

Cabinet – 9 November 2011

Sale of the Council's freehold interests in Baytree House, Erdington Road, Aldridge and the site of the former Mary Elliott Special School and the former Day Centre, Brewer Street, Walsall.

Portfolio: Councillor Adrian Andrew, Deputy Leader, Regeneration

Service Area: Estates & Asset Management - Property Services

Wards: Aldridge Central and South; Blakenall

Key Decision: Yes

Forward Plan: Yes

1. Summary

- 1.1 The above sites are surplus to the Council's requirements and, in line with the principles of good asset management practice, such assets are proposed to be advertised for sale on the open market.
- 1.2 A Development Brief for either site will be used to assist the marketing exercise.
- 1.3 Following the marketing exercise and in accordance with the Council's Financial and Contract Rules, a Cabinet resolution is required to dispose of the Council's freehold interests as it is envisaged that each asset will be sold for £500,000 or more.
- 1.4 Cabinet is being asked to delegate authority to the Executive Director as set out at paragraph 2.1 below in order to minimise the period between the closing date and the date the successful bidder is notified that their bid is successful.

2. Recommendation

- 2.1 Cabinet is recommended to delegate authority to the Executive Director for Regeneration in conjunction with the Cabinet Portfolio Holder for Regeneration to approve the terms for the disposal of the freehold interest in the land and properties shown edged in red on
 - (i) plan number EPMS 3295 (**APPENDIX A**), extending to 6,996 square metres (or thereabouts); and
 - (ii) plan number EPMS 3216/8 (**APPENDIX B**) extending to 14,320 square metres (or thereabouts)

provided these terms include the price satisfying the best consideration principles of Section 123 Local Government Act 1972, the purchaser bearing the Council's surveyor's fees and legal costs and the transaction not reaching legal completion until the purchaser has obtained detailed planning permission from the Local Planning Authority.

3. Report detail

- 3.1 Baytree House was originally constructed in the 1970's as a Residential Home for the Elderly. Residents of the Home have been relocated by Housing 21 as part of the Elderly Persons' Reprovision Project. This meant that the property became vacant but, in order to avoid this and the likely theft and vandalism that would occur with an empty property, the Council has allowed 'guardians' to reside in the property. The Council has no alternative use for either the building or the site and, as such, it is considered surplus to the Council's requirements.
- 3.2 Mary Elliott Special School on Brewer Street closed on 31 August 2008 as a new, purpose-built replacement school on part of the Frank F Harrison School site on Leamore Lane was available for use from 1 September 2008. The adjoining Day Centre on Brewer Street closed in October 2009 when the Goscote Centre became available. Both the former school buildings and the former Day Centre buildings were demolished in September 2010. The Council has no alternative use for the site and, as such, it is considered surplus to the Council's requirements.
- 3.3 The principles of good asset management practice dictate that such surplus assets are disposed of. Following obtaining a Development Brief in respect of either site, the Council's freehold interests will be advertised for sale on the open market by informal tender with a specified closing date.
- 3.4 It is intended to proceed with a sale of either asset to the highest bidder, subject to that bid satisfying the best consideration principles of Section 123 Local Government Act 1972 and subject to planning permission being obtained from the Local Planning Authority.
- 3.5 Cabinet is being asked to delegate authority in order to minimise the period between the closing date and the date the successful bidder is notified that their bid is successful.

4. Council priorities

The Corporate Plan revolves around Working Smarter and part of this is making the most efficient and effective use of all of the Council's land and property. Where the Council no longer has a use for or a need for land and/or property, good practice dictates that the asset should be disposed of.

5. Risk Management

- 5.1 Planning permission for the proposed development on either site will be required to be obtained from the Local Planning Authority prior to that particular transaction reaching completion.
- 5.2 The disposals are included in the Disposals Projections Schedule for 2012/13. Progress with the transaction (and the necessary planning permission) will be monitored at the monthly meetings of the Disposals Projections Group, which is attended by Estates and Asset Management, Legal Services, Financial Services and the Delivery & Development Team.

6. Financial implications

The capital receipts will be received in both cases once detailed planning permission has been obtained from the Local Planning Authority. It is envisaged that the transactions will complete during next financial year (2012/13).

7. Legal implications

Both sales will be in accordance with the best consideration principles of Section 123 Local Government Act 1972 in that the land will be sold at Market Value following a period when it has been advertised for sale on the open market.

8. Property implications

The Council's Corporate Asset Management Plan requires that all land and property assets that are surplus to the Council's requirements should be disposed of.

9. Staffing implications

Both sales have been carried out by Surveyors within Estates and Asset Management. Legal Services will deal with the appropriate legal documentation.

10. Equality Implications

The developments will provide much needed residential accommodation within the borough. The sale on the open market means that no group or individual is excluded from bidding.

11. Consultation

- 11.1 The Development & Delivery Team has produced the Development Briefs to assist Estates & Asset Management in the marketing process.

11.2 Legal Services have provided information on the Council's freehold title on both sites.

Background Papers

Plan No. EPMS 3295 (APPENDIX A)

Plan No. EPMS 3216/8 (APPENDIX B)

Author

Steve Pugh

Team Manager: Estates

☎ 652034

✉ pughs@walsall.gov.uk

A handwritten signature in blue ink, appearing to be 'Tim Johnson', followed by a vertical line.

