
Central Dudley Area Committee – 22nd January 2008

Report of the Director of Law and Property

Applications in respect of land and property owned by the Council

Purpose of Report

1. To bring to the Committee's attention requests relating to land and property controlled by the Council and to seek the Committee's recommendations on those requests.

Background

2. The Council has interests in a substantial amount of land and property across the Borough, those interests being controlled by the Council's various Directorates.
3. Requests are received from the public on a regular basis for property related matters such as purchases, leases, licences, easements and access agreements. Those requests are dealt with by the Directorate Law and Property who carry out a consultation process with the Council's relevant Directorates before preparing a report for Committee to consider.
4. Reports for this Committee are attached as appendices and the proposal resulting from the consultation on each particular request is set out at the end of each appendix. A plan is provided where required.

Finance

5. In general terms leases, easement and access agreements each generate an income for the Council. The sale of the land generates a capital receipt of the Council, the size of which would depend on a valuation placed on the site by the Director of Law and Property and the price finally agreed between the parties.

Law

6. Section 123 of the Local Government Act, 1972 enables the Council to dispose of its interests in land at the best price reasonably obtainable.

Section 123(2A) of the Local Government Act, 1972 requires the Council prior to any disposal of open space to advertise notice of its intention to do so for two consecutive weeks in a newspaper circulating in the area in which the land is situate and to consider any objections which may be made.

The various statutory undertakers will have statutory powers to install equipment in Council owned land, but they do apply to the Council for a formal agreement, such as an easement, on a regular basis.

Section 32 and 34 of the Housing Act, 1985 and the General Consents for the disposal of Houses and Land, 1999, enable the Council to let and dispose of land and buildings held for housing purposes at the best price reasonably obtainable.

Section 33 of the Local Government (Miscellaneous Provisions) Act 1982 enables the Council to apply provision to any land it sells restricting its future use, provided the relevant section of the Act are specifically referred to in the transfer document and are registered as a local land charge.

Section 111 of the Local Government Act, 1972 empowers the Council to do anything calculated to facilitate or which is conducive to or incidental to the discharge of any of its functions.

Equality Impact

7. The proposals take into account the Council's equal opportunities policies.

Recommendation

8. It is recommended that proposals contained in each of the attached appendices be approved.



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John Polychronakis
Director of Law and Property

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List of Background Papers
See individual appendices

Central Dudley Area Committee

Date: 22nd January 2008

Request for: Application to Purchase Freehold

Location: Kwik Save Stores, Peartree Lane, Cinder Bank, Dudley

(As shown on the plan attached)

Background

An application has been received from Harris Keane Property Consultant, London, on behalf of Aldi Stores Ltd, to purchase the freehold title of the above mentioned Council owned site, as shown marked on the plan attached.

The Kwik Save Store is leased by the Council for 25 years at a rental of £73,000.00. The lease comes to its end in 2010. The land is under the control of the Directorate of the Urban Environment (Highways Section) and was acquired in February 1993 for highway improvements for the Dudley Southern Bypass. The scheme has now been completed.

Following the completion of the road scheme, it was agreed that Kwik Save would enter into a Deed of Variation and a supplemental lease being completed.

Kwik Save has now gone into receivership and their administrators have agreed terms for Aldi to take an assignment of the lease and the assignment is now being progressed.

Aldi would like to undertake a redevelopment of the site to create a new build store of approximately 16,000 sq ft with associated car parking and have therefore asked to purchase the freehold of the site.

Comments

All of the relevant Council Directorates have been consulted regarding this matter.

The Directorate of the Urban Environment and the Directorate of Law and Property do not wish to dispose of the freehold of the site as further land may be required in the future for road improvements. However they have no objections to the surrender of the lease and the granting of a new long lease to Aldi Stores of a reduced area, as shown indicated (A) on the attached plan and the granting of a licence to occupy land indicated (B) on the plan in order for the purposes of highway improvements.

The above are subject to the completion of a deed of variation and supplementary lease, which was previously agreed with Kwik Save following the completion of the Dudley Southern Bypass scheme, terms and conditions relating to an assignment of the lease and settlement of the outstanding rent review.

Proposal

That the Area Committee advise the Cabinet Member for Transportation to:

