



Cabinet Member for Jobs and Regeneration

Time and Date

2.00 pm on Wednesday, 5th October, 2016

Place

Committee Room 2 - Council House

1. **Apologies**
2. **Declaration of Interests**
3. **Minutes**
 - (a) To agree the minutes of the Cabinet Member for Jobs and Regeneration meeting held on 31 August, 2016 (Pages 3 - 8)
 - (b) Matters Arising
4. **Freehold Disposal of Sites** (Pages 9 - 20)
Report of the Executive Director of Place
5. **189 and 191 Princethorpe Way, Ernesford Grange - Authority to Dispose** (Pages 21 - 28)
Report of the Executive Director of Place
6. **Outstanding Issues**
There are no outstanding issues
7. **Any other items of public business which the Cabinet Member decides to take as matters of urgency because of the special circumstances involved.**

Chris West, Executive Director, Resources, Council House Coventry

Tuesday, 27 September 2016

Note: The person to contact about the agenda and documents for this meeting is Suzanne Bennett e mail suzanne.bennett@coventry.gov.uk

Membership: Councillors G Crookes (Shadow Cabinet Member), J O'Boyle (Cabinet Member) and D Welsh (Deputy Cabinet Member)

Please note: a hearing loop is available in the committee rooms

If you require a British Sign Language interpreter for this meeting
OR if you would like this information in another format or
language please contact us.

Suzanne Bennett

e mail suzanne.bennett@coventry.gov.uk

Coventry City Council
Minutes of the Meeting of Cabinet Member for Jobs and Regeneration held at 2.00
pm on Wednesday, 31 August 2016

Present

Cabinet Member: Councillor J O'Boyle

Other Members: Councillor D Welsh (Deputy Cabinet Member)
Councillor G Crookes (Shadow Cabinet Member)

Employees (by Directorate):

Place: R Moon, J Norton

Resources: S Bennett, J Sprayson

Public Business

8. Declaration of Interests

There were no disclosable pecuniary interests.

9. Minutes

The Minutes of the meeting held on 6 July, 2016 were signed and agreed as a true record.

10. Exclusion of the Press and Public

RESOLVED that approval be given to exclude the press and public under Section 100(A) (4) of the Local Government Act 1972 for consideration of the private matters indicated below on the grounds that those items involve the likely disclosure of exempt information, as defined in Paragraph 2 and 3 of Schedule 12A of that Act, as they contain information relating to the financial or business affairs of an organisation and the amount of expenditure proposed to be incurred by the Council under a particular contract for the supply of goods or services:-

Minute Number	Item
18	Freehold Sale – 14, The Row, Baginton
19	Livingstone Road – Revised Terms to Enable Supportive Living Development by Coventry Warwickshire MIND to proceed before health Centre Development
20	The Former Parish Rooms, Vecqueray Street, Coventry

11. **Norton House - Lease to Coventry Refugee and Migrant Centre**

The Cabinet Member for Jobs and Regeneration considered a report of the Executive Director of Place which indicated that the Coventry Refugee and Migrant Centre (CRMC) is a charity which occupies premises in Lamb Street from a private landlord on a short term tenancy agreement which the Council in part funds through grant aid to the organisation.

CRMC have agreed to take a lease of Norton House from the Council to develop as a permanent base and resource centre. Norton House is in the freehold ownership of the Council and was previously occupied by the Coventry Cyrenians as a drop in centre for the homeless, but was vacated in June 2014. Since that time, Norton House has been marked on a leasehold basis, however, interest over this time has been limited.

RESOLVED that the Cabinet Member for Jobs and Regeneration:-

- (1) Approves the grant of a lease of Norton House to Coventry Refugee and Migrant Centre upon the terms set out in this report**
- (2) Delegates authority to the Resources Directorate (namely Legal Services) to prepare the agreed lease to the Coventry Refugee and Migrant Centre on the basis of the agreed terms which will include a capital contribution of £75,000 from Coventry City Council to essential repair and fit out of Norton House**
- (3) Delegates authority to the Executive Director of Place and the Executive Director of Resources as appropriate, following consultation with the Cabinet Member for Jobs and Regeneration, to agree any variations or new requirements that are deemed necessary to give effect to the above proposals**

12. **Freehold Sale - 14 The Row, Baginton**

The Cabinet Member for Jobs and Regeneration considered a report of the Executive Director of Place which sought approval to the sale of the Council's freehold interest in 14 The Row, Baginton. The property forms one part of a row of 14 residential properties situated on The Row in Baginton, which are held on a long lease by Orbit Group Limited (formally Orbit Housing) ("Orbit") from 1979 at a peppercorn rent without review. The lease expires in 2078.

The house is currently vacant and Orbit propose to sell 14 The Row on the open market and have agreed to pay the Council a capital sum now for its freehold interest. When the house is sold by Orbit, the Council will receive a share of the sale price less the initial consideration. Orbit recycle the proceeds of any properties that are sold and the surplus from this sale will contribute to the reserve funds for current and future social housing developments.

