi) Net present value of approximately £85 million with a benefit to cost ratio of over 4 in terms of public to private investment multiplier (County Council figures).

35. Movement Benefit

- (i) Significant traffic flow reduction on the A595/A7 roads into the City Centre.
- (ii) Introduction of bus and cycle lanes on the A595/A7, significantly increasing capacity;
- (iii) Large journey time savings for buses;
- (iv) Safety improved for cyclists;
- (v) Improvements to transport economic efficiency of road network.

36. Safety Benefit

- (i) Saving of 560 accidents over a 30 year period; saving of 5 fatal casualties, 103 serious and 572 slight (County figures).

37. Environmental Benefit

- (i) Predicted levels of carbon monoxide, oxides of nitrogen, hydrocarbons predicted to reduce because the scheme will reduce congestion;
- (ii) Localised air quality to improve;
- (iii) No direct physical impact on listed buildings;
- (iv) Archaeological mitigation measures included;
- (v) Severance to Kingmoor Nature Reserve mitigated by additional land included in reserve,
e.g. Loss of woodland: 6710 sq.m. Gain: 123,272 sq. m.

PARTNERSHIP WORKING WITH THE COUNTY COUNCIL

- 38.** Members' may wish the County Council to respond positively towards any offer that the City Council makes in relation to its transfer of land at less than best consideration.
- 39.** For example, through Carlisle Renaissance there may well be County Council owned parcels of land which are required for development purposes in furtherance of the City's economic strategies and policies.
- 40.** In which case, as part of the final resolution to Council, Members' may wish to consider requesting that the County Council assists the City Council by transferring landed interest that may be required in the spirit of partnership working.
- 41.** Kingmoor Park Properties Ltd are also being asked to transfer land at nil value.

CONSULTATION

- 42.** Consultation to Date:
Cumbria County Council, planning and compulsory purchase formal approaches, significant informal consultation over the years between the County Council, City Council and its various stakeholders (part of which they have to under the legal agreements).

43. Consultation proposed:
Cumbria County Council, Corporate Resources Overview and Scrutiny Committee,
Full Council.

CONCLUSIONS

44. The City Council owns valuable real estate which the County Council requires for the construction of the Carlisle Northern Development Route.
45. A private finance initiative has demonstrated that there is a funding gap to bridge in order for the scheme to proceed. Central Government have asked the local authorities to resolve the land acquisition matter at a local level.
46. The environmental, social and economic case for the road is a significant one. This was confirmed at a public enquiry into the Compulsory Purchase Order by the Secretary of State for Transport Inspector.
47. In order to demonstrate partnership working with the County Council and in support for the furtherance of Carlisle Renaissance, the conclusion is that the City Council should contribute to the scheme by transferring its landed interests at nil consideration.
48. The report seeks consent to do this as a matter of principle through the City Council's formal processes, with final issues delegated to officers to resolve, including consent from the Secretary of State in order to do this.
49. The final land take may change slightly and, therefore, the valuation could also be subject to alteration.

RECOMMENDATIONS:

It is recommended that the views of this Corporate Resources Overview and Scrutiny Committee are sought on the matter, in order for the Executive to consider those views, prior to making any final recommendations to Council in respect of the principle of any disposal at less than full market value.

REASONS FOR THE RECOMMENDATIONS

50. To assist the proceeding of the Carlisle Northern Development Route in partnership with the County Council.

IMPLICATIONS

- Staffing/Resources – The workload for the valuation of the landed interests has been taken on a mix and match approach according to the skills of the in-house team and that of private sector consultants.
- Financial:–

This is an opportunity cost of a lost resources but also lost interest on a potential capital receipt to be included in assessing the total whole life cost and benefits of this initiative. A receipt of £2.5m at 4.5% would have generated £112,500 per annum.
- Legal:-
 - (1) The Council has power under Section 123 of the Local Government Act 1972 to dispose of land in any manner it wishes, including sale of a freehold interest, granting a lease or assigning any unexpired term of a lease, and granting easements. The only constraint on this power is that the disposal must be for the best consideration reasonably obtainable (except in the case of the disposal of short tenancies), unless the Secretary of State consents to the disposal being made at less than best consideration.
 - (2) Consent from the Secretary of State can be given in one of two ways. It is automatically given if the disposal at less than best consideration falls within the terms of a general Consent given by the Secretary of State in 2003. An important caveat in this Consent, however, is that the under value for which the land is disposed of must not exceed two million pounds.

