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Memorandum for Executive Council

SUBJECT

<u>Transfer of Land Back to Crown Estates from Land Protected Under</u> the Airport Development Area Order

Memorandum by Chairman of the Environment & Natural Resources
Committee

ADVICE SOUGHT

1. Executive Council is asked to consider and advise whether the parcels of land described in paragraph 3 below, which are currently protected under the Airport Development Area Order (ADAO), should be transferred back to the Crown Estate.

BACKGROUND & CONSIDERATIONS

- 2. When the construction of the Airport began, a number of parcels of private and Crown Estate land, totalling 1748 acres, were protected from development under the Airport Development Ordinance. The Ordinance created the Airport Development Areas (ADA), parcels of land which were to have restricted access for facilitating the airport. Following completion and opening of the airport, the Airport Directorate with Crown Estates has worked to see which parcels of land can be returned to the Crown Estate, some of which could be released to support Comprehensive Development Areas (CDA) and commercial development.
 - 3. It is recommended that the following parcels of land should be returned to the Crown Estate:

Parcel No.

	1 01 001 1 (01
Deadwood	41
	100
	101
	158
	159
	170
	171
	172
Longwood North	254
	269
	273
	313
	370

Area

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	422
	427
	429
	430
	433
	439
	445
	446
	455
Longwood South	36
	37
	38
	123
	551
	552
	559 (part)
C'1 TT'11	25
Silver Hill	35
	36
	37
	380
	381
	410 (part)
	439
	440
	453 454
	454 461
	464 465
	403
	466 (part)

FINANCIAL IMPLICATIONS

- 4. The transfer of the assets back to the Crown Estate will assist SHG by allowing more land to be developed for commercial and residential development, therefore increasing revenue to SHG through sale of leases, ground rents and stamp duties, which are currently rated at:
 - (i) On so much of the consideration or value not exceeding £10,000 0%
 - (ii) On so much of the consideration or value as exceeds £10,000 but not £150,0002.5%
 - (iii) On so much of the consideration or value as exceeds £150,000 but not £500,000 3%
 - (iv) On the consideration or value exceeding £500,0005%

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5. No negative financial implications have been identified.

ECONOMIC IMPLICATIONS

- 6. Under the terms of the ADAO designation the land will revert back to the former Land Development Control Plan designations. This will result in 699 acres being returned to National Conservation Areas, 112 acres to the private sector, 395 acres to the intermediate zone, 524 acres to the coastal zone and 24 acres to the green heart land, where there is a presumption against development. The transfer of some parcels back into the intermediate zone will assist in property and economic development.
- 7. The land in the intermediate zone will accommodate at least 200 new homes on Island, which, assuming construction labour costs of £40k per home, and £50k of imported materials, could generate up to £8m for the construction sector, and £500k in import duties for SHG should all the homes be fully developed.

CONSISTENCY WITH INVESTMENT POLICY PRINCIPLES

- 8. This decision is consistent with the following Investment Policy Decisions:
 - i. Make Saint Helena a desirable and competitive destination to do business by removing barriers to investment.
 - ii. Support an economy which is accessible to all potential investors and promote investments across the economy.
 - iii. Promote fair, consistent, timely and transparent decision making.

PUBLIC / SOCIAL IMPACT

9. The return of land to the Crown Estate will have a positive public/social impact if some of this land is made available for residential and commercial development.

ENVIRONMENTAL IMPACT

10. No direct environmental impact on the transfer of land from the ADAO back to the Crown Estate is anticipated. However the subsequent future development of the land could give rise to environmental impacts. These impacts will need to be identified, assessed and addressed as part of the normal planning application and approval processes.

PREVIOUS CONSULTATION / COMMITTEE INPUT

11. None

PUBLIC REACTION

12. There is likely to be majority public support particularly from those who wish to see property development or are interested in economic development.

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PUBLICITY

13. Council's decision will covered in the media briefing following the meeting. Separate publicity will follow when planning permission is granted for the use of Bottom Woods CDA.

SUPPORT TO STRATEGIC OBJECTIVES

- 14. This supports the following National Goals / Strategic Objectives:
 - Altogether Wealthier goal and Strategic Objective 3.1 *Ensure sustainable economic development.*
 - Altogether Safer goal and Strategic Objective 4.2 Care for the vulnerable and disadvantaged groups in society such as people with disabilities, children, elderly people and low income earners.

LINK TO SUSTAINABLE ECONOMIC DEVELOMENT PLAN GOALS 15. The development will help to achieve goals 5, 7 and 8 of the SEDP. Goal 5 of the SEDP is to Improve Land Productivity, Goal 7 is to improve infrastructure and Goal 8 of the SEDP is to develop, maintain and attract a skilled workforce. Bringing forward land for development will stimulate the construction industry and make more productive use of grazing land.

RKY

OPEN /CLOSED AGENDA ITEM

Corporate Support Corporate Services

04th December 2019

16. This memorandum is recommended for the Open Session.