

<b>Item No.</b>	<b>Classification:</b> Open	<b>Date:</b> 25/03/03	<b>MEETING NAME</b> Executive
<b>Report title:</b>		Disposal – 49 – 73 Consort Road, SE15	
<b>Ward(s) or groups affected:</b>		The Lane Ward	
<b>From:</b>		Strategic Director Regeneration	

### **RECOMMENDATION(S)**

1. That the Council dispose of 49 – 73 Consort Road, SE15.
2. That the Development & Regeneration Manager be authorised to agree the terms of the lease apart from the consideration.
3. That the receipt be 100% recycled into the East Dulwich Estate Regeneration.

### **BACKGROUND INFORMATION**

4. The subject property is a contiguous row of vacant sites, formerly supporting 13 terrace houses. The properties are located at 49 – 73 Consort Road and are shown edged black on the plan at Appendix I.
5. One third of the site currently forms part of an industrial yard and is improved with concrete hardstanding areas. The majority of the site is unimproved with overgrown vegetation. In addition, there is an advertising hoarding currently fronting 69 – 73 Consort Road.
6. The Director of Housing has declared the land surplus to operational requirements.

### **KEY ISSUES FOR CONSIDERATION**

7. Currently the property is in poor condition and is under-utilised. The proposed deal will enable the site to be developed for residential use (subject to planning). Albeit, that the income from the advertising hoarding will cease.
8. In order to comply with Capital Finance Regulations, whereby the Council is permitted to recycle 100% of the capital receipt, it is necessary to specify the scheme for which the money is to be used. In this instance, the receipt will be recycled into the East Dulwich Estate Regeneration.
9. Under normal circumstances, a surplus property would be marketed and sold to the highest bidder. In this case however, the site is seen as a useful adjunct to the adjoining site previously sold by the Council and currently under development by Presentation Housing Association.

The site was considered more suitable for a social housing development and the synergies presented allowed Presentation to offer a price well up to expectations. In addition of course the Council will take advantage of nomination rights directly benefiting applicants on the waiting list.

10. It is considered that the figure provisionally agreed represents best consideration that can reasonably be obtained and therefore complies with S.32 of the Housing Act 1985. It is also considered that the proposed transaction represents good value to the Council and acceptance is recommended.
11. The disposal of property held for housing purposes is permitted by virtue of Section 32 of the Housing Act 1985, subject to the consent of the First Secretary of State of the Office of the Deputy Prime Minister. In this case a specific consent is not necessary as the transaction falls within the provisions of paragraph E3.1 of the General Consent for the Disposal of Part II Land 1999.

### **Policy Implications**

12. The disposal of this site will generate substantial capital receipts which will be recycled to provide funding for the East Dulwich Estate. This helps the Council meet its commitment to regeneration and sustainability in housing as demonstrated through the 1998 – 2005 Southwark Housing Strategy.

### **Agenda 21**

13. The approval to dispose of the property will have no agenda 21 implications. However, the eventual development of the new housing will produce buildings using the latest sustainable building techniques and urban designs.

### **Consultation**

14. The proposed residential development will require planning consent, which will include the usual consultation requirements. It is not considered that any further consultation is necessary.

### **Resource implications**

15. A capital receipt will be generated from the sale.
16. 100% of the capital receipt from the disposal will be recycled into the East Dulwich Estate Regeneration.
17. The rental income currently generated from an advertising hoarding licence will be forgone upon the disposal. Consequential adjustments to revenue budgets will be necessary.

## **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

### **Concurrent Report of the Borough Solicitor & Secretary to the Council – Legal Issues**

18. It is recommended that the Council dispose of 49-73 Consort Road, SE15 and that the Development and Regeneration Manager be authorised to agree the terms of the Lease apart from the consideration and that the 100% received is recycled into the East Dulwich Estate regeneration.
19. As the property falls within the Council's housing portfolio, the disposal can only proceed in accordance with Section 32 of the Housing Act 1985, for which purposes the consent of the Secretary of State is required. The General Consent for the Disposal of Part II Land 1999 enables a local authority to dispose of any land held for the purposes of Part II for the best consideration that can reasonably be obtained, provided that any dwelling/house included in the disposal is vacant and will be demolished without being used again as housing accommodation. The report indicates that the subject property is a contiguous row of vacant sites formerly supporting 13 terraced houses and the consideration represents the best that can reasonably be obtained.
20. If Members are therefore satisfied that the transaction represents value for money they may proceed with the approval of the recommendation.

### **Concurrent Report of the Director of Housing**

- 21 The site has been declared surplus by the Director of Housing. It is envisaged that disposal will be to a Housing Association for the purposes of providing affordable housing.

<b>Background Papers</b>	<b>Held At</b>	<b>Contact</b>
Property Division File	Southwark Property Chiltern House Portland Street London SE17 2ES	Craig Clayworth 020 7525 5630

**APPENDIX A**

**Audit Trail**

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<b>Version</b>	Final Draft	
<b>Dated</b>	17/3/03	
<b>Key Decision?</b>	No	
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / EXECUTIVE MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments included</b>
Borough Solicitor & Secretary	Yes	Yes
Chief Finance Officer	Yes	Yes
<b>Executive Member</b>	Yes	No
<b>Date final report sent to Constitutional Support Services</b>	17/03/03	

**APPENDIX I**

**LOCATION PLAN**