

DECISION-MAKER:	CABINET
SUBJECT:	DISPOSAL OF LAND AT STUDLAND ROAD, REDBRIDGE, SOUTHAMPTON
DATE OF DECISION:	14 MARCH 2011
REPORT OF:	CABINET MEMBER FOR RESOURCES & WORKFORCE PLANNING
STATEMENT OF CONFIDENTIALITY	
Confidential Appendix 2 contains information deemed to be exempt from general publication based on Category 3 of paragraph 10.4 of the Councils Access to Information Procedure Rules. Publication of the information could influence bids made on the Authority's other property transactions which maybe financially detrimental to the Council.	

BRIEF SUMMARY

This report seeks authority to dispose of the Land at Studland Road, Redbridge to Raglan Housing Group Limited to enable the redevelopment of the site for the provision of No31 new dwellings.

RECOMMENDATIONS:

- (i) To approve in principle the sale terms of the Studland Road to Raglan Housing Group Limited (Raglan) as detailed in appendix 2.
- (ii) To delegate authority to Head of Property and Procurement in consultation with the Cabinet member for Resources and Workforce Planning to agree detailed terms.

REASONS FOR REPORT RECOMMENDATIONS

1. The disposal of the Land at Studland Road to Raglan will generate a capital receipt from a surplus property asset which will be allocated to the general fund.
2. The disposal will enable the redevelopment of the site for No31 new dwellings across the site to providing a net gain of No30 new homes, offering a mixture of apartments and houses.
3. The site has previously been identified for disposal as part of the New Redbridge Primary School project, as detailed in the Cabinet Report dated 21 January 2007.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

4. Retain the site – rejected the site comprises a grounds maintenance depot which is longer utilised by the Council and a small section of land which is not required for the new Redbridge Primary School.
5. Not proceed with any of the bids received – the offer detailed in appendix 2 represents Best Value.

DETAIL (Including consultation carried out)

6. The site as shown edged in Plan V2937 in appendix 1 delineates the entire site to be sold. The cottage within the middle of the site (Rosebank) is within private ownership. Southampton City Council entered into a joint marketing agreement with the owner of Rosebank on 25 June 2009 to jointly market the sites, following the granting of planning permission.
7. The City Council secured an outline planning consent for the redevelopment of the site for No31 new dwellings, comprising a mix of No12 2 bedroom flats and No7 2 bedroom houses, No10 3 bedroom houses and No2 4 bedroom houses on 31 August 2010.
8. The site was marketed by the Capita Symonds seeking unconditional offers by Informal tender. A total of 4 bids were received for the site. The highest bid submitted by Raglan is recommended for approval, details of which are set out in the confidential appendix 2.
9. The offer submitted by Raglan is unconditional, which will enable the Council to proceed to the exchange of contracts and a subsequent sale without any delays.
10. The sale will be a joint disposal, acting with the owner of Rosebank Cottage. The owner of Rosebank will received a pre-agreed capital receipt as detailed in appendix 2 and documented in the joint marketing agreement.
11. Raglan will be acquiring the site without the need for external funding and therefore it is anticipated the sale will proceed without any undue delays. It has been estimated the capital receipt will be received in the first quarter of the financial year 2011/2012.

RESOURCE IMPLICATIONS

Capital/Revenue

12. The capital receipt to be received by Southampton City Council as detailed in appendix 2 will be allocated to the general fund.
13. The Councils professional costs attributed to the cost of disposal will be deducted form the capital receipt.
14. The owner of Rosebank Cottage will meet his own legal and surveying costs.
15. There are not any revenue implications.

Property/Other

16. The Councils property has been vacant for a period of 12 months, there are not any implications for the Council as an occupier.
17. Rosebank Cottage is vacant and will remain so until the site is sold.

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

18. The property will be sold in accordance with Section 123 Local Government Act 1972.

Other Legal Implications:

19. None.

POLICY FRAMEWORK IMPLICATIONS

20. The disposal of a council property for capital receipt supports the Councils medium term plan for revenue generation

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KEY DECISION? Yes/No Yes

WARDS/COMMUNITIES AFFECTED:	Redbridge
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SUPPORTING DOCUMENTATION

Non-confidential appendices are in the Members' Rooms and can be accessed on-line

Appendices

1.	Plan V2937
2.	Detailed Terms of Sale

Documents In Members' Rooms

1.	None
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Integrated Impact Assessment

Do the implications/subject of the report require an Integrated Impact Assessment (IIA) to be carried out.	Yes/No
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Other Background Documents

Integrated Impact Assessment and Other Background documents available for inspection at:

Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
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1.	None.	
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