

Committee: Cabinet

Date: 12 October 2016

Wards: Ravensbury

Subject: Ravensbury Garages, Ravensbury Grove, Mitcham, CR4 4DL

Lead officer: Chris Lee, Director of Environment and Regeneration

Lead member: Councillor Mark Allison, Deputy Leader and Cabinet Member for Finance

Contact officer: Howard Joy, Property Management and Review Manager

Recommendations:

- A. Land adjoining Ravensbury Garages be declared surplus to requirements.
- B. The decision of Cabinet on 18th December 2006 minute 3 D) is rescinded.
- C. The Director of Environment and Regeneration is authorised to dispose of the Ravensbury Garage Site under his delegated powers in consultation with the Cabinet Member.

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. Ravensbury Garages comprises blocks of disused and derelict garages located at the end of Ravensbury Grove. Cabinet on 15th November 2004 decided that the property was surplus to council requirements and should be sold to a housing association but this decision was varied by Cabinet on 18th December 2006 where the decision was made to sell the property on the open market.
- 1.2. At the time of the 2004 and 2006 decisions the adjoining housing stock was owned by the Council but on the 22nd March 2010 the Council's housing stock was transferred to Merton Priory Homes. Merton Priory Homes/Circle Housing are intending to redevelop their property and a better more comprehensive scheme can be provided if the property owned by the Council that was excluded from the stock transfer were sold to them and included within the redevelopment.
- 1.3. These 2004 and 2006 decisions only referred to the block of garages. The new scheme includes an area of adjoining land owned by the Council. To facilitate the redevelopment this extra land needs to be declared surplus to council requirements and the 2006 Cabinet decision needs to be amended to allow sale of both areas to Merton Priory Homes/Circle Housing.

2 DETAILS

- 2.1. At the Southern end of Ravensbury Grove lie two areas of land that remain within the ownership of the Council as they were not transferred to Merton Priory Homes/Circle Housing on 22nd March 2010 as part of the stock transfer. These two areas adjoin and comprise Ravensbury Garages which are derelict and have laid empty for over sixteen years and an area of grass with a large planter upon it. The total site area of both the garages and the

open space comprises approximately 0.24 hectares/0.59 acres (edged red on attached plan).

- 2.2. To facilitate the regeneration of the Ravensbury Estate which is owned by Circle Housing it is the intention, subject to authority, to dispose of the Council's freehold interest in both the garages and the adjoining open space (edged red on attached plan – the Ravensbury Garage Site) to Circle Housing.
- 2.3. A planning application was considered by Planning Applications Committee on 15th September 2016 with a recommendation to grant planning permission to develop this site plus 64-70 Ravensbury Grove to provide 21 Residential units (C3) – comprising 14 flats and 7 dwelling houses. This recommendation was approved subject to conditions.
- 2.4. An application was submitted on 8th June 2016 to list an area of grass adjoining the entrance to the garages as an Asset of Community Value (cross hatched blue on attached plan). The application did not meet the requirements of the Localism Act 2011 and therefore the area cross hatched blue on the attached plan was not listed as an Asset of Community Value.
- 2.5. The disposal is subject to obtaining the best consideration reasonably obtainable. The best means of demonstrating this would be through an open market sale. However the adjoining landowner Circle Housing comprises a special purchaser who would be expected to outbid any other interested party. Therefore the DVS (District Valuer Service) has been instructed jointly to provide an independent valuation of the site for sale to a special purchaser. This figure is to form the purchase price.
- 2.6. Cabinet on 15th November 2004 declared Ravensbury Garages surplus to requirements and authorised the Director of Environment and Regeneration to dispose of the property to Presentation Housing Association. Cabinet also decided that the capital receipt from the sale of this site be used for regeneration purposes-details to be determined through the budget process.
- 2.7. Cabinet on 18th December 2006 amended its decision on 15th November 2004. This decision was: "That Cabinet agrees to cease all negotiations for new affordable housing on this site as previously decided in a Cabinet report dated 15th November 2004, and that Cabinet approves the sale of this site on the open market, having sought outline planning permission – subject to necessary consents and to be completed by the Director of Environment and Regeneration under the Scheme of Management."
- 2.8. The decisions of Cabinet on 15th November 2004 and 18th December 2006 have not been superseded and the land that adjoins the garages has not been declared surplus to council requirements. Cabinet will therefore need to declare the area of land surplus to requirements and rescind its decision of 18th December 2006 (Minute 3 D)) to authorise the disposal to Circle Housing by private treaty and the Director of Environment and Regeneration to approve main terms of the disposal under his delegated powers.

3 ALTERNATIVE OPTIONS

- 3.1. Retain the property. The property is of minimal benefit to the Council.
- 3.2. Disposal on the open market. This is unlikely to achieve a better redevelopment or capital receipt.

4 CONSULTATION UNDERTAKEN OR PROPOSED

- 4.1. Through the planning application process.

5 TIMETABLE

- 5.1. Exchange of contracts will take place as soon as the necessary legal documentation is agreed. Completion of the disposal will take place once an acceptable planning consent is granted.

6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 6.1. Property implications are contained within the “Details” section of this report.

7 LEGAL AND STATUTORY IMPLICATIONS

- 7.1. The council is under an obligation under s123 of the Local Government Act 1972 when disposing of an interest in land to obtain best consideration reasonably obtainable.
- 7.2. The council has a duty to act fairly and reasonably in carrying out its functions and duties.
- 7.3. Decisions taken in accordance with the Recommendations of this report will not, in themselves, give rise to any state aid and/or European procurement implications. In addition, paragraph 2.5 of the report provides that the disposal is subject to obtaining the best consideration reasonably obtainable. On this basis, the disposal of the Ravensbury Garages and/or the adjoining land will not engage the state aid rules or the European procurement rules.

8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 8.1. None for the purpose of this report

9 CRIME AND DISORDER IMPLICATIONS

- 9.1. None for the purpose of this report

10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

10.1. None for the purpose of this report

11 APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT

- Location Plan

12 BACKGROUND PAPERS

12.1. None.