A corresponding private report detailing confidential financial matters was also submitted for consideration (Minute 14 below refers)

RESOLVED that the Cabinet Member for Jobs and Regeneration:-

- (1) Approves the disposal of the Council's freehold interest in 14 The Row, Baginton in the terms detailed in the corresponding private report**
- (2) Delegates authority to the Executive Director of Resources to complete the freehold sale of 14 The Row, collect the agreed initial consideration and document the agreed claw back provision to be triggered on the sale of the house by Orbit**

13. Livingstone Road - Revised Terms to Enable Supportive Living Development by Coventry Warwickshire Mind to Proceed Before Health Centre Development

The Cabinet Member for Jobs and Regeneration considered a report of the Executive Director of Place which sought approval to revise the terms for approval for the disposal of the former Foleshill Leisure Centre site at Livingstone Road for the future development of a Primary Care Centre and supported social care accommodation.

The former Cabinet Member for Business, Enterprise and Employment previously approved the terms for disposal to Arden Estates Partnership (AEP) who are the exclusive developer of NHS Primary Care accommodation in Coventry (Minutes 18 and 23/15 refer).

AEP introduced Coventry and Warwickshire Mind (CWM) to develop a supportive living facility aimed primarily at mental health on part of the site and the intention was to sell part of the site to CWM. In anticipation of the sale between the Council and AEP, (subject to confirmation of NHS funding) CWM subsequently obtained planning permission for a mental health facility on the site.

Since the previous Cabinet Member decision, AEP are still awaiting approval from the NHS to proceed with the development despite obtaining planning permission for the development on the site as a health centre. Due to the on-going delay with AEP obtaining NHS approval for funding, CWM are at risk of losing funding for the supportive living facility which will serve the residents of Coventry.

To ensure that the development of this site is progressed and the City does not lose a supported mental health facility, CWM have proposed that the Council disposes of the freehold of the site to them. CWM will thereafter commence the development of their part of the site and facility and once AEP have secured NHS approval for the health facility, AEP will acquire their part of the site direct from CWM. The site will be acquired from the Council at the previously agreed price to AEP and is in accordance with Section 123 of the Local Government Act 1972.

A corresponding private report, detailing confidential financial matters was also submitted for consideration (Minute 19 below refers)

RESOLVED that the Cabinet Member for Jobs and Regeneration:-

- (1) Approves the revised terms to dispose of the former Foleshill Leisure Centre to Coventry Warwickshire Mind as detailed in the corresponding private report
- (2) Delegates authority to the Resources Directorate (namely Legal Services) to prepare the agreed freehold transfer to CWM on the basis of the agreed terms and collect the payment of the agreed purchase price.
- (3) Delegates authority to the Executive Director of Place and the Executive Director of Resources as appropriate, following consultation with the Cabinet Member for Jobs and Regeneration, to agree any variations or new requirements that are deemed necessary to give effect to the above proposals.

14. **The Former Parish Rooms, Vecqueray Street, Coventry**

The Cabinet Member for Jobs and Regeneration considered a report of the Executive Director of Place which sought approval to the sale of the Council's freehold interest in the property known as The Parish Rooms, Vequeray Street, Coventry.

The property is subject to a ground lease from December 1990 at a peppercorn rent without review. The lease expires in 2089. The premises are used for student accommodation and the Council received a premium on the grant of the lease in 1990.

The current leasees have approached the Council to acquire the freehold interest and have offered a capital sum plus payment of the Council's reasonable surveyors and legal fees.

The freehold is not part of a strategic land holding and the Council would not expect to receive any further payments under the terms of the lease. The disposal of this ground lease is consistent with the Council's recent policy of selling freeholds subject to long leaseholds where there is little or low return to the Council during the term of the lease.

A corresponding private report detailing confidential financial matters was also submitted for consideration (Minute 20/16 below refers).

RESOLVED that the Cabinet Member for Jobs and Regeneration:-

- (1) Approves the disposal of the Council's freehold interest in The Former Parish Rooms, Vecqueray Street, Coventry at the purchase price as detailed in the corresponding private report
- (2) Delegates authority to the Executive Director of Resources to complete the freehold sale and collect the agreed consideration

15. **Authority for Attendance**

RESOLVED that the Cabinet Member for Jobs and Regeneration:-

- (1) Approves the attendance of two officers on a Trade and Investment visit to Olofstrom, Sweden in November, 2016
- (2) Approves the attendance of an officer on a visit to Shanghai and Beijing, China, as invited by UKTI, between 24 September and 1 October, 2016

16. **Outstanding Issues**

There were no outstanding issues.

17. **Any Other Items of Urgent Public Business**

There were no other items of urgent public business

18. **Freehold Sale - 14, The Row, Baginton**

Further to Minute 12 above, the Cabinet Member for Jobs and Regeneration considered a report of the Executive Director of Place which detailed confidential financial matters in relation to the freehold sale of 14 The Row, Baginton.

RESOLVED that the Cabinet Member for Jobs and Regeneration:-

- (1) Approves the disposal of the Council's freehold interest in 14 The Row, Baginton in the terms as detailed in the report.
- (2) Delegates authority to the Executive Director of Resources to complete the freehold sale of 14 The Row in the terms as detailed in the report.

19. **Livingstone Road - Revised Terms to Enable Supportive Living Development by Coventry Warwickshire MIND to Proceed Before Health Centre Development**

Further to Minute 13 above, the Cabinet Member for Jobs and Regeneration considered a report of the Executive Director of Place which detailed confidential financial matters relating to the revision of terms for the disposal of the former Foleshill Leisure Centre site at Livingstone Road for the future development of a Primary Care centre and supported social care accommodation.

