

Public report

Cabinet Member

Cabinet Member for Business, Enterprise and Employment

19th October 2015

Name of Cabinet Member:

Cabinet Member for Business Enterprise and Employment - Councillor Maton

Director Approving Submission of the report:

Executive Director of Place

Ward(s) affected:

Foleshill, Radford, Upper Stoke, Binley and Willenhall and Wyken

Title:

Disposal of Small Surplus Sites and Buildings

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 and buildings have been identified for disposal that are surplus to requirements, cost money to maintain or do not contribute adequately in terms of income. The sites identified in the attached appendix may have the potential to be developed for one or two dwellings or as part of a wider development site, including commercial uses but are too small to be included in the Coventry Strategic Housing Land Availability Assessment 2015 (SHLAA).

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

The preferred method of disposal will be via auction to guarantee the capital receipts which will be received in this financial year.

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 Business, Enterprise and Employment is recommended to:

- **1.** Approve the freehold disposal of the sites identified in this report by auction or direct negotiation.
- **2.** 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 to be declared surplus

Other useful background papers:

N/A

Has it been or will it be considered by Scrutiny?

Nο

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: Disposal of Small Surplus Sites and Buildings

1. Context (or background)

- 1.1 Following a further review of the Council's land holdings, a number of sites and buildings have been identified where there are no strategic reasons for the Council to continue to retain them.
- 1.2 The identified sites and buildings are a mix of operation/non-operational and poor performing assets and in some instances are derelict, overgrown and are being used for fly tipping and antisocial behaviour. The subsequent development of these sites may generate requirements for planning obligations to improve the sites.
- 1.3 Following advice from Planning Policy, some of the identified sites are too small to be included in the Coventry SHLAA (Strategic Housing Land Availability Assessment); however the sites do have development potential for alternative uses or as part of a wider development site unless stated
- 1.4 The preferred method of disposal is to submit four sites into auction and consider disposal of long leases by negotiating directly with one party in the best interest of the Council. It is expected that the majority of the disposals will be concluded this financial year 2015/2016 but also fall into 2016/2017.
- 1.5 A list of the sites with site plans identified for disposal is attached as Appendix 1 to this report.
- 1.6 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 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 2015/2016.
- **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 expenditure in response to fly tipping or other local anti-social uses.
- 2.3 It is therefore recommended that the sites identified are declared surplus and are disposed via the 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 if they wish to submit any further comments.

4. Timetable for implementing this decision

4.1 Subject to Cabinet Member approval, the sites will be allocated for disposal in 2015/2016 and considered for auction or disposal through negotiation accordingly.

5. Comments from the Executive Director of Resources

5.1 Financial implications

Should the sites itemised in Appendix 1 be approved for disposal, proceeds are collectively estimated to generate in excess of £180,000. The capital receipts will contribute towards corporate resources for the financial years of 2015/2016 and 2016/2017.

5.2 Legal implications

The Executive Director of, Resources will complete the freehold conveyance/transfers of the sites identified in accordance with appropriate procedures and will collect the consideration for the disposal.

5.3 Officers have confirmed that the disposals at auction 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.

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.

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.

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 Finance & Legal Services Directorate 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.

6.6 Implications for partner organisations?

There are no implications for any partner organisations.

Report author(s):

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Finance: Phil Helm	Finance Manager	Resources	07/10/2015	07/10/2015
Legal: Julie Sprayson	Property Lawyer	Resources	07/10/2015	07/10/2015
Director: Martin Yardley	Executive Director	Place	08/10/2015	08/10/2015
Members: Cllr Kevin Maton	Cabinet Member for Business Enterprise and Employment		08/10/15	08/10/15

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Appendix 1
List of sites for disposal

Site Address	Local Ward	Size (Acres)	Potential Plots* (estimated)	Recommendation
No 1: Land off Awson Street, CV6 5GJ	Foleshill	0.096	0	Subject to planning, alternative uses may be considered, obtain approval to dispose at auction.
No 2: Land off Hastings Road, CV2 4JE	Upper Stoke	0.389	3	Subject to planning, alternative uses may be considered, obtain approval to dispose at auction.
No 3: Land at Torcross Avenue, CV2 3NW	Wyken	0.109	1	Subject to planning, alternative uses may be considered, obtain approval to dispose at auction
No 4: Heathcote Street SSO Property, CV6 3BL	Radford	0.097	1	Existing SSO property. Obtain approval to dispose at auction
No 5: 6 Siskin Drive, CV3 4FJ	Binley and Willenhall	3.550	0	Existing industrial units, obtain approval to dispose the freehold interests and negotiate directly in the best interest of the Council.

Site No 1: Land at Awson Street, Foleshill, CV6 5GJ

0.096 acres comprising of hard standing land, located between residential properties, building yard and allotments. The land has been subject of fly-tipping, anti-social behaviour and cause of nuisance. Rights to access to the adjacent allotment will be retained. The land is managed, maintained and part of Place Directorate portfolio. Coventry and District Garden and Allotment Society are not interested in taking this land to extend the allotments.

