

Commercial Property Disposals – 1 - 4 St Johns Cottages, Charlton Musgrove

Executive Portfolio Holder: Councillor Ric Pallister, Strategy and Policy
Strategic Director: Vega Sturgess, Operations and Customer Focus
Assistant Director: Donna Parham, Assistant Director (Finance & Corporate Services)
Lead Officers: Diane Layzell, Senior Land & Property Officer
Contact Details: diane.layzell@southsomerset.gov.uk or 01935 462058

Purpose of the Report

The purpose of this report is to recommend that District Executive agree to the leasehold transfer of the land adjacent to 1-4 St Johns Cottages, Charlton Musgrove to the Parish Council, for use as a community garden or allotment site, at less than best consideration.

Public Interest

At the time of the District Councils Housing Stock transfer back in 1998/99, a section of land adjacent to 1-4 St Johns Cottages, Charlton Musgrove was retained by the District Council. This had been let to residents in 2 and 3 St Johns Cottages for garden use. These lettings have now ceased and, whilst the land has been considered for other uses, it has remained vacant and become overgrown. The Parish Council are keen to establish an allotment site for local residents and this has been identified as an excellent site for this.

Recommendations

That District Executive approve:

1. the leasehold transfer of Council land adjacent to 1-4 St Johns Cottages, Charlton Musgrove to the Parish Council for 75 years at £1 per annum (less than best consideration);
2. the lease will restrict the use to that of an allotment site or community garden;
3. the Parish Council will be responsible for all legal and professional costs incurred as a result of this transaction.

Background

In 1998/99 the District Council transferred its housing stock to South Somerset Homes, now Yarlinton Housing Group, but retained many areas of grassland. One section of land which was retained is a section of land adjacent to 1-4 St Johns Cottages, Charlton Musgrove.

The land used to be let to the residents of 2 and 3 St Johns Cottages as garden, being that their properties had little or no garden to speak of. These lettings have since ended and the land has been vacant since.

SSDC has considered other uses such as residential but the services running under the site have really rendered the site unsuitable.

Wessex Water owns a rectangular section of land within the site which is the cause of its restricted use. The Land Registry title document for Wessex Water is attached for information purposes. The District Councils ownership of the remaining land has yet to be registered at the Land

Registry, although it was included in the housing stock transfer documents sent to the Land Registry.

Report

Charlton Musgrove Parish Council has been interested in setting up an allotment site for local residents as they have shown a strong interest. With this in mind, the Parish Council approached SSDC to see if they could utilise this section of land to deliver this community need.

A consultation was submitted which resulted in 100% support from the Portfolio Holder, Senior Management, Officers and Ward Members.

Using the Councils Asset Transfer criteria, the Parish Council were offered:

- 1) lease of the land
- 2) term of 75 years
- 3) the use would be restricted to that of an allotment site or community garden
- 4) that they would pay the Councils legal and professional costs incurred as a result of the transfer

The Land and Property Officer has recently received confirmation from the Parish Clerk that the terms are acceptable to its members and is now seeking consent to the asset transfer.

SSDC's valuer has assessed the leasehold value of the land, with restricted use to that of allotments or community garden, at £506.25. However it should be noted that this income is generated only because of the change of use and in its current condition it carries liabilities and potential costs linked to maintenance.

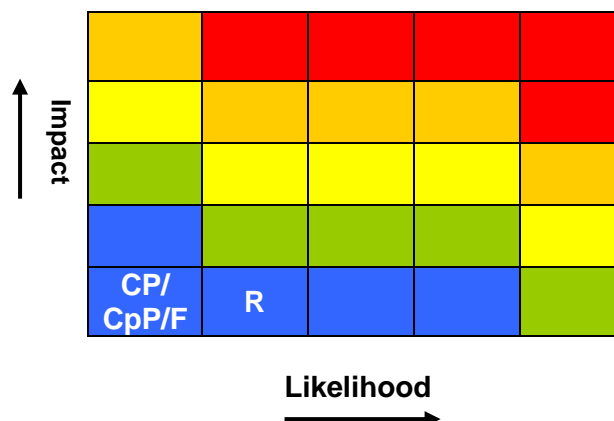
Alternative uses for the site have been considered by our housing team but the section of the site which Wessex Water owns renders it unsuitable.

Financial Implications

If Members agree to the leasehold transfer of this site under the Asset Transfer Policy it would be at £1 (less than best consideration) with SSDC foregoing a possible annual income of £506.25. However, the site currently generates no income and has an ad-hoc maintenance liability from time to time.

Further financial details are attached in the asset sale disposal form.

Risk Matrix



Key

Categories	Colours <i>(for further detail please refer to Risk management strategy)</i>
R = Reputation	Red = High impact and high probability
CpP = Corporate Plan Priorities	Orange = Major impact and major probability
CP = Community Priorities	Yellow = Moderate impact and moderate probability
CY = Capacity	Green = Minor impact and minor probability
F = Financial	Blue = Insignificant impact and insignificant probability

Corporate Priority Implications:-

Delivering Well-Managed Cost Effective Services.

- Provide even better value for money from our services

Carbon Emissions and Climate Change Implications

There would be no impact to Carbon Emissions as the sites use would be similar

Equality and Diversity Implications

The site will be transferred to the Parish Council who have local residents wanting allotments and as they are keen to see them occupied by their residents this should become a community site for the benefit of all the residents in Charlton Musgrove.

Background Papers

Valuers report



ASSET SALE APPRAISAL FORM

Section 1

Name of Asset to be Sold	Project No.
<p>Asset to be disposed of:-</p> <p>Land adjacent to 1-4 St Johns Cottages, Charlton Musgrove</p> <p>Lead Officer:</p> <p>Diane Layzell, Senior Land and Property Officer</p>	

Section 2

Reason for Sale
<p>There is no strategic need for retention by SSSC and this transfer passes the site into local control and management</p> <p>Meets Corporate Priority:</p> <ul style="list-style-type: none"> • Deliver well managed cost effective services valued by our customers

Section 3

Income From Sale	
Gross Income from Sale	£ 1.00
Less Cost of Sale e.g. valuation fee	£ 0
Net Income (cost)	£ 1.00

Section 4

Loss of Rental or Other Income						
	Mgmt Code	2015/16 £	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Rental Income		0	0	0	0	0
Other Income		Nil	Nil	Nil	Nil	Nil

Section 5

Savings in Costs (annual)
<p>No works or repairs needed as the land will be transferred in its current condition</p>

Section 6

Savings in Costs - one off (i.e. urgent major repairs required)	
	None

Section 7

Financial Analysis – Revenue						
	2015/16 £	2016/17 £	2017/18 £	2018/19 £	2019/20 £	
Interest from receipt	(0)	(0)	(0)	(0)	(0)	
Loss of Income	0	0	0	0	0	
Savings in Expenses						
- Salaries						
- Repairs & Maintenance	Nil	Nil	Nil	Nil	Nil	
- Other						
Total Revenue Cost / (Net saving)	0	0	0	0	0	

Section 8

Scheme Evaluation by Management Team	

Section 9

Stage of Project (i.e. Feasibility)	
	N/A

Section 10

Expected Completion Date	
	It is expected that the transfer will complete by the end of the current financial year