RESOLVED that the Cabinet Member for Jobs and Regeneration:-

- (1) Approves the revised terms to dispose of the former Foleshill Leisure Centre to Coventry Warwickshire Mind.
- (2) Delegates authority to the Resources Directorate (namely Legal Services) to prepare the agreed freehold transfer to CWM on the basis of the terms as detailed in the report.
- (3) Delegates authority to the Executive Director of Place and the Executive Director of Resources as appropriate, following consultation with the Cabinet Member for Jobs and Regeneration, to

agree any variations or new requirements that are deemed necessary to give effect to the above proposals.

20. The Former Parish Rooms, Vecqueray Street, Coventry

Further to Minute 14 above, the Cabinet Member for Jobs and Regeneration considered a report of the Executive Director of Place which detailed confidential financial matters in relation to the sale of the Council's freehold interest in The Former Parish Rooms, Vecqueray Street.

RESOLVED that the Cabinet Member for Jobs and Regeneration:-

- (1) Approves the disposal of the Council's freehold interest in tthe Former Parish Rooms, Vecqueray Street in the terms as detailed in the report.**
- (2) Delegates authority to the Executive Director of Resources to complete the freehold sale and collect the agreed consideration.**

21. Any Other Items of Urgent Private Business .

There were no other items of urgent private business.

Note: The items on the agenda relating to "189 and 191 Princethorpe Way – Ernesford Grange – Authority to Dispose" were withdrawn from the agenda for consideration at a future meeting.

(Meeting closed at 2.25pm)



Cabinet Member for Jobs and Regeneration

5 October 2016

Name of Cabinet Member:

Cabinet Member for Jobs and Regeneration - Councillor J O'Boyle

Director Approving Submission of the report:

Executive Director of Place

Ward(s) affected:

Foleshill, Woodlands, Longford and Henley

Title:

Freehold Disposal of Sites

Is this a key decision?

No – Individual site disposal proceeds will be below the threshold for reporting to Cabinet

Executive Summary:

Council officers are continually reviewing the Council's land holdings. A number of additional sites have been identified as they are either surplus to operational requirements, do not contribute adequately in terms of income, or there is expenditure to maintain or the land is subject to fly tipping and anti-social behaviour. The sites identified in the attached appendix may have the potential to be developed as part of a wider development site, including commercial and garden land uses.

The sites identified are a mix of derelict, overgrown and non-operational sites and do not have any strategic benefits for the Council to retain. The Council acting as planning authority is in principle supportive of the regeneration of the identified sites subject to full consideration by the Council through the planning application process.

In addition to the sites for sale, the Council have obtained possession of 30 Handsworth Crescent, Eastern Green by an Order for Sale from the County Court.

The preferred method of disposal will be via auction, to guarantee the capital receipts which will be received in this financial year. The land that has been considered for 'extended gardens' would be disposed to the adjacent and adjoining residents only.

Council officers will continue to review the Council's commercial property portfolio for opportunities to identify land and buildings that do not adequately contribute to the Council's resources and will bring forward further reports recommending disposal.

Recommendations:

The Cabinet Member for Jobs and Regeneration is recommended to:

1. Approve the freehold disposal of the sites identified in this report by auction or direct negotiation
2. Approve the freehold disposal of 30 Handsworth Crescent by auction following the County Court Order.
3. Delegate authority to the Executive Director of Resources to complete the necessary legal documentation and collect the consideration for the sale.

List of Appendices included:

List of sites & property to be declared surplus

Other useful background papers:

N/A

Has it been or will it be considered by Scrutiny?

No

Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?

No

Will this report go to Council?

No

Report title: Freehold Disposal of Small Surplus Sites

1. Context (or background)

- 1.1 Following a further review of the Council's land holdings, a number of sites have been identified where there are no strategic reasons for the Council to continue to retain them.
- 1.2 The identified sites are a mix of non-operational assets and in some instances are derelict, overgrown and are being used for fly tipping and anti-social behaviour. The subsequent development of these sites may generate requirements for planning obligations to improve the sites.
- 1.3 Following advice from Planning Policy, informal views have been stated within the appendix, one of the identified sites has been included in the Coventry SHLAA (Strategic Housing Land Availability Assessment); the site can be developed as part of a wider development site or considered by its own.
- 1.4 The car park site off Red Lane has recently been the subject of anti-social behaviour, stolen cars were being left abandoned and officers took action to close this car park for vehicles. Residents are still able to access the rear of their properties from the pedestrian gate.
- 1.5 The land to the rear of Merryfields Way is currently leased to the farmer. An outline planning application (ref Out/2016/1965) has been submitted for the adjoining land at Merryfields Way and if the application is approved and the land sold, the tenant will surrender his interest, which will include the land to the rear of Merryfields Way. The residents at Merryfields Way have over the subsequent years expressed an interest in extending their gardens and the future surrender of the tenant's interest will act as the catalyst for the residents to acquire the land
- 1.6 The preferred method of disposal is to submit two sites into auction and consider disposal of land at Merryfields Way by negotiating directly with adjacent and adjoining residents of Merryfields Way in the best interest of the Council. It is expected that the disposals will be concluded this financial year 2016/2017, subject to necessary planning consents being approved.
- 1.7 It is believed that the property, 30 Handsworth Crescent has been empty for over thirty years and the debt to the Council is substantial. It is understood that the debtor is believed to reside in the Middle East and the Council have been unable to trace his whereabouts.
- 1.8 In accordance with the Councils agenda for bringing back empty property, it was considered appropriate to seek an Order for Sale. The County Court awarded the Council possession of 30 Handsworth Crescent in January 2016 and the debtor was allowed a period of 50 days to settle the outstanding balance. The debt was not settled and the Council took possession of the property.
- 1.9 The County Court directed that the Council could not sell 30 Handsworth Crescent for a specified amount.
- 1.10 A list of the sites with site plans identified for disposal is attached as Appendix 1 to this report.
- 1.11 The Assistant Director for Property Asset Management has delegated authority to dispose of property at auction and to agree terms for minor land disposals where the consideration is less than £50,000, in consultation with the Cabinet Member. Rather than submit separate reports for each disposal, one collective report has been produced.

