

Item No. 19.	Classification: Open	Date: 16 July 2013	Meeting Name: Cabinet
Report title:		Disposal of Property at Wood's Road, SE15	
Ward(s) or groups affected:		Nunhead	
Cabinet Member:		Councillor Richard Livingstone, Finance, Resources and Community Safety	

FOREWORD – COUNCILLOR RICHARD LIVINGSTONE, CABINET MEMBER FOR FINANCE, RESOURCES AND COMMUNITY SAFETY

This report recommends the sale of land at Wood's Road that was previously the site of Tuke School. Since the enlargement and relocation of that school, this site is surplus to educational requirements and has been identified in the Peckham and Nunhead Area Action Plan for residential use.

This decision will return land to Cossall Park that had been used by the school and will generate a capital receipt that will be invested in improvements for schools and other children's facilities.

RECOMMENDATIONS

That the cabinet

1. Approves the disposal of the site at Wood's Road Peckham as shown hatched black on the attached plan ("the Site") to the bidder and on the terms identified on the closed agenda report, subject to any further negotiations considered necessary by the head of property;
2. Approves the disposal of the site to an alternative buyer on terms to be approved by the head of property at not less than the best consideration that can reasonably be obtained should the preferred disposal not proceed within a reasonable time.

BACKGROUND INFORMATION

3. The council owns the site hatched black on the attached plan. This is part of the site of the former Tuke School which has moved to new premises nearby at Daniel Gardens built with funding secured under the Southwark Schools for the Future Project. The new school is now open.
4. The Site has been declared surplus to requirements by the director of children's services and cleared pending redevelopment.

KEY ISSUES FOR CONSIDERATION

5. The Southwark Plan identifies both the site hatched black and the adjoining site for new housing. This allocation is confirmed in the emerging Peckham and Nunhead Area Action Plan. It also helps to replace housing capacity lost when

the school was moved to its new site.

6. The adjoining land and property edged black is in private ownership and together with the council site makes up the housing proposal area in the Southwark Plan. Assembling the combined site would enable both owners to benefit from enhanced value as well as delivering a regeneration priority.
7. The head of property provisionally agreed terms with the adjoining owner for a joint disposal of the combined site. These terms are described in the closed agenda report for reasons of commercial confidentiality. The council's land in the proposal site is 0.66 acres and the combined total 1.6 acres.
8. National property consultants Colliers were appointed to market the combined site on behalf of both landowners. The development opportunity was advertised nationally in print and on-line media. A closing date was set for offers which are summarised in the closed agenda report, again for reasons of commercial confidentiality. There was strong interest in the Site and in developing housing in the area, including affordable and family housing.
9. As this is the location of a former school, it has been necessary to obtain consent from central government for a disposal. This was secured prior to marketing but the regulations then changed and a further application had to be made. Consents were finally secured in June 2013.
10. The disposal will be subject to planning consent and the combined site will deliver around 115 new homes as well as a substantial receipt to contribute to the capital programme. The new homes will be subject to the planning application process and will need to meet adopted policy on affordable homes, tenure and unit mix including family housing.
11. It is confirmed that the terms recommended are the best consideration reasonably obtainable for the Site at this time and follow an open competitive marketing procedure. It is recommended that the sale now proceed in order to secure the capital receipt and a regeneration priority for the Peckham area.

Policy implications

12. The recommendation is in line with the strategy of disposing of surplus sites and property for optimum use of resources and securing receipts for the capital programme. It will assist with delivery of the council's adopted planning policies for the regeneration of the Peckham area.

Community impact statement

13. The community impact of proposals has been considered through the development of the Peckham and Nunhead Area Action Plan as well as the relocation of the former school. Provision of new housing will assist with delivery of affordable, private and family housing in an area of high demand.
14. There is no net loss of school places and facilities as the new, larger building has been provided for Tuke School. Provision of additional school places to meet demand is being met using other sites. The proposed scheme will help to replace land in residential use that was given up for the new site for Tuke School. An existing primary (John Donne School) will continue to operate from another site on the opposite side of Wood's Road.

15. An area of amenity land adjoining the Site which had been used on loan from Cossall Park by Tuke School is being returned to Park use and is not included in the disposal. This follows agreed planning policy and will increase the area and amenities of Cossall Park.

