

Dear Mr Gray,

Reference: **Wiltshire Council's Notice of Proposed Disposal of Council Land to the North of Westwood Road, Rudloe**

We know from recent land sales (Dickens Gate for example) that the cost of local land for development is approximately £0.5 million per acre. This figure is supported by the Department for Communities and Local Government *Land value estimates for policy appraisal* of February 2015 (now 6 years old so I think we can assume at least a modest increase) which gives, for Wiltshire, a figure of £1.13 million per hectare (£457,000 per acre). In the same document, the mean England average for industrial land is given as £482,000 per hectare (£195,000 per acre).

The area of Wiltshire Council's assets to be offered to GreenSquareAccord (GSA) at Rudloe is 2.89 acres - see map attached. The value of this land, using data from recent, actual sales and the Government's *Land value estimates* would therefore be approximately £1.32 million or, if we allow some slack for part of the land being brownfield, perhaps £1 million. However, we have been informed that GSA will pay £220,000 for the freehold of the land and buildings, a shortfall in potential Wiltshire Council receipts of, at least, £780,000 - redirected in the form of subsidy to GSA.

The UK Subsidy Control Bill, introduced to Parliament on 30th June 2021 declares seven general principles, of which, Principle D (costs that would be funded anyway) states: *Subsidies should not normally compensate for the costs the beneficiary would have funded in the absence of any subsidy*. This is certainly the case for GSA's Rudloe Regeneration project - GSA would have (or have to have) funded this cost in the absence of Wiltshire Council's subsidy. Clearly the Subsidy Control Bill has come into effect since Wiltshire Council set out the reasons for its decision in the minutes of the June 2018 Cabinet meeting; **the decision (to offer to GSA at an under-value) should therefore be the subject of another Cabinet decision taking into account the principles and guidelines of the new Bill.**

And with regard to Wiltshire Council's adopted decision (option 2 in the June 2018 Cabinet minutes), I would question GSA's plea of poverty (to be found in the last sentence of paragraph 48 of the minutes) which states: '*GreenSquare have stated they have very limited means to contribute to this due to the fact that the proposed re-development scheme is only marginally viable*'. This ('very limited means') cannot be verified as GSA is not registered at Companies House - it is a 'mutual' registered as a Community Benefit Society with the Financial Conduct Authority. But a sum of £780,000 is small potatoes to house builders or housing associations - for example, GSA recently sold, by auction, a 2-bed cottage at Biddestone for £308,000. **GreenSquare's plea should be contested - we cannot have housing associations with hidden assets being subsidised by Wiltshire ratepayers.**

In paragraph 4 of the June 2018 Cabinet meeting, within the part 'Relevance to the Council's Business Plan' we find the following: '*The disposal of assets raises capital to assist and support the Council's medium term financial plan (MTFP) which subsequently supports the Council's Business Plan and its aims and targets. Specifically, the business plan describes taking a commercial approach to managing assets as part of the Working with partners as an innovative and effective council priority*'. **However, rather than 'working with partners', the Rudloe Regeneration project reveals, through the effective granting of a gift of £780,000 to GSA that this is hardly a 'commercial approach'**; it would appear that Wiltshire Council and GSA are, excuse the vernacular, 'in cahoots' to the detriment of ratepayers.

And then, the taxpayer (this time) will be further subsidising GSA as it has 'chosen' to demolish and rebuild rather than renovate. GSA will seek funding from Homes England to support the capital cost of developing new build, VAT-free (more tax revenue lost to the Exchequer), affordable housing. Affordable? The local 'jungle telegraph' discloses that, from its meagre funds, GSA will be offering £6,500 to each of its tenants to move into their new homes and then will raise rents, in one instance at least, by 40%.

New developments at, or close to, Rudloe have brought 85 affordable homes. A development (Bellway, Westwells Road) to be started shortly will bring a further 50 affordable homes. Other developments are in the offing. Any housing need for local people should have been satisfied by the new developments but most of the new homes are occupied by 'blow-ins'. There is certainly no need to bring the worst of all worlds by increasing the density of an existing residential estate. **GSA could bid for the affordable homes on the upcoming Bellway estate,** rehouse the 25 tenants from the homes it proposes to demolish on Rudloe Estate and then do as it wishes with the now unoccupied homes. If demolition and rebuild is preferred then so be it but this would, at least, limit the catastrophic social and environmental disruption that the present, flawed Rudloe Regeneration plan would bring.

The issues highlighted above must be investigated before proceeding further with the proposed disposal.

Sincerely

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