2. Options considered and recommended proposal

- 2.1 Disposal of the sites & property identified** – As specified earlier in the report, the sites do not form any strategic or operational purpose for the Council. The disposal of these sites, which are largely non-performing, will generate capital receipts for this financial year 2016/2017. It is understood that 30 Handsworth Crescent will be sold to repay the outstanding debt. The Council has to dispose of the property as the County Court has granted an Order for Sale.
- 2.2 Continue status quo** – If the identified sites are not declared surplus and released for disposal then there is a lost opportunity to generate a capital receipt for assets serving no strategic or operational purpose. The sites will therefore continue to remain overgrown and derelict and incur intermittent Council expenditure in response to fly tipping or other local anti-social uses.
- 2.3** It is therefore recommended that the sites & property identified are declared surplus and are disposed via auction or direct negotiation.

3. Results of consultation undertaken

Ward Councillors have been notified where an identified site falls within their respective ward area and asked if they wish to submit any further comments.

4. Timetable for implementing this decision

- 4.1** Subject to Cabinet Member approval and necessary planning consents, the sites & 30 Handsworth Crescent will be allocated for disposal in 2016/2017 and considered for auction or disposal through negotiation accordingly.

5. Comments from the Executive Director of Resources

5.1 Financial implications

The capital receipt estimated for the sites has been estimated at £98,000 and will contribute towards corporate resources. It is expected that the disposal will be completed by the end of the financial year

The reserve at auction for 30 Handsworth Crescent will be in accordance with the Court Order for Sale. The capital receipt will pay the outstanding debt owed to the Council with the remainder of the receipt will be held on balance until the owner can be traced.

5.2 Legal implications

The Assistant Director for Property Management and Property Services has delegated authority to dispose of property at auction or direct negotiation and to agree terms for minor land disposals where the consideration is less than £50,000, in consultation with the Cabinet Member.

Officers have confirmed that the disposals at auction or direct negotiation will represent "Best Value" in accordance with the Council's requirements to obtain the best consideration reasonably obtainable pursuant to the provisions of Section 123 of the Local Government Act 1972. The Council is able to proceed with the sale of 30 Handsworth Crescent in accordance with the County Court Order

The Executive Director of Resources (Legal Services) will complete the freehold conveyance/transfers of the sites/property identified in accordance with appropriate procedures and will collect the consideration for the disposals.

6. Other implications

Property Implications

The proposed transactions will dispose of sites that do not serve any strategic use and are therefore surplus to requirements and will contribute towards corporate financial targets as specified in paragraph 5.1 above.

The disposal of 30 Handsworth Crescent will settle the outstanding Council Tax debt owed on the property.

6.1 How will this contribute to achievement of the Council's key objectives / corporate priorities (corporate plan/scorecard) / organisational blueprint / Local Area Agreement (or Coventry Sustainable Community Strategy)?

The capital receipts will contribute towards corporate resources whilst the disposal of sites will promote their development and support urban regeneration.

The disposal of 30 Handsworth Crescent is in accordance with the Council's agenda to bring back into use empty properties.

6.2 How is risk being managed?

The risks have been identified as per paragraph 2.2 with the loss of potential capital receipts.

6.3 What is the impact on the organisation?

The impact to the organisation will be minimal however it will generate additional work for officers within Resources Directorate (Legal Services) in processing the sales contracts for the auction and dealing with the completion of the sales post-auction.

6.4 Equalities / EIA

An Equality Impact Assessment has not been undertaken as the proposal concerns the disposal of land for redevelopment and no group will be impacted.

6.5 Implications for (or impact on) the environment

The impact will be positive as overgrown, derelict sites will be redeveloped and utilised in a more efficient manner than it currently is.

30 Handsworth Crescent will be occupied and no longer empty or a blight to the residents of Eastern Green.

6.6 Implications for partner organisations?

There are no implications for any partner organisations.

Report author(s):

Name and job title:

Azim Walimia, Senior Asset Surveyor, Corporate Property Services

Directorate:

Place Directorate

Tel and email contact:

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Enquiries should be directed to the above person(s).

