Cabinet – 16 July 2008

Sale of Land at Former Redhouse JMI School, Gorsey Way, Aldridge

- Portfolio: Councillor Adrian Andrew, Deputy Leader and Regeneration
- Service: Property Services
- Wards: Aldridge Central and South

Key decision: Yes

Forward plan: Yes

1. Summary of report

- 1.1 This report relates to the proposed sale of the Council-owned land for residential development purposes, the value of which is expected to be in excess of £500,000.
- 1.2 Under Financial and Contract Rules 16.3.1d), a Cabinet resolution is required to acquire or dispose of land and buildings whose value is anticipated to be £500,000 or more.
- 1.3 The capital receipt to be realised from the sale will require to be split on a 26%/ 74% basis between the non-playing field and the playing field element of the school site. The former can be used for reinvestment in supporting the Council's Capital Programme and the latter must be used for reinvestment to enhance or improve outdoor or indoor sports and leisure facilities for local schools, or to enhance or improve educational facilities at other schools in accordance with the requirements of the Department for Children, Schools and Families (DCSF).
- 1.4 The proposal is in line with the Council's Corporate Asset Management Plan, which requires the Council to make the most efficient and effective use of its land and property.

2. Recommendations

2.1 Cabinet is recommended to approve a sale of the Council's freehold interest in the land shown edged in red on the attached plan EPMS 2975/1 (**Appendix A**), extending to 14,656 square metres (or thereabouts) to the highest bidder, with the purchaser being responsible for the Council's surveyor's fees and legal costs incurred in the transaction.

3. Background information

- 3.1 The Corporate Asset Management Plan requires the Council to make the most efficient and effective use of its land and property resources. Members will be aware that the Redhouse JMI School was declared surplus to educational requirements in 2006. The Council had no alternative use for the buildings for its own purposes and these have been demolished. The Council has no alternative use for the land for its own purposes, with the exception of the small rectangular shaped parcel of land to the south-east corner of the site, which is to be retained for the purpose of constructing a Community Room. As such, the land is considered to be surplus to requirements and, in line with the principles of good asset management practice, it is proposed to be sold.
- 3.2 An Outline Planning Permission has been obtained (reference 07/2074/OL/E11) for proposed residential development and community building, and it is intended to advertise the land for sale on the open market for residential development purposes.
- 3.3 As part of the Outline Planning Application, it was necessary to carry out an Arboricultural Impact Survey, Flood Risk Assessment, Site Investigations, a Noise and Vibration Assessment and a Topographical Survey and also to produce a Design and Access Statement and an Indicative Layout. As these can be made available for the information of prospective purchasers at the bidding stage, it is proposed to advertise the land for sale by Formal Tender whereby completion occurs 4 weeks after the acceptance of the bid and, hence, prior to the successful bidder obtaining a Detailed Planning Permission.

4. Resource considerations

- 4.1 **Financial:** The sale of the Council's land will contribute to the Capital Receipts target for 2008/09 and generate a capital receipt, 26% of which can be reinvested in supporting the Council's Capital Programme and 74% of which requires to be reinvested in enhancing or improving outdoor or indoor sports and leisure facilities for local schools, or enhancing or improving educational facilities at other schools in accordance with the requirements of the DCSF.
- 4.2 **Legal:** The necessary Consent of the DCSF has been obtained in respect of the disposal of the playing fields.

The sale of the Council's land will be in accordance with the best consideration principles of Section 123 Local Government Act 1972, meaning that the land will be sold at Market Value following a period when it is advertised for sale on the open market with the benefit of the Outline Planning Permission referred to.

Legal Services will be instructed to deal with the necessary legal documentation.

4.3 **Staffing:** There are no staffing implications arising as the necessary work can be carried out in-house.

5. Citizen impact

5.1 The sale of the land will ultimately result in a high quality development of houses and/or apartments for the citizens of the borough.

6. Community safety

6.1 The development of the site will be further considered at the Detailed Planning Application stage. The development will be designed to reduce crime and the fear of crime and the developer will be encouraged to seek 'Secured by Design' accreditation.

7. Environmental impact

7.1 The sale of the land will result in a currently vacant site being developed for high quality residential purposes which will make a positive contribution to the street scene.

8. Performance and risk management issues

8.1 **Risk**

Should Cabinet decide not to sell the site, it will result in the capital receipt not being achieved, which will impact on the Capital Receipt target for 2008/09, the Council's Capital Programme and the Council's education proposals at Aldridge School and Barcroft Primary School.

8.2 **Performance Management**

The sale will form part of the Asset Disposal Programme managed by Estates and Asset Management and monitored as a Strategic DMT Project.

9. Equality implications

9.1 As part of the Detailed Planning Permission, the developer is likely to be required to contribute to the provision of affordable housing, healthcare, open space and the upgrade of a local playing field facility by entering into Section 106 Agreements accordingly.

10. Consultation

10.1 In order to be in a position to submit the Outline Planning Application, extensive consultation with the Delivery and Development Team within the Regeneration Directorate has been necessary. The Outline Planning Permission will greatly assist the marketing of the site. As part of the Outline Planning Application process, there was consultation with local residents.

10.2 Legal Services have been consulted and have confirmed that the Council's title to the land is registered freehold.

Background papers

None.

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6 June 2008

Agathet

Councillor Adrian Andrew Deputy Leader and Portfolio Holder

6 June 2008

