

Cabinet – 11 December 2013

Sale of the Council's freehold interest in the former Three Crowns Special School, Skip Lane.

Portfolio: Councillor Adrian Andrew, Deputy Leader, Regeneration and Transport

Related portfolios: Councillor Rachel Andrew, Children's Services

Service: Property Services

Wards: Pheasey Park Farm

Key decision: Yes

Forward plan: Yes

1. Summary

- 1.1 Three Crowns Special School was closed and the site is surplus to the Council's requirements. In line with the principles of good estate management practice, the asset will be advertised for sale on the open market.
- 1.2 The site benefits from outline planning consent for the development of a low density residential scheme of 8 detached houses.
- 1.3 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 the asset may be sold for £500,000 or more.

2. Recommendations

- 2.1 That Cabinet is recommended to approve the disposal of the freehold interest in the land shown edged in black on plan number EPMS 3878 **Appendix A** extending to 22,650 square metres (or thereabouts);

provided:
 - i) the terms agreed include the price satisfying the best consideration principles of Section 123 Local Government Act 1972; and
 - ii) the purchaser bears the Council's surveyor's fees and legal costs.
- 2.2 That Cabinet is recommended to delegate authority to the Executive Director for Regeneration in consultation with the Cabinet Portfolio Holder for Regeneration and Transport to approve the terms for the disposal of the freehold interest in the site.

3. Report detail

- 3.1 Three Crowns Special School was closed and following the closure, the pupils were transferred to other special and mainstream schools.
- 3.2 The site, extending to 22,650 square metres (or thereabouts), is shown edged in black on plan number EPMS 3878.
- 3.3 The site is accessed from Skip Lane, and comprises the site of the former school and an area of mature woodland known as The Spinney. The Spinney is designated as a Site of Local Interest for Nature Conservation (SLINC).
- 3.4 The Council has no alternative use for the buildings or the site and, as such, the site was declared surplus to the Council's requirements by Cabinet at its meeting on 1st March 2006.
- 3.5 Under Schedule 1 of the Academies Act 2010 (the 2010 Act), consent is required from the Secretary of State for Education for the disposal of properties that have been used as a school in the last 8 years. Schedule 1 consent has already been granted for the disposal of the school.
- 3.6 Due to its location, the site has been promoted for residential development.
- 3.7 The site benefits from an outline planning consent for a development of 8 detached houses.
- 3.8 The Spinney will be included in the proposed sale, and the planning consent provides for pedestrian access into The Spinney to be maintained for the benefit of the future occupiers of the Three Crowns School site. The purchaser will be required to enter into a woodland management plan to ensure the future maintenance of The Spinney.
- 3.9 Two residents of houses on Sutton Road which back on to The Spinney have claimed access rights into The Spinney. Legal services are in the process of formally documenting these access rights to avoid complications during the sale process.
- 3.10 It is intended to proceed with a sale of the asset by informal tender to the highest bidder, subject to that bid satisfying the best consideration principles of Section 123 Local Government Act 1972.
- 3.11 Cabinet is being asked to delegate authority for the approval of terms in order to minimise the period between the closing date for bids and the date that the successful bidder is notified that their bid is successful.

4. Council priorities

The Asset Management Plan requires the Council to make the most effective and efficient use of its land and property resources. The site is surplus to requirements and so in accordance with the Asset Management Plan, will be offered for sale by informal tender.

5. Risk management

Outline planning permission for residential development has been granted. A purchaser will need to submit a reserved matters application prior to developing the site. On the basis that the principle of residential development has been established by the grant of outline planning permission, it is proposed that the site will be sold on an unconditional basis with the benefit of the outline planning permission.

6. Financial implications

- 6.1 The capital receipt will accrue to the capital receipts reserve.
- 6.2 The sale 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.

7. Legal implications

- 7.1 Legal Services will prepare the required legal documentation for the sale.
- 7.2 Legal Services are in the process of formally documenting the access rights claimed by two residents of Sutton Road.
- 7.3 The Spinney will be included within the sale, and the purchaser will be required to enter into a woodland management plan.

8. Property implications

- 8.1 The sale of the site will enable the regeneration of a derelict site which will deter antisocial behaviour and will release the Council from maintenance obligations.
- 8.2 The principles of good estate management practice dictate that such surplus assets are disposed of. The Council's freehold interest will be advertised for sale in the open market by informal tender with a closing date to be confirmed.

9. Health and wellbeing implications

None directly arising from this report.

10. Staffing implications

The sale will be carried out by Surveyors within Property Services. Legal Services will deal with the appropriate legal documentation.

11. Equality implications

The policies of the borough's development plans support future developments in ways that will encourage beneficial impacts. If the site is developed for housing then the developments will provide much needed residential accommodation within the borough.

12. Consultation

12.1 Consultation has been undertaken with ward councillors, legal services, finance, HRD, planning and building control, housing, strategic regeneration and development and delivery.

12.2 Legal Services have provided information on the Council's freehold title.

Background papers

Plan No EPMS 3878

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Simon Neilson
Executive Director

12 November 2013



Councillor A Andrew
Portfolio holder

2 December 2013



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