Contributor/approver name	Title	Directorate or organisation	Date doc sent out	Date response received or approved
Contributors:				
Richard Moon	Property Management and Property Services	Place	08/09/2016	08/09/2016
Mark Andrews	Planning and Housing Policy Manager	Place	08/09/2016	09/09/2016
Suzanne Bennett	Governance Services Officer	Resources	08/09/2016	09/09/2016
Barrie Strain	Acting Head of Revenues	Resources	20/09/2016	21/09/2016
Names of approvers for submission: (officers and members)				
Finance: Phil Helm	Finance Manager	Resources	08/09/2016	08/09/2016
Legal: Julie Sprayson	Property Lawyer	Resources	08/09/2016	09/09/2016
Director: Martin Yardley	Executive Director	Place	19/09/2016	19/09/2016
Members: Cllr Jim'O'Boyle	Cabinet Member for Jobs and Regeneration		19/09/2016	19/09/2016

This report is published on the council's website:

www.coventry.gov.uk/meetings

Appendix 1

List of sites for disposal

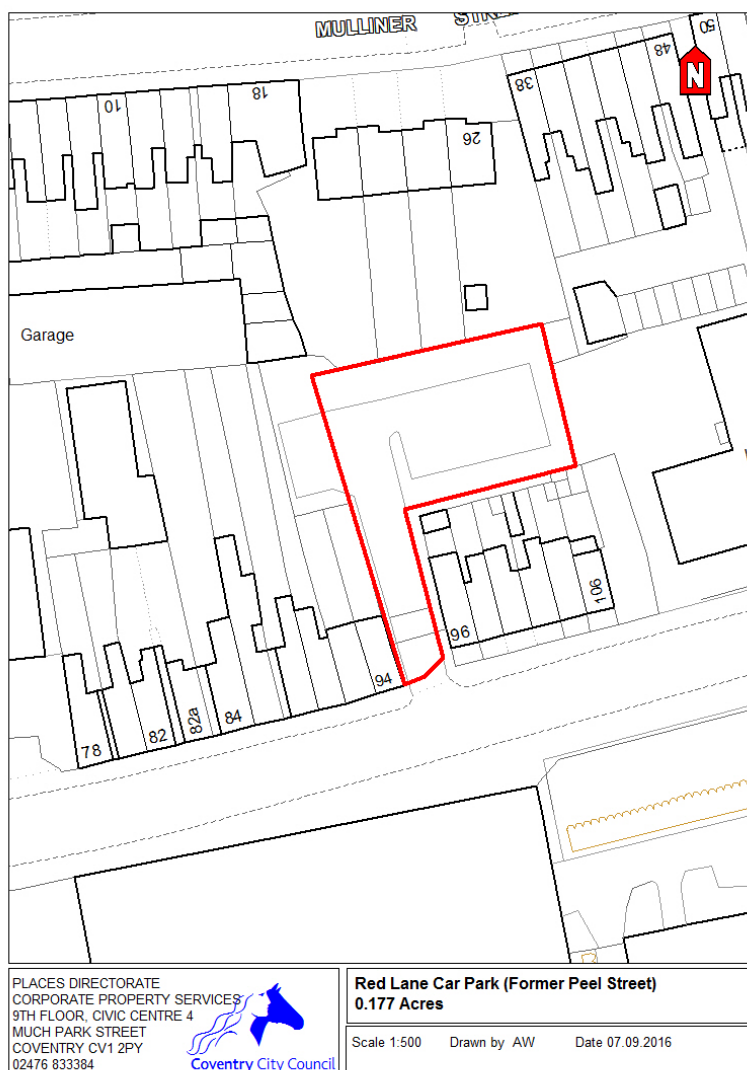
Site Address	Local Ward	Size (Acres)	Potential Plots* (estimated)	Recommendation
No 1: Land off Red Lane Car Park, CV6 5ER	Foleshill	0.177	0	Subject to planning, alternative uses may be considered, obtain approval to dispose at auction.
No 2: Land off Aldermans Green Road, CV2 1PD	Longford	0.156	3	Subject to planning, a range of uses may be considered, obtain approval to dispose at auction.
No 3: Land to rear of Merryfields Way, CV2 2NS	Henley	0.270	0	Subject to planning, obtain approval to negotiate directly with adjacent and adjoining residents of Merryfields Way
No 4. 30 Handsworth Crescent, Eastern Green, CV5 7GE	Woodlands	0.083	0	Obtain approval to dispose at auction.

Site No 1: Land off Red Lane Car Park, Foleshill, CV6 5ER

0.177 acres comprising of hard standing brownfield land, located between residential properties, located off Red Lane, known formerly as Peel Lane Car Park. The land has been subject of fly-tipping, anti-social behaviour and cause of nuisance. Properties that front the land off Red Lane will continue to enjoy pedestrian access to the rear of their properties, vehicle access has subsequently ceased due to the anti-social behaviour problems and costs incurred. The land is managed, maintained and part of Place Directorate portfolio.

Planning Policy Comments

Back land area would be difficult to develop under current local and national policy; development linked to surrounding uses may be a more appropriate use of the land. All enquiries related to planning uses or planning applications for change of use need to be made prior to any sale.




Site No 2: Land off Aldermans Green Road, Longford, CV2 1PD

0.156 acres comprising of overgrown vegetation, situated between residential developments and Wyken Slough Nature Reserve. The land is non-operational and subject of fly-tipping. The land is managed, maintained and part of Place Directorate portfolio.

Planning Policy Comments

This site sits within the SHLAA as part of a shortlisted site. It is likely to require consideration under existing policies relating to the loss of urban green space if developed. It also adjoins the Wyken Slough area of green space which is currently designated as Green Belt but proposed to be redesigned as Local Green Space within the emerging Local Plan. It is also a Local Wildlife Site. Any development proposals would need to ensure appropriate design and setting in relation to this area. In this regard an assessment of onsite trees will also be required to support the planning process. Subject to policy checks, it is recommended that any new proposals are discussed with the planning department prior to any disposal.