1. Refuse the application to purchase the freehold.

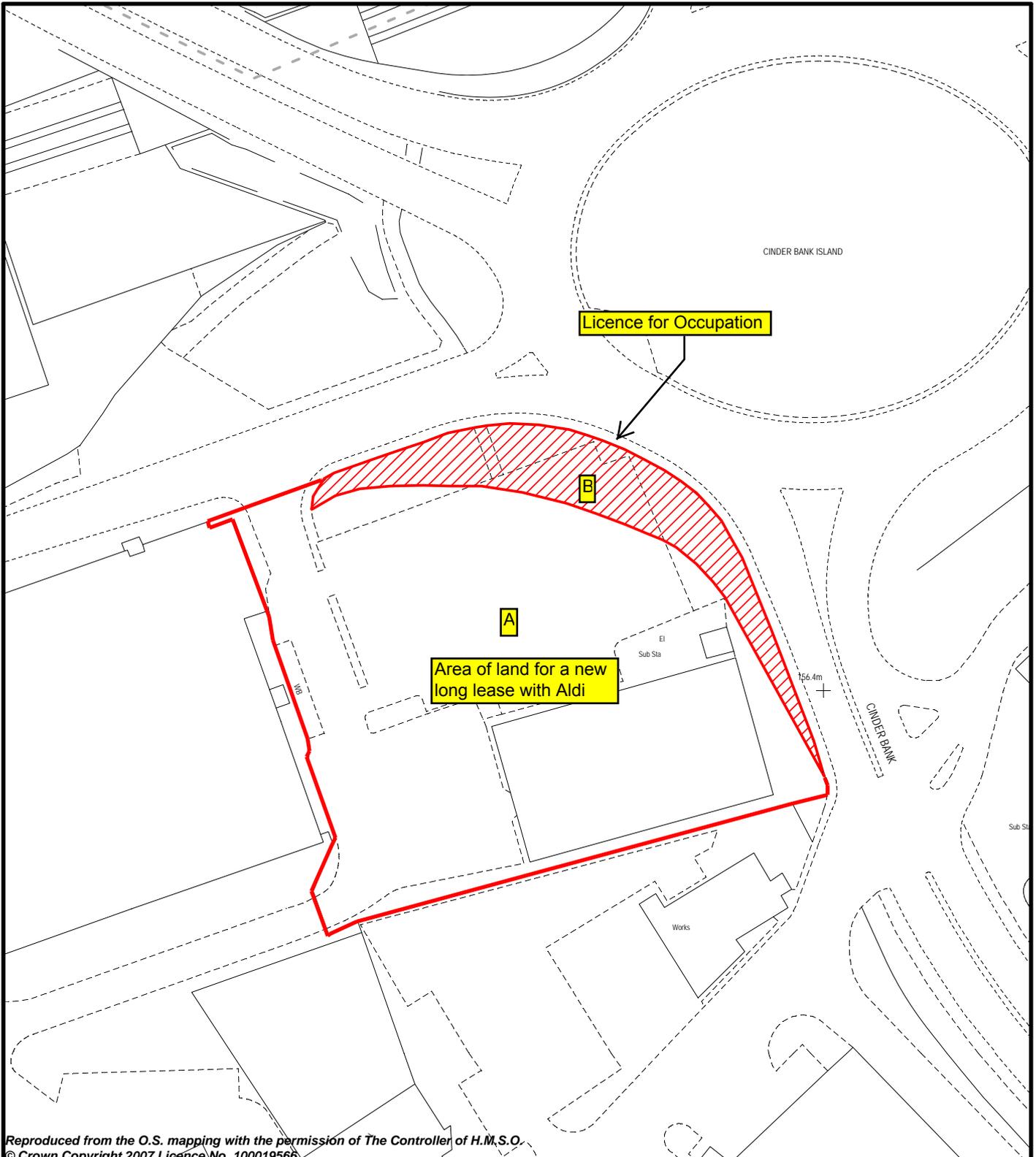
2. Approve the surrender of lease with Kwik Save.
3. Grant of a new long lease with Aldi (Area A).
4. Grant a licence to occupy with Aldi (Area B).
5. To authorise the Directorate of Law and Property to complete and sign any other subsidiary agreements that will facilitate the redevelopment of the site.

Background papers

1. Letter(s) from the applicant.
2. E-mails and memos from the Council Directorates.

Contact Officer:

Sonia McLean, Property Manager, Ext. 5321



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<p>TITLE:</p> <p>Kwik Save Cinder Bank Dudley</p>		<p>Corporate Estate Services Directorate of Law and Property 3 St James's Road DUDLEY West Midlands DY1 1HZ</p>
<p>OS data reproduced with the permission of the Controller of HMSO 2007 Licence No 100019566</p> <p>CREATED BY: Sonia McLean - Property Manager, Ext. 5321</p>	<p>SCALE: 1 : 1000</p> <p>DATE: 21-NOV-2007</p>	

Central Dudley Area Committee

Date: 22nd January 2008

Disposal of Surplus land

Location: Church Road, Netherton

(As shown on the plan attached)

Background

Under the Housing for the 21st Century agenda, 18 local housing offices were closed to allow for development and improvement of housing services. There now remain 6 local housing offices, being Shell Corner, Quarry Bank, Pensnett, Wrens Nest, Netherton and Chapel Street.

With the exception of Chapel Street, which is recognised as needing an on-site presence and Wrens Nest, where officers involved in the North Priory Regeneration are temporarily working from, the primary function of the remaining offices is cash collection.

It has therefore been decided that in order to fund other initiatives such as the garden initiative and to enable the delivery of priorities, savings must be found. The Directorate of Adult, Community and Housing Services (DACHS) have therefore decided to close further estate offices in the Borough and this report is regarding declaring the site of the Netherton office surplus to the Councils requirements.

The decision to close this office has already been made and it is envisaged that it will close in the new year, and be completely vacated by the end of the financial year.

The Netherton office is a port-a-kabin building situated at the corner of Church Road and Meeting Street, and marked on the plan attached. It is adjacent to housing controlled flats and car parking.

Interest in purchasing the site has been received from the Police for use as a police base within the area. The Police currently use an adjacent house as a police station but wish to relocate to this building. They will also require parking facilities.

Comments

The relevant Council Directorates have been consulted regarding the future use of the site and no operational use has been identified and no objections have been received to the disposal of the site.

The Directorate of Law and Property suggest that the site should be declared surplus to requirements and offered to the police in the first instance together with a licence to use parking spaces on the adjacent car park.

Proposal

