

Agenda Item 28

Cabinet

07 March 2012

12/1215



Agreement of terms for the sale of former public toilets and land at Littleham, Exmouth

Exempt Information

Para 3 Schedule 12A information relating to the finance or business affairs of any particular person

Summary

The former public conveniences at Littleham, Exmouth were included as part of the Priority Disposal Programme approved by Cabinet 13 July 2011. The land has been marketed and a sale agreed subject to Cabinet approval.

Recommendation

To see the former public conveniences at Littleham Exmouth subject to a 50% uplift clause in the Council's favour should any development be permitted on the site.

a) Reasons for Recommendation

To raise a capital receipt as part of the Priority Disposal Programme implemented to assist capital programme delivery.

b) Alternative Options

Retain the land

c) Risk Considerations

The risk considerations are set out in the main body of the report

d) Policy and Budgetary Considerations

The sale will raise a capital receipt of £44,000 less legal costs

e) Date for Review of Decision

N/A

1 Main Body of the Report

1.1 The premises has now been marketed. The campaign included advertisements in the local paper and a "For Sale" notice being displayed on the site. Approximately fourteen enquiries were received, and five bids made.

- 1.2 A similar toilet block has been sold in Otterton in the last month but with planning permission for residential development. This sold for £112,000
- 1.3 The Planning Authority have advised that the land is unlikely to be granted permission for residential development due to potential flooding risk and the suitability of the location. A clawback clause will however be included so that the Council will benefit 50% of any uplift in value if permission is granted for a higher value use in the future.
- 1.4 The purchaser intends to convert the building for Office / storage use. Consent to a change of change of use will be required but the sale is not subject planning permission.
- 1.5 Ward Member and the Parish Council have no objections to the recommendation.

Legal Implications

Under S123 of the Local Government Act 1972, except with the consent of the Secretary of State, a council shall not dispose of land, otherwise than by way of a short tenancy, for a consideration less than the best that can reasonably be obtained. The terms of the General Disposal Consent 2003 mean that specific consent is not required for the disposal of any interest in land which the authority considers will help it to secure the promotion or improvement of the economic, social or environmental well-being of its area. Where applicable, authorities should also have regard to their community strategy. Disposal at less than best consideration is subject to the condition that the undervalue does not exceed £2,000,000.

The report identifies the sale as part of the Priority Disposal Programme; the intended use and the effect of the clawback clause would matters indicating that specific consent under the 2003 Consent would not be required in any event.

Financial Implications

The £44,000 capital receipt less legal costs will be welcome funding for the capital programme.

Consultation on Reports to the Executive

Background Papers

Cabinet Report: Priority Disposal Programme. See agenda no. 2.2(8) dated the 13 July 2011.

Appendices

- ❑ Copy of plan showing the land to be sold
- ❑ Photos
- ❑ Ward Members Observation

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