<p>PLACES DIRECTORATE CORPORATE PROPERTY SERVICES 9TH FLOOR, CIVIC CENTRE 4 MUCH PARK STREET COVENTRY CV1 2PY 02476 833384</p> 	<p>Aldermans Green Road Scout Hut 0.156 Acres</p> <p>Scale 1:500 Drawn by AW Date 25.07.2016</p>
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Martin Yardley - Director of Place Directorate
Nigel Clews - Assistant Director Property Asset Management

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Site No 3: Land rear of Merryfields Way, Henley, CV2 2NS

0.270 acres comprising of greenfield land, formerly used for grazing within Elms Farm, situated off Wigston Road and rear of Merryfields Way. An outline application has been submitted for 150 houses and part of this application includes a route to provide an emergency access road (rear of Merryfields Way). On the basis that the emergency access route will divide the land, an opportunity to dispose of some land to adjacent and affected residents became available. The land will be restricted to garden land use only and the residents will be required to pay a consideration and submit a planning application for change of use. The land is managed, maintained and part of Place Directorate portfolio.

Planning Policy Comments

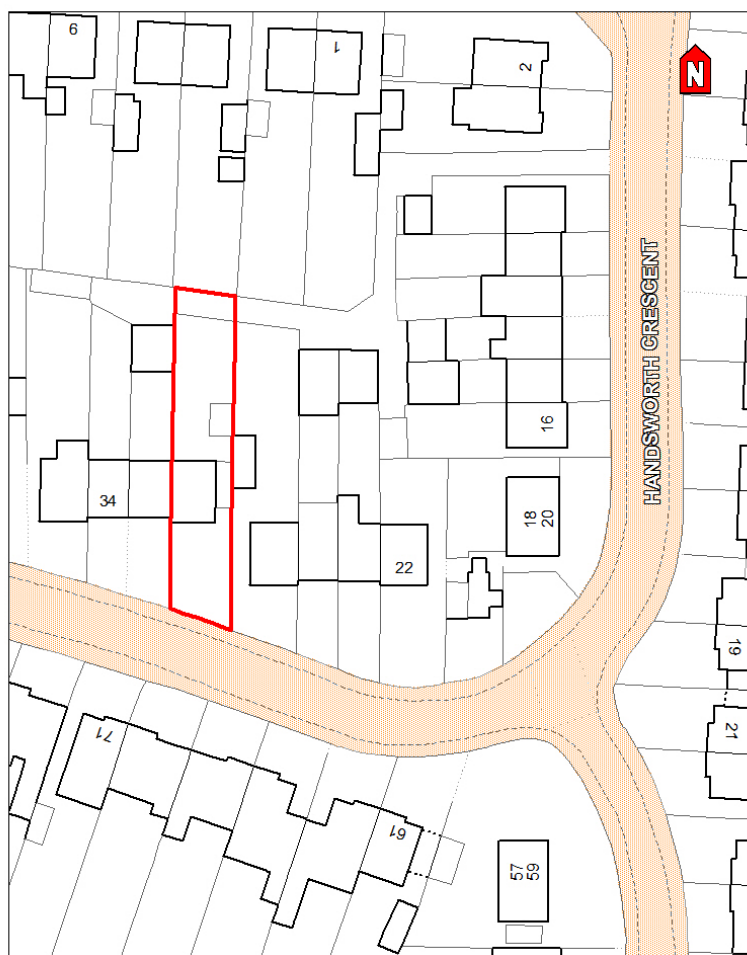
The conversion of land to garden land will require necessary planning permission as it is a change of use.



PLACE DIRECTORATE PROPERTY MANAGEMENT DIVISION FLOOR 9 CIVIC CENTRE 4 MUCH PARK STREET COVENTRY CV1 2PY TEL:024 7683 3054	Land to rear of Merryfield Way
Martin Yardley - Director of Place Directorate Nigel Clews - Assistant Director Property Asset Management	Scale 1:500 Drawn by: LPL Date: 18/07/2016 O.S. Ref. No: 3782 SE LPR- 155-2016 <small>© Crown Copyright and database right 2016. Ordnance Survey 100026294</small>

Site No 4: 30 Handsworth Crescent, Eastern Green, CV5 7GE

0.083 comprising of three bed room end terraced two storey house, built in late 1950's or early 1960's. The property is made of traditional construction with cavity brick faced elevations and surmounted by a pitched concrete interlocking tiled roof. Overall, the property requires extensive repair and further surveys to determine the level of work required.



PLACES DIRECTORATE
CORPORATE PROPERTY SERVICES
9TH FLOOR, CIVIC CENTRE 4
MUCH PARK STREET
COVENTRY CV1 2PY
02476 833384



Martin Yardley - Director of Place Directorate
Nigel Clews - Assistant Director Property Asset Management

30 Handsworth Crescent, Eastern Green CV5 7GE
0.083 Acres

Scale 1:500 Drawn by AW Date 20.09.2016

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Cabinet Member for Jobs and Regeneration

5 October, 2016

Name of Cabinet Member:

Cabinet Member for Jobs and Regeneration – Councillor J O'Boyle

Director Approving Submission of the report:

Executive Director, Place

Ward(s) affected:

Binley and Willenhall

Title:

189 and 191 Princethorpe Way, Ernesford Grange - Authority to dispose

Is this a key decision?