If it is proposed to dispose of land at an under value exceeding two million pounds, then a specific consent must be obtained from the Secretary of State on a case by case basis.
 - (3) It is therefore a matter for the Executive to consider whether they wish to recommend in this case that the land be disposed of to the County Council at nil consideration, which would amount to a disposal at £2,500,000 less than its estimated market value and which would, as explained above, require the

formal consent of the Secretary of State. The Council has supporting powers in Section 2 of the Local Government Act 2000 enabling it to do anything which it considers is likely to achieve the promotion or improvement of the economic, social or environmental wellbeing of its area. In deciding whether or not to proceed to dispose of the land to the County Council at the proposed under value, the Council should first consider carefully whether, as set out in the 2000 Act, such a disposal will promote the economic, social or environmental wellbeing of the area and should have regard to its own community strategy and the objectives set out therein when making this judgement. The Director of Development has set out fully in this report the contribution which the construction of the CNDR is envisaged to make to the wellbeing of the area and Members need to take in to account all those factors when determining whether or not to proceed at a disposal at the under value proposed.

- (4) The relevant Government Circular guidance on the matter (General Disposal Consent (England) 2003) sets out that it is Government policy that Local Authorities should dispose of surplus land wherever possible. Whilst it is expected that land should be sold for the best consideration reasonably obtainable in general circumstances, the Circular recognises that there may be circumstances where an authority considers it is appropriate to dispose of land at an under value. Hence, the Consent regime referred to above has been put in place. The Guidance makes the point that, when disposing of land at an under value, Authorities must be aware of the need to fulfil their fiduciary duty in a way which is accountable to local people and make sure that they obtain the view of a professionally qualified valuer as to the likely amount of the under value, so that they are fully informed of all the relevant circumstances, and the Head of Property Services has therefore advised on value in this regard in the body of the report. It is a matter, therefore, for the Executive to consider how it wishes to proceed in the light of the above circumstances – taking into account this Committee’s viewpoint.
- Corporate – All assets at the City Council are owned as a corporate resource.
 - Risk Management – It is likely that if the City Council does not approve this, then the Carlisle Northern Development Route as a scheme must have further doubt about its viability.

- Equality Issues – The design of the CNDR includes cycle ways and pathways for the disabled.
- Environmental – A full environmental impact assessment has been undertaken and considered as part of the process for the CNDR.
- Impact on Customers – As stated in the report, there are significant repercussions if the CNDR does not proceed for Carlisle's economic, social and environmental wellbeing.

APPENDIX A

SCHEDULE

The Land

PLOT 52

Plot 52 acquisition of freehold interest of 4772 square metres Woodland forming part of Kingmoor Nature Reserve (North) and permissive footpaths shown on the attached plan.

PLOT 52A

Plot 52A Acquisition of freehold interest of 367 metres of land forming part of the dismantled railway track and permissive footpath adjacent to Kingmoor Nature Reserve (North) shown on the attached plan.

PLOT 52B

Plot 52B The right to carryout works so as to re-grade the permissive footpath of 390 square metres of land forming part of a dismantled railway track and permissive footpaths within Kingmoor Nature Reserve (North) shown on the attached plan.

PLOT 52C

Plot 52C The right to carryout works so as to re-grade the permissive footpath of 160 square metres of land forming part of a dismantled railway track and permissive footpath adjacent to Kingmoor Nature Reserve (North) shown on the attached plan.

PLOT 52D

Plot 52D The right to carryout works so as to re-grade the permissive footpath of 2387 square metres of woodland forming part of Kingmoor Nature Reserve (North) shown on the attached plan.

PLOT 52E

Plot 52E Acquisition of freehold interest of 5213n square metres permissive footpath between Kingmoor Nature Reserve (North) and Parkhouse Road shown on the attached plan.

PLOT 52F

Plot 52F The right to carry out planting and landscaping works outside the boundary of the new highway of 1035 square metres of grassland adjacent to and west of the Asda Supermarket shown on the attached plan.

PLOT 53

Plot 53 Acquisition of freehold interest of 60 square metres land forming part of Kingstown Industrial Estate shown on the attached plan.

PLOT 54

Plot 54 Acquisition of freehold interest of 2110 square metres land forming part of Kingstown Industrial Estate shown on the attached plan.

PLOT 54B

Plot 54B Acquisition of freehold interest of 70 square metres land forming part of Kingstown Industrial Estate shown on the attached plan.

PLOT 54C

Plot 54C Acquisition of freehold interest of 130 square metres land forming part of Kingstown Industrial Estate shown on the attached plan.

PLOT 55

Plot 55 Acquisition of freehold interest of 5430 square metres land forming part of Kingstown Industrial Estate shown on the attached plan.

PLOT 56

Plot 56 Acquisition of freehold interest of 23055 square metres pasture land and part of the full width of Chandler Way and Parkhouse Road and half width of Parkhouse Road, Carlisle. Part of O.S. Field No 0005 shown on the attached plan.

N.B. There is further land areas proposed to be acquired over and above the CPO to improve matters at Chandler Way and Kingstown Broadway / Brunthill Road. These are changes at the design stage.