

RECORD OF EXECUTIVE DECISION

Monday, 25 October 2010

Decision No: (CAB 10/11 4297)

| | |
|-----------------|---|
| DECISION-MAKER: | CABINET |
| PORTFOLIO AREA: | CABINET MEMBER FOR RESOURCES AND WORKFORCE PLANNING |
| SUBJECT: | SALE OF LAND AT PARKVILLE ROAD, SWAYTHLING |
| AUTHOR: | DEREK WILLIS, SENIOR VALUER |

THE DECISION

- (i) To approve the revised terms to the sale of the land as summarised in this report and delegate authority to the Head of Property and Procurement to negotiate any other changes to the terms necessary and to undertake such ancillary action in order to achieve the variation to the terms of the sale.
- (ii) To authorise the Solicitor to the Council to enter in to any legal documentation necessary in respect to the revised terms of the land sale and undertake any necessary ancillary action to enable the sale.

REASONS FOR THE DECISION

1. The land is currently underutilised, the sum offered represents best consideration for the site of the proposed development scheme (as revised) and will result in a significant capital receipt. The proposed sale price of the land is not to be subject to further negotiation by the intended purchaser; the alterations to the proposed scheme return the project to viability.
2. The proposed development retains socially desirable elements that will provide enhanced services to the local community including improved medical facilities for the area, pharmacy, two community / retail type units and convenience store. The student accommodation that is planned to be provided can be anticipated to relieve pressure on family housing in Swaythling resulting from student lettings in the area and is anticipated to assist in enhancing the offer the University of Southampton is able to make within the student market place.
3. The development will result in a prominent 13 storey building marking the entrance to Southampton from Junction 5 of the M27. This will achieve creation of a landmark 'Gateway' high rise building as proposed under a study commissioned by the Council entitled 'Gateway Approaches and Initiatives' in 2006 which provides informal guidance to the Planning

- Department when considering planning objectives on strategically located sites situated upon the approach roads to the city centre.
4. Property development is adversely affected by the ongoing economic problems facing the country, resulting in many proposed developments being shelved in the region. The proposed scheme is enabled by pre-lettings and sales of the ground floor commercial and upper student residential accommodation as now proposed. The development provides an opportunity to create jobs for the local construction industry during a difficult period as well as other ongoing job creation from the commercial elements of the proposed development. The proposal is for construction to start in April 2011 and there is a two year build period.
 5. The scheme would achieve a substantial regeneration of a strategic site which is currently unsightly and the visual amenity of the area will be improved as a result.

DETAILS OF ANY ALTERNATIVE OPTIONS

1. Do nothing and retain the property in which case the proposed sale will not come to fruition. It is now possible for either party to serve notice to terminate the current sale contract. The site would continue to be underutilised and there would be no capital receipt.
2. Re-market the property. The proposed purchaser has acted in good faith and made strenuous efforts to bring the site forward for development resulting in the current position and involving considerable expenditure on their part. It should be borne in mind that the proposed purchaser is the freeholder of the existing Stoneham doctor's surgery and is appointed by the surgery to bring about their expansion / relocation; they are therefore in a unique position when it comes to delivering the medical centre element of the new development.
3. Competitive bids have also been received by the proposed purchaser from pharmacy operators and convenience store operators who have entered in to pre letting agreements. Detailed planning applications have also been prepared and submitted with the result that the current proposed purchasers have a full knowledge of the site and as such are in a position that is very unlikely to be rivalled by another interested party. If the site were to be remarketed it would be without the above mentioned pre-letting / forward sale arrangements and there is no certainty that any bids would be received at the current time on a purely speculative basis.

OTHER RELEVANT MATTERS CONCERNING THE DECISION

None.

CONFLICTS OF INTEREST

None.

CONFIRMED AS A TRUE RECORD

We certify that the decision this document records was made in accordance with the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000 and is a true and accurate record of that decision.

Date:

Decision Maker:
The Cabinet

Proper Officer:
Judy Cordell

SCRUTINY

Note: This decision will come in to force at the expiry of 5 working days from the date of publication subject to any review under the Council's Scrutiny "Call-In" provisions.

Call-In Period expires on

Date of Call-in *(if applicable) (this suspends implementation)*

Call-in Procedure completed *(if applicable)*

Call-in heard by *(if applicable)*

Results of Call-in *(if applicable)*