Resource implications

16. This proposal will generate a capital receipt which is expected in the financial year 2014/15.
17. A contribution is being paid by the buyers towards the council's administrative costs.

Consultation

18. Development will require planning consent and the usual consultation necessary as part of that process. Consultation has already been undertaken in respect of relocating the school. The emerging Peckham and Nunhead Area Action Plan is subject to several stages of consultation which are ongoing although the principle of residential use at this site is well established from the earlier Unitary Development Plan.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Legal Services

19. Schedule 1 of the Academies Act 2010 (as amended by Section 63 (Schedule 14) of the Education Act 2011) requires that the consent of the Secretary of State for Education is required to dispose of community school land to include all land in which a freehold or leasehold interest is held by a local authority and which has been used for any school in the last 8 years. Consent for the disposal of this property was given by the Secretary of State on 3 June 2013.
20. Section 77(1) of the School Standards and Framework Act 1998 ("SSFA") applies to the disposal of playing fields where the playing fields are used by a maintained school for the purposes of a school at any time during the preceding 10 years. The definition of playing fields is contained in section 77(7) of the SSFA meaning land in the open air which is provided for the purposes of physical education or recreation other than any prescribed description of such land the department of education has taken the view that informal and social areas are included in this definition. A number of general consents have been provided in the Schedule to the School Playing Fields General Disposal and Change of Use Consent (No 4) 2012. Paragraph 1 of that schedule enables disposal of hard play areas and enclosed social areas and other ancillary social and recreation or habitat areas that surround the buildings at closed or closing school sites provided that either :
 - (a) No other schools share or border the site, or
 - (b) The body seeking to dispose of the land can satisfy the Secretary of State that the areas in question are not needed by any other schools which share or border the site. This consent is applicable to this property and that has been acknowledged by the Department of Education School Assets Team on 4 June 2013.

21. Section 123 of the Local Government Act 1972 states that except with the consent of the Secretary of State, a council shall not dispose of land under that section, otherwise than by way of a short tenancy, for a consideration less than the best that can reasonably be obtained.
22. The report confirms in paragraph 9 that the consideration is the best that can reasonably be obtained. Cabinet may proceed with the approval of the Recommendation.

Strategic Director of Finance and Central Services (FC13/045)

23. This report recommends that cabinet approve the disposal of property at Woods Road, SE15 for an agreed sum. The report also recommends that cabinet approves the sale to another bidder on comparable terms should the original sale not proceed within a reasonable time.
24. The strategic director of finance and corporate services notes the closing of the sale is subject to planning approval and therefore if planning negotiations become protracted, there is likelihood, albeit minimal, that receipts from the sale may extend beyond 2014/15. This should be reflected in the capital receipts.
25. The staffing resources necessary for the completion of the sale will come from existing staffing resources, with the buyer also making a contribution towards total costs. There are no other financial implications.

Strategic Director of Children’s and Adults’ Services

26. Tuke School was rebuilt on an alternative site as part of Southwark's Building Schools for the Future (BSF) programme and the disposal of the Woods Road site supported the funding for that programme. The site was declared surplus by children's services in 2011. A detailed strategy for meeting primary place demand is to be considered by cabinet in July 2013 and this site is not considered to be required to support the delivery of the necessary new places identified in that strategy.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Peckham and Nunhead Area Action Plan (Draft). The document is available to view on this web page: http://www.southwark.gov.uk/info/2/00315/peckham_and_nunhead	Southwark Property 160 Tooley Street London SE1 2QH	Christopher Rhodes Principal Surveyor 020 7525 5480

APPENDICES

No.	Title
Appendix 1	Site plan

AUDIT TRAIL

Cabinet Member	Councillor Richard Livingstone, Finance, Resources and Community Safety	
Lead Officer	Eleanor Kelly, Chief Executive	
Report Author	Christopher Rhodes, Principal Surveyor	
Version	Final	
Dated	4 July 2013	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments Included
Director of Legal Services	Yes	Yes
Strategic Director of Finance and Corporate Services	Yes	Yes
Strategic Director of Children's and Adults Services	Yes	Yes
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team	4 July 2013	