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Report to Land and Asset Management Committee

15 September 2016

**Land at Mafeking Road, Smethwick
(Key Decision Ref. No. LAM021)**

1. Summary Statement

- 1.1 The purpose of this report is to seek authority to dispose of land at Mafeking Road, Smethwick to Countryside Limited.
- 1.2 The former Asset Management and Land Disposal Cabinet Committee at its meeting on 27 October 2011 authorised disposal of the site of the former properties 2-64 Mafeking Road, Smethwick as 10 plots to be sold in accordance with the Council's Individual Building Plot policy (Minute No 6/11) refers.
- 1.3 To accord to member approval, the availability of the Individual plots was advertised but following conclusion of the marketing exercise only two offers were received.
- 1.4 It was felt that to accept these offers and subsequently dispose of part of the site would have a detrimental impact upon the marketability and development of the remaining site and in the circumstances it was decided not to proceed with the sales but to offer the whole site for disposal.
- 1.5 Discussions regarding the future of the site have been ongoing for some time with potential for a Council house build being considered.

- 1.6 A request has, however, been received from Countryside Limited, the developer and owner of the adjoining site to residentially redevelop the site in conjunction with its adjoining land known as Brindley II.
- 1.7 The Brindley II site is directly opposite the Mafeking Road site and the intention would be for Countryside Ltd to bring forward the redevelopment of both sites at the same time. This will allow for a continuity of development and subsequently assist in delivering a comprehensive regeneration of the area.
- 1.8 In addition, to accommodate concerns raised by the local community including the Bangladeshi Islamic Centre and the adjoining Providence Church, it is further proposed that a car park will be developed whether that be on land already in Countryside's ownership or the land the company now wish to acquire.
- 1.9 In view of these proposals it is recommended that the land off Mafeking Road be made available for disposal to Countryside Limited.

2. Recommendations

To recommend to Cabinet that:

- 2.1 That Minute No. 6/11 taken by the former Asset Management Land Disposal Cabinet Committee on 27 October 2011 be not proceeded with in so far as it relates to the disposal of the freehold interest of land at Mafeking Road, Smethwick as 10 Individual Building Plots and/or disposal of the site on the open market.
- 2.2 That the Director – Governance be authorised to dispose of the freehold interest in approximately 3056 m² of land off Mafeking Road, Smethwick shown edged black on Plan No SAM/30960/003 to Countryside Ltd on terms and conditions to be agreed by the Director - Regeneration and Economy.
- 2.3 That, in the event that Countryside Ltd fail to complete acquisition of the land as outlined in 2.2 above or if terms of disposal cannot be agreed, the Director - Governance be authorised to dispose of the land on the open market on terms and conditions to be agreed by the Director - Regeneration and Economy.

- 2.4 That the Director – Governance be authorised to enter into or execute under seal, if necessary any other related documentation in connection with the disposal of the site on terms and conditions to be agreed by the Director - Regeneration and Economy.

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3. Strategic Resources Implications

- 3.1 An independent valuation of the site has been undertaken by Thomas Lister Limited a qualified firm of surveyors. The valuation states that the Council could expect to achieve a capital receipt in the region of £XXXXXX if offered to the open market for residential purposes less any quantifiable abnormal costs.
- 3.2 Disposal, however, of part of the site for car parking purposes to meet the aspirations of the local community will, with the majority of the site being residentially developed, XXXXXXXX the receipt achievable to £XXXXXXX.

4. Legal and Statutory Implications

- 4.1 It is Government policy that local authorities should dispose of surplus land wherever possible. Section 123 of the Local Government Act 1972 imposes a statutory duty on local authorities that land should be sold for the best consideration reasonably obtainable. So long as the developer's offer for the site is in accordance with the external valuation (for part residential part community car park) this will comply with section 123 of the Local Government Act 1972.

4.2 The Secretary of State has power to give a general consent for the purpose of land disposals by local authorities under their powers in the LGA 1972 (*section 128(1)*). Specific consent is not required for the disposal of any interest in land that the authority considers will help it to secure the promotion or improvement of the economic, social or environmental well-being of its area (*circular 06/03, Local Government Act 1972: General Disposal Consent (England) 2003*). Paragraph 3.2 details the reason behind the disposal and paragraphs 1.6 and 1.7 indicates that there is a long term benefit to the proposed disposal in that it will generate housing and revenue in the form of Council tax and also alleviate parking issues experience by local residents. This will result an improvement of not only the physical environment but also the area and a long term economic benefit, which would fall within the provisions of the General Consent.

5. **Implications for the Council's Scorecard Priorities**

5.1 Great Place

The site is currently a vacant brownfield site. It is underused land and gives a poor impression of the area. Its redevelopment for housing and car parking will have a beneficial impact on the appearance of the area and provide much needed housing.

5.2 Great People

This proposal will support local community groups by providing a shared car parking facility.

5.3 Great Performance

This proposal will enable new investment to come forward in this key location. In the longer term the development will deliver Council tax for the Council which will link to the Facing the Future agenda being devised by the Council. This is combined with the capital receipt that the Council will receive.

6 Background Details

- 6.1 Mafeking Road is located between Lewisham Road to the north and Whitehouse Drive to the south. Whitehouse Drive is part of the Brindley I development. To the eastern side of Mafeking Road, directly opposite, is the Brindley II site which is a cleared parcel of land, now owned by Countryside Ltd. A planning application for 155 dwellings is currently being considered by the Local Planning Authority.
- 6.2 The Mafeking Road site is a long and relatively narrow plot of land previously occupied by a row of terraces. It is understood the terrace was demolished around 20 years ago and the site has been vacant since. The site is securely fenced off and is not open to the public. The site does suffer from occasional fly tipping.
- 6.3 The potential disposal of the site for residential development was originally considered by Asset Management and Land Disposal Cabinet Committee in October 2011 when a decision was made to dispose of the site as Individual Building Plots. The site was subsequently marketed but there was insufficient demand for all the plots. In circumstances where the Individual Building Plots failed to sell the minutes authorised the freehold disposal of the site by the most suitable method of sale on terms and conditions to be agreed by the Director - Regeneration and Economy. However, given the time period that has lapsed and that the current proposal is for a direct allocation to Countryside Ltd it was considered that new Authority should be sought.
- 6.4 The former owners of the Brindley II site PxP, a public/ private sector partnership between Langtree and the Homes and Communities Agency, committed to providing a 20 space car park for use by the local community. This was reflected in the previous (now out of time) planning application for the Brindley II site. Officers will consider whether there is any scope to ensure that the car park is provided in line with the original planning application. In the event that this is not possible Countryside Ltd has agreed as a gesture of good will to provide the car park for the community. Officers are in the process of agreeing with Countryside Ltd and the local community how the car park will be managed and maintained.