

Item No.	Classification: Open	Date: 20/05/03	MEETING NAME Executive
Report title:		Disposal of freehold interest in 262 – 284 Lynton Road, London, SE16.	
Ward(s) or groups affected:		South Bermondsey	
From:		Strategic Director of Regeneration	

RECOMMENDATIONS

1. That the Executive authorise the Strategic Director of Regeneration to accept the surrender of the existing long lease on 262 – 284 Lynton Road, London, SE16 and simultaneously grant a 125 year building lease to the proposed developer. The subject property is shown edged black on the attached plan.
2. On satisfactory completion of the scheme the freehold interest will be transferred to the developer for the consideration of £1.

BACKGROUND INFORMATION

3. The site is broadly rectangular and comprises of a yard used for the purposes of a scaffolding business. There is also a single two storey residential building on the site. The residential property fronts onto Lynton Road and is ancillary to the operation of the scaffolding business.
4. The tenant in conjunction with the developer recently approached the Council with a proposal to develop the subject property for residential accommodation.
5. The subject property is held in the Council's Commercial Property Holding Account.

KEY ISSUES FOR CONSIDERATION

6. The site to be conveyed will be incorporated with an adjoining site that is shown cross hatched on the attached plan. Within the proposed development scheme 17 of the residential units will be allocated for affordable accommodation. There will also be 33 car parking spaces within the overall scheme.
7. It is considered that the figure provisionally agreed represents best consideration and therefore complies with S.123 of the Local Government Act 1972. It is also considered that the proposed transaction represents good value to the Council and agreement is recommended.

RESOURCE IMPLICATIONS

8. There will not be any income loss from the surrender of the existing long lease as it was at a peppercorn per annum without review.

Local Agenda 21

9. The disposal and development of the subject property will result in its improvement and full utilisation whilst also incorporating the adjoining brownfield land. This will lead to a general enhancement of this predominantly residential area whilst also providing both private and affordable residential accommodation and commercial space. This creates a better mix of uses whilst also providing employment opportunities, accommodation for small to medium size enterprises and home working opportunities.

Consultation

10. As the proposed scheme requires planning permission the usual consultation requirements will be fulfilled at this stage of the development process.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

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

11. 262-284 Lynton Road SE16 is held within the Commercial Property Holding Account. Section 123 of the Local Government Act 1972 enables the Council to dispose of land which it owns on such terms as it thinks fit, provided that the Council obtains the best consideration that can reasonably be obtained. The Strategic Director of Regeneration confirms that the consideration proposed constitutes best consideration and so satisfied the statutory requirements. The Executive may therefore approve the disposal on the terms outlined in the report.

Background Papers	Held At	Contact
Property Division File	Southwark Property Chiltern House Portland Street London SE17 2ES	Michael Hanily 020 7525 5648