

DECISION-MAKER:	CABINET
SUBJECT:	DISPOSAL OF LAND AT 52-54 SEAGARTH LANE SOUTHAMPTON
DATE OF DECISION:	21 AUGUST 2012
REPORT OF:	CABINET MEMBER FOR RESOURCES
STATEMENT OF CONFIDENTIALITY:	
None.	

BRIEF SUMMARY:

Hollybrook Infants School converted to a Trust School on 1st September 2011. In accordance with the prevailing legislation the City Council is required to transfer the land and buildings utilised by the school for the purposes of operating a school to the Trust. In this regard the freehold interest of schools land and buildings will be transferred at nil consideration. Hollybrook Infants School has had the benefit of using the rear garden of 52-54 Seagarth Lane for a short period of time. The School Trust wish to acquire this land in addition to the school premises. A disposal of the garden land will be a disposal at nil consideration, and does not form part of the mandatory Statutory Freehold Transfer. A disposal of this additional land will be a disposal at less than Best Consideration due to the Council forgoing the Market value of the land.

RECOMMENDATIONS:

- (i) To dispose of the rear garden land at 52-54 Seagarth Lane to the Hollybrook Infants school Trust at less than Best Consideration (nil consideration), as shown in appendix 1 - Plan V3337.
- (ii) To delegate authority to the Senior Manager for Property Procurement & Contract Management to agree any other terms as may be appropriate.
- (iii) To determine that, having had regard to the Children's & Young People Plan, the rear garden area will contribute to the health and well-being of the children attending the school.

REASONS FOR REPORT RECOMMENDATIONS:

1. The disposal will enable the Infants School to have access to a grass play surface indefinitely.
2. The disposal will provide the school with replacement play space, which has been lost through the construction of the Sure Start Children's Centre.
3. The disposal supports the overall health and well-being of school children being able to access outdoor play space.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED:

4. To charge Market Value for the land – rejected as the land replaces the area lost following the construction of the Sure Start Children's Centre by the Council.
5. To charge the reduction in capital value (sterilisation value) of 52-54 Seagarth Lane, following the loss of the rear garden.

6. To refuse the application by the School for the additional land. This is not an option as the land is in use by the School and the School could claim rights of shared use over the site, and as a minimum would be entitled to a licence on this basis.

DETAIL (Including consultation carried out):

7. Hollybrook Infant School have been provided access to the rear garden of 52-54 Seagarth Lane, following the construction of the new Sure Start Children's Centre within the school grounds. The Sure Start Centre was developed on part of the schools outdoor play space.
8. 52-54 Seagarth Lane was formerly a Council Resource Centre and ancillary offices, operated by Children's Services.
9. To ensure the children still had access to grass play area, specified use of the rear garden of 52-54 Seagarth Lane was permitted during school hours for the school term time only. The rear garden of Seagarth Lane was not being utilised by the Council during the general day to day operations of the building.
10. 52-54 Seagarth Lane has now been declared surplus and has been identified for disposal as part of the Councils strategy to rationalise property.
11. The transfer of the freehold interest in Hollybrook Infants school completed in conjunction with the neighbouring Junior School, as part of the Statutory Transfer process. This matter could not delay that disposal.
12. The disposal of the rear garden of 52-54 Seagarth Lane will result in a reduced capital receipt being received for 52 - 54 Seagarth Lane itself when sold.
13. 52-54 Seagarth Lane has residential conversion or redevelopment potential. The loss of the rear garden will reduce the gross development value to be achieved from the site and thus will impact upon the price a developer will be prepared to pay for the site. The impact upon the value of Seagarth Lane has been assessed as being £50,000
14. The disposal of the rear garden to the School at nil consideration is a disposal at less than Best consideration; the land having a Market Value of £3,400 as amenity land.
15. The previous Cabinet Members for Resources and Workforce Planning and Children's Services and Learning, were consulted regarding the proposed disposal of the garden land at nil consideration and supported the proposal.

RESOURCE IMPLICATIONS:

Capital/Revenue:

16. The City Council will be forgoing a capital receipt of £3,400 for the disposal of the rear garden of 52-54 Seagarth Lane.
17. The potential capital receipt from the disposal of 52 -54 Seagarth Lane will be reduced by approximately £50,000 due to the reduced development value from the site.
18. There are not any revenue implications.

Property/Other:

19. In addition to the potential reduction in capital value of 52-54 Seagarth Lane, the reduced amenity land to the rear of the property and the closer proximity of the school may deter or reduce the potential number of purchasers.

LEGAL IMPLICATIONS:

Statutory power to undertake proposals in the report:

- 20.. The Power for the Council to dispose of a property is provided by Section 123 of the Local Government Act 1972. The General Disposal Consent (England) 2003 allows Local Authorities to dispose of land at less than best consideration where the authority considers it will contribute to the promotion or improvement of economic, social, or environmental well-being of an area and the undervalue is less than £2 million. The Director of Children Services & Learning and The Director of Corporate Services support the disposal at less than Best Consideration because it will contribute to such well-being for the reasons set out above and the proposals are supported by and in accordance with the Children's & Young People Plan.

Other Legal Implications:

21. The City Council are not under any legal obligation to sell the land to the School Trust as part of the Statutory Transfer process.

POLICY FRAMEWORK IMPLICATIONS:

22. The provision of outdoor play space will contribute to the outcomes of the Children and Young People's Plan, by enabling children to be healthy through play and recreation and to enjoy and achieve in their academic life.

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KEY DECISION? No

WARDS/COMMUNITIES AFFECTED:	Bassett
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SUPPORTING DOCUMENTATION

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

Appendices:

1.	Plan V3337
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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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