No

Executive Summary:

The Council disposed of 193 Princethorpe Way, a surplus building then used as a day centre, for development as 10 residential dwellings in 2013.

Two adjoining former staff dwellings (189 & 191) were retained in 2013 as they were then used operationally as to meet the needs of clients of All Age Disabilities Services. The two dwellings are now empty and no longer required for operational use. They also require significant investment to bring them up to a reasonable standard of repair.

The purpose of this report is to seek approval to the freehold disposal of these two remaining properties and to negotiate the sale to the developer that purchased the adjoining land at market value, for a comprehensive development of the site. If market value cannot be secured from that developer, to market the properties by tender or auction.

Recommendations:

Cabinet Member for Jobs and Regeneration is requested to:-

1. Approve a negotiated sale of the freehold interest in 189 and 191 Princethorpe Way to the purchaser of the adjoining land, at market value or if that cannot be achieved, to market the properties by tender, auction or any other appropriate method.
2. Delegate authority to the Executive Director, Place to conclude the terms of freehold disposal of these two properties, in accordance with paragraphs 5.1 and 5.2 of this report.

List of Appendices included:

A Plan referred to in the report.

Background papers:

None

Other useful documents:

Outline Planning Permission dated 10 January 2013 (OUT/2012/1997)

Has it been or will it be considered by Scrutiny?

No

Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?

No

Will this report go to Council?

No

Report title:

189 and 191 Princethorpe Way, Ernesford Grange – Authority to dispose

1. Context (or background)

- 1.1 During the 1970s, the Council constructed a development comprising 3 buildings (known as 189-193 Princethorpe Way), the main building (number 193) was constructed as a residential home for children with learning difficulties.
- 1.2 The other two buildings (numbers 189-191) were staff residential units.
- 1.3 In the 1990s, the use of the main building (number 193) was changed to a day centre. It was declared surplus to requirements in 2012 and after obtaining outline planning permission for 10 houses, the 0.76 acre site (0.30ha) site and building (shown hatched black on the attached plan) was sold to a local developer (James O’Flanagan Ltd), in 2013.
- 1.4 The two residential units (189-191 and shown cross hatched on the plan), which form the subject of this report, remained in Council ownership, and were used for housing for clients with learning disabilities and emergency accommodation. Both units are now vacant, the former occupiers having been moved to more appropriate supported accommodation.
- 1.5 An independent condition survey was carried out on the two properties in February 2015, which concluded that a number of repairs and improvements should be undertaken to bring the two properties up to a basic standard. The estimated cost is in the region of £25,000 - £30,000, however the condition of 191 has since deteriorated and requires more extensive renovation works.
- 1.6 The premises which are not fit for continued use in their current condition, are no longer required for the delivery of operational services to All Age Disability Services’ clients and are surplus to operational requirements.
- 1.7 The developer, James O’Flanagan Ltd, has demolished 193 Princethorpe Way and cleared the site. Prior to submitting a detailed planning application for its development, the developer has put forward a proposal to acquire the two dwellings 189 and 191 Princethorpe Way, to enable a comprehensive development of the combined site.

2. Options considered and recommended proposal

- 2.1 The principal options for the two surplus properties are to consider their disposal, preferably to the developer of the adjoining site to enable a single comprehensive development of the combined site, provided market value can be achieved. The inclusion of these two dwellings within the site should enable a combined site development of 13 dwellings (subject to planning). Alternatively, the Council could just dispose of the properties with incoming purchasers undertaking works of refurbishment. Both properties share utility services with the adjoining site and there would be some disruption, as services were reconfigured as part of the development of the adjoining site.
- 2.2 Having regard to the extent and duration of development works to be undertaken on the adjoining site and the servicing arrangements to the two properties, it is considered that the best option is to try and negotiate the sale of the freehold interest in both properties to the developer of the adjoining land, at market value, to enable a comprehensive development of the combined site.

- 2.3 If market value cannot be obtained in the disposal, then the Council should sell the property through a competitive process such as an auction or tender.

3. Results of Consultation undertaken

- 3.1 The Cabinet Member for Strategic Finance and Resources has been consulted on the decision to declare the properties surplus to requirements.

4. Timetable for implementing this decision

- 4.1 A negotiated disposal at market value should be concluded within 3 months, if this does not secure market value, private disposal could expect to take 3-6 months.

5. Comments from Executive Director, Resources

5.1 Financial implications

- 5.1.1 If the properties are approved for disposal, any capital receipt received will contribute towards the 2016/2017 forecast for capital receipts that help to support the Council's Medium Term Financial Position.

5.2 Legal implications

- 5.2.1 In order to meet the Council's requirement to obtain the best price reasonably obtainable, in accordance with the provisions of S.123 of the Local Government Act 1972, the properties will be valued by an external valuer, to establish market value. If a negotiated settlement cannot be agreed at that figure, the properties will be marketed by tender or auction and sold at the highest acceptable bid price.

- 5.2.3 Officers within the Resources Directorate (Legal Services) will complete the necessary legal documentation affecting the freehold disposal and will collect payment of the agreed consideration

6 Other implications

6.1 How will this contribute to achievement of the Council's key objectives / corporate priorities (corporate plan/scorecard) / organisational blueprint / Local Area Agreement (or Coventry Sustainable Community Strategy)?