Planning Policy Comments

The land in question appears to provide car parking for the adjacent allotments. The site is also situated in an isolated back-land location meaning development of the plot in isolation could prove difficult in terms of separation distances and creating an appropriate residential environment. The employment site to the south is included within the SHLAA, so in terms of longer term opportunities this could be incorporated into part of a wider scheme. Subject to maintenance of an appropriate buffer to existing residential properties and dependant on the detailed land use, the site could be used to extend the existing employment provisions. As an alternative, and notwithstanding viability concerns, a more formal green space offer could be provided or private parking provisions.



Site No 2: Land Hastings Road, Upper Stoke, CV2 4JE

0.389 acres comprising of hard standing land, partially overgrown with vegetation, situated between residential development and allotments. The land is non-operational and subject of fly-tipping. Rights to access the adjacent allotment will be retained. The land is managed, maintained and part of Place Directorate portfolio. The Coventry and District Allotment Society do not want to use this land to extend the allotments

Planning Policy Comments

This site has previously been explored through the SHLAA but has not been shortlisted. Like the Awson Street site it suffers from changes in national guidance around back-land development. I note the linear development that has historically taken place to the east of the site, however for the above reasons this could be difficult to replicate under current policy and guidance. The small plot identified may be best served as part of the wider allotment site, perhaps providing new provision to the local community as part of offsetting the loss from another site. Alternatively, like Awson Street, a private parking offer may also be possible.

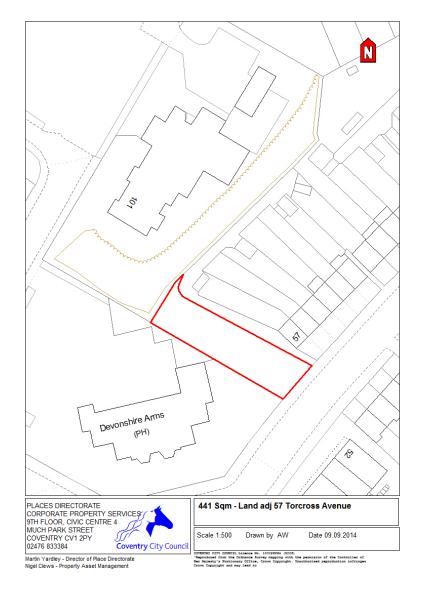


Site No 3: Land at Torcross Avenue, Wyken, CV2 3NW

0.109 acres comprising of hard standing land, partially overgrown with vegetation, situated between residential development and commercial property. The land serves the rear access to selected properties on Torcross Avenue. The land is managed, maintained and part of Place Directorate portfolio.

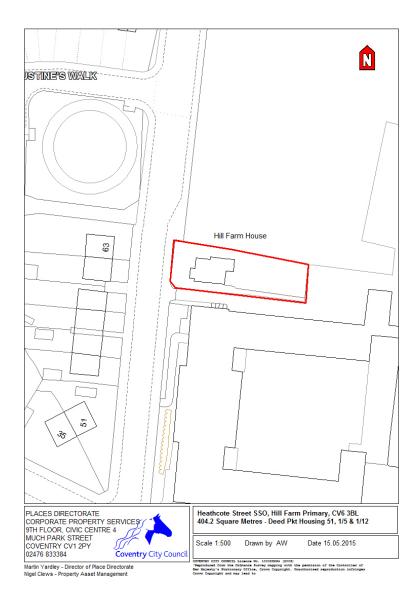
Planning Policy Comments

The site is situated within a predominantly residential area with a range of key services and facilities available within short distance. It appears to be an area of overgrown scrub land with well-established vegetation, which could constitute incidental urban green space. The site represents a vegetated buffer between the rear of the public house and number 57 Torcross Avenue. The site also appears to provide a shared access to the rear of 57-75 Torcross Avenue. Given its sustainable location and position within a residential area, it is possible that a single property could be provided for on this site, subject to suitable design and satisfying policy GE8, should it be determined relevant. To fully understand this it may require a further investigation of the site to determine any ecological or biodiversity value. In terms of design it will be important to consider the existing street scene as all surrounding properties are either semi-detached or terraced rows. There are no visible detached properties and the site may be too small to accommodate 2 homes. It will also be essential to consider the proximity to the adjacent pub building which appears to have extended up to the boundary. If a land swap involving the access point was possible this could present the most suitable approach



Site No 4: Heathcote Street, SSO Property, Radford, CV6 3BL

0.097 acres comprising of a detached 3 bed property, located next to Hill Farm Academy. Prior to becoming an Academy, the school entered into two separate leases with the Council (one for the school and another for the SSO property). The purpose of entering into two separate leases was to ensure that if the SSO property was surplus to Education requirements, the property would be surrendered back to the Council as part of the conditions and then it could subsequently be sold on the open market. The property is leased to Hill Farm Primary Academy, and Education have not objected to any potential disposal on the open market.



Site No. 5 Units 1-6, Toll Bar End, Siskin Drive Industrial Estate

In 1995 the Council granted a 999 year lease at a peppercorn without review in exchange for a premium of a 3.5 acre site forming part of the Siskin Drive Industrial Estate. The site is now fully developed and following discussions with one of the lessees regarding boundary rationalisation the possibility of a freehold disposal for a premium has been raised. Once complete we anticipate that the other lessees may approach the Council to buy their freeholds and thus enable further capital receipts. In view of the very long leases without the prospect of any income this will present the opportunity for further capital receipts at minimal risk to the Council.

