Agenda item

Cabinet – 11 December 2013

Sale of land at Beddows Road, Ryecroft. Supplemental Report

Portfolio: Councillor Adrian Andrew

Deputy Leader Regeneration

Related portfolios: Children's Services

Service: Asset Management

Wards: Blakenall

Key decision: No

Forward plan: No

1.0 Summary

- 1.1 Walsall Housing Group (whg) has approached the Council to acquire land situated between 8 and 14 Beddows Road to include it in a redevelopment scheme which will provide 98 residential properties on land at Beddows Road and Rutland Street. The development would be implemented with a partnership organisation, the Lovell Partnership Ltd.
- 1.2 Councils can dispose of land at less than Best Consideration by virtue of the General Disposal Consent (England) 2003 where the social, economic or environmental benefits warrant such.
- 1.3 Planning Permission for the revised Scheme was granted by Planning Committee on 21 November 2013. Ref 13/1201/FL.
- 1.4 A consideration of £15,000 had been agreed with Walsall Housing Group and a recommendation was made in the original Cabinet report accordingly. However, since the Cabinet report was circulated, further negotiations have taken place with Walsall Housing Group which has resulted in a revised consideration of £30,000 plus payment of the Council's legal costs and surveyor's fees. Therefore the recommendation has been amended to reflect the renegotiated sum.

2. Recommendations

Cabinet is recommended to:

2.1 approve the disposal of the freehold interest in the land shown edged in red on plan number EPMS 3071, extending to 768 square metres (or thereabouts), to Walsall Housing Group Ltd, for affordable housing as part of a wider scheme of 98 properties in partnership with the Lovell Partnership ltd, for a consideration

which has been negotiated at £30,000 plus payment of the Council's legal costs and surveyor's fees.

3. Report detail

- 3.1 Walsall Housing Group has secured £1,005,000 of grant funding from the HCA for this development. As such, it is proposed to dispose of the Council's site for less than Best Consideration using the General Disposal Consent.
- 3.2 The General Disposal Consent provides Councils with consent to dispose of land for less than the Best Consideration that can reasonably be obtained in cases where the Authority considers that the disposal will help it to secure the promotion or improvement of the economic, social or environmental well-being of its area. It is subject to a condition, however, that the undervalue does not exceed £2m.
- 3.3 The proposed scheme will now provide 67 affordable units out of a total of 98 properties. This is 68% where the usual figure in line with planning policy is 25%. This means that the borough is benefiting from an additional 42 affordable units.
- 3.4 As such, the disposal will help to secure the promotion or improvement of the economic, social <u>and</u> environmental well-being of this part of the borough as part of a large residential development scheme.

12. Consultation

- 12.1 Consultation has been undertaken with ward councillors, legal services, finance, housing, and development and delivery.
- 12.2 Legal Services have provided information on the Council's freehold title

Background papers

EPMS Plan 3072

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Portfolio Holder: Regeneration

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