Tim Johnson
Executive Director
Regeneration

9 November 2011

A handwritten signature in blue ink, appearing to be 'Adrian Andrew', followed by a vertical line.

Councillor Adrian Andrew
Deputy Leader
Regeneration: Portfolio Holder

9 November 2011



Walsall Council

AREA EDGED RED = 6,996 SQ METRES (OR THEREABOUTS)

**Cooper and Jo
Endowed Sch
(Junior and Inf)**

Moot House

**Moot
Cottage**

The Maltings

A 454

ERDINGTON ROAD

Baytree House

159.7m

HALLCROFT

**ESTATES AND ASSET
MANAGEMENT**
Civic Centre
Walsall
WS1 1TP
Tele: 01922 652094,
Fax: 01922 636150

**SITE ADDRESS:
ERDINGTON ROAD
ALDRIDGE**

**DRAWING NO : EPMS 3295
DATE : 14/10/2009
DRAWN BY : SSP**



SCALE 1:1250

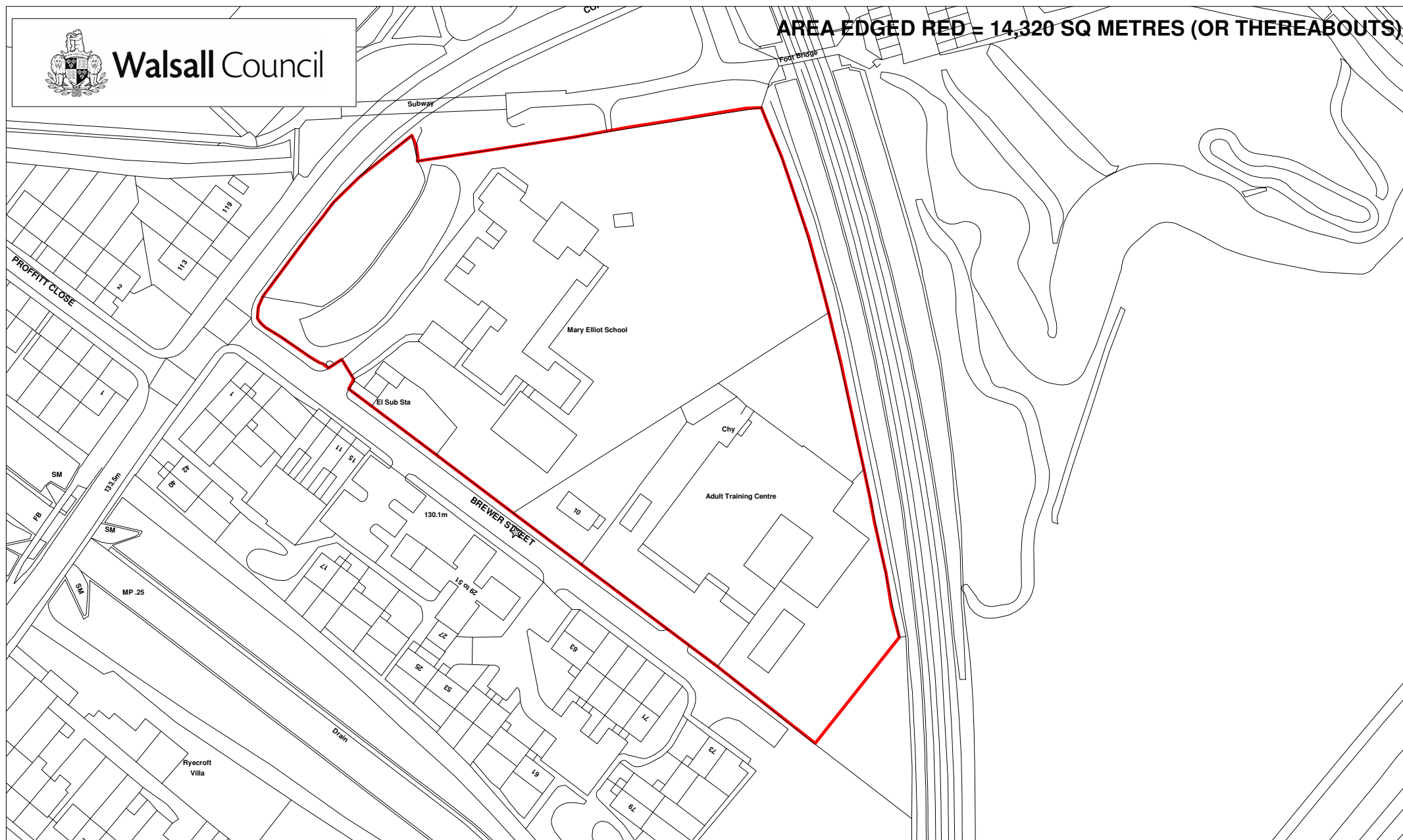
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Walsall Council

AREA EDGED RED = 14,320 SQ METRES (OR THEREABOUTS)



ASSET MANAGEMENT

Civic Centre
Walsall
WS1 1TP
Tele: 01922 652094
Fax: 01922 636150

SITE ADDRESS:
FORMER MARY ELLIOT SCHOOL SITE
BREWER STREET, WALSALL

DRAWING NO: EPMS 3216/8
DATE : 27/07/2011
DRAWN BY : KCL



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