- 6.1.1 The capital receipt will contribute towards corporate resources and the delivery of corporate objectives.

- 6.1.2 During construction, the development will provide jobs and business opportunities for the city's residents.

6.2 How is risk being managed?

- 6.2.1 The level of risk is low and will be managed by the surveyor dealing with the disposal throughout the disposal process.

- 6.2.2 The recommended option gives the Council the greatest certainty over the delivery of a capital receipt and obtaining best consideration.

6.2.3 The developer is obtaining a new planning permission for the whole site but the existing properties are already in residential use and therefore, the principle of residential development is established.

6.4 What is the impact on the organisation?

6.4.1 Work will be required by both the Property Development Team in negotiating the detail of the disposal with the purchaser and Resources Directorate, in preparing and completing documentation and collecting payment of the agreed consideration.

6.5 Equalities / EIA

6.5.1 No Equality Impact Assessment has been undertaken as the properties will be vacant and the recommendations do not constitute a change in service policy.

6.6 Implications for (or impact on) the environment

6.6.1 The principle of development has been established through the existing outline planning consent and a new permission is being sought. The Design and Access Statement in the existing planning permission outlines the principles of the scheme design and its impact on the surrounding area.

6.7 Implications for partner organisations?

6.7.1 None

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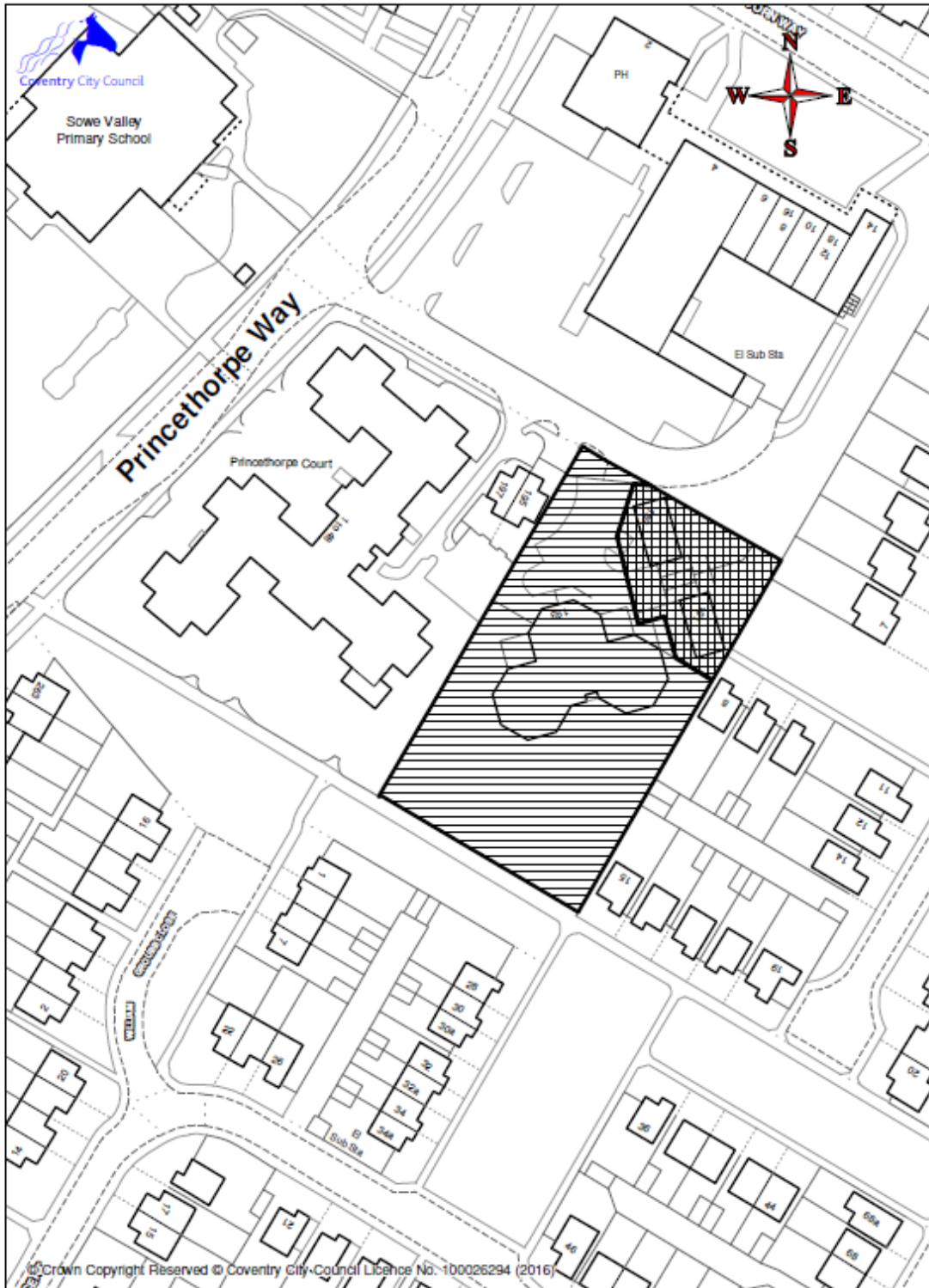
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Canley CM report public A 040816

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