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## **Disposal of land at Phases D & E, Ashton Green, Leicester**

Decision to be taken by: City Mayor

Lead director: Andrew Smith

Date of Decision: 12 September 2025

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### Useful information

- Ward(s) affected: Beaumont Leys
- Report author: Lauren Tyrrell
- Author contact details: Ext 37 3797
- Report version number V1

#### 1. Purpose of report

This report is to seek authority for disposal of the Council's freehold interest in land at Phases D & E at Ashton Green, for housing development, to Tilia Homes.

Phases D and E total 55 acres, comprising land in Council ownership of approximately 42 acres with the remaining 13 acres owned by the Diocesan of Leicester.

The land is shown edged red on the plan attached as Appendix A, with the Council's interest outlined in red and the Diocesan of Leicester ownership in blue.

#### 2. Summary

The disposal of Phases D & E for housing development forms part of the Council's disposal strategy for phased land sales at Ashton Green.

The Council marketed Phases D & E with the Diocesan of Leicester (joint landowner) and received 11 tender submissions.

Following a review of the bids by the Council's Development Team, the Diocesan of Leicester's property representatives and external legal and independent property advice, it has been recommended to dispose of the land to Tilia Homes, which will develop 560 units, subject to securing reserved matters planning permission.

The land is subject to an agricultural tenancy dated 4<sup>th</sup> November 2002 and a notice of surrender has been served on the tenant farmer (unopposed) with vacant possession on the 28<sup>th</sup> September 2025.

#### 3. Recommendations

The City Mayor is recommended to:

- Approve the freehold disposal of the Council's interest in the land at Phases D & E, Ashton Green, Leicester (identified in Appendix A) to Tilia Homes.
- Approve the entering of a collaboration agreement with the Diocesan of Leicester to confirm joint sale, land value and fee apportionment.

- Approve entering into unconditional contracts for the sale of Phases D & E, Ashton Green on detailed terms to be agreed by the Strategic Director (City Development and Neighbourhoods)

#### **4. Report/Supporting information:**

This report concerns disposal of the Council's freehold interest in land at Phases D & E for housing development at Ashton Green to Tilia Homes.

Phases D & E total 55 acres, comprising land in Council ownership of approximately 42 acres with the remaining 13 acres owned by the Diocesan of Leicester. See Appendix A.

The opportunity for Phases D & E was marketed by tender by the joint landowners (Council and the Diocesan of Leicester). The opportunity was published inviting competitive bids from any interested developers on both a conditional and unconditional basis. A total of 11 bids were received.

Clarification meetings were held with the top six bidders to understand and scrutinise their submissions. Two were unconditional and subject to exchange of contracts only. Four were conditional on securing reserved matters approval, highways technical approval, developer board approval and any further board approvals if they were in a partnership model with a BTR operator (Build to Rent) and/or Registered Provider.

In parallel the Council appointed property agents Savills, to provide independent valuation advice on the submitted tender submissions, overseen by internal RICS valuers.

From the 11 bids submitted, it is recommended to accept the highest unconditional offer submitted by Tilia Homes considering risk of conditionality, programme and capital receipts. The offer has been independently verified as representing Best Value under S123 of the Local Government Act 1972 by RICS qualified Chartered Surveyors from Savills. The offer and valuation details are included in Appendix B. For reasons of commercial confidentiality this will not be published until the sale contract is completed.

The offer submitted by Tilia Homes is subject to exchange of contracts with completion proposed in four tranches.

The Tilia offer meets planning policy requirements for affordable housing at 30% of all dwellings. If planning permission is secured for 560 dwellings, there will be a further 168 affordable dwellings bringing the total amount of affordable units at Ashton Green to 422 dwellings.

It is recommended that the Council accepts the offer submitted by Tilia Homes and progresses the disposal. The Diocese of Leicester has approved the recommendation to accept this offer subject to council approval.

## **5. Financial, legal and other implications**

### 5.1 Financial implications –

This sale will realise substantial capital receipts to the Council. Utilising these receipts will minimise the amount of external borrowing required to fund the ongoing capital programme. As this is an unconditional offer there is little risk around receiving this income which will support the multi-year capital programme being developed by the Council. Conditional offers, which might be subject to planning approval or link the income to the ongoing sale of properties, have an increased level of uncertainty and can result in income being received sporadically over a lot longer timescale which makes it harder to use in an efficient manner.

Stuart McAvoy – Head of Finance  
Dated: 21 August 2025

### 5.2 Legal implications -

The Council has a legal obligation to dispose of land at the best consideration reasonably obtainable in accordance with s.123 of the Local Government Act 1972 (as amended). Open marketing is acknowledged to achieve best consideration, and the opportunity was subject to a compliant tendering exercise.

Although the disposal appears to be for the best consideration as independently verified by RICS Chartered Surveyors, Savills, the Council will also need to ensure that the Council's general fiduciary duty is complied with in disposing of assets in accordance with the Disposals Framework.

Zoe Iliffe, Principal Lawyer (Property, Highways & Planning)  
Date: 27/8/25

### 5.3 Climate Change and Carbon Reduction implications

As the land is intended to be used for the construction of dwellings, the purchaser should be encouraged to consider opportunities to reduce the carbon emissions of any future development. It should be noted that the development will be

required to follow local planning policies around sustainable development and the relevant building regulations.

Phil Ball, Sustainability Officer, Ext 37 2246

Dated: 26th August 2025

#### 5.4 Equalities Implications

Under the Equality Act 2010, public authorities have a Public Sector Equality Duty (PSED) which means that, in carrying out their functions, they have a statutory duty to pay due regard to the need to eliminate unlawful discrimination, harassment and victimisation and any other conduct prohibited by the Act, to advance equality of opportunity between people who share a protected characteristic and those who don't and to foster good relations between people who share a protected characteristic and those who don't. Due regard to the Public Sector Equality Duty should be paid before and at the time a decision is taken, in such a way that it can influence the final decision.

The PSED cannot be delegated and therefore, the responsibility remains with the authority to put into place mechanisms by which these statutory duties can be stipulated as a requirement and monitored.

Protected Characteristics under the Equality Act 2010 are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

This report is a request for the city mayor's approval to sell a piece of council-owned land at Ashton Green. The chosen developer has committed to building 30% affordable housing on the site. If they build 560 new homes as planned, this will add 168 affordable homes to the area. Provision of new affordable homes will impact positively on people from across all protected characteristics by helping to help meet evidenced housing needs in the city.

There are no direct equality implications arising from this report, however a key consideration in relation to future development of the sites, is accessibility of the space. The design of the space should adhere to accessible design principles in order to ensure that people with different protected characteristic/s are able to access and utilise the space to its full potential.

Surinder Singh, Equalities Officer Ext, 37 4148

Dated: 21 August 2025

#### 5.5 Other Implications (You will need to have considered other implications in preparing this report. Please indicate which ones apply?)

None

**6. Background information and other papers:**

None

**7. Summary of appendices:**

**Appendix A** – sale plan

**Not for publication – Appendix B** – Confidential financial information

**8. Is this a private report (If so, please indicated the reasons and state why it is not in the public interest to be dealt with publicly)?**

The decision report is a public report, but Appendix B is marked “Not for Publication” because it contains exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 as amended: i.e. “Information relating to the financial or business affairs of any particular person (including the Authority holding that information)”. Appendix B will be published on the decision page of the Council website once contracts have been entered into and completed.

**9. Is this a “key decision”?**

No

**10. If a key decision, please explain reason.**

N/A

## **Appendix A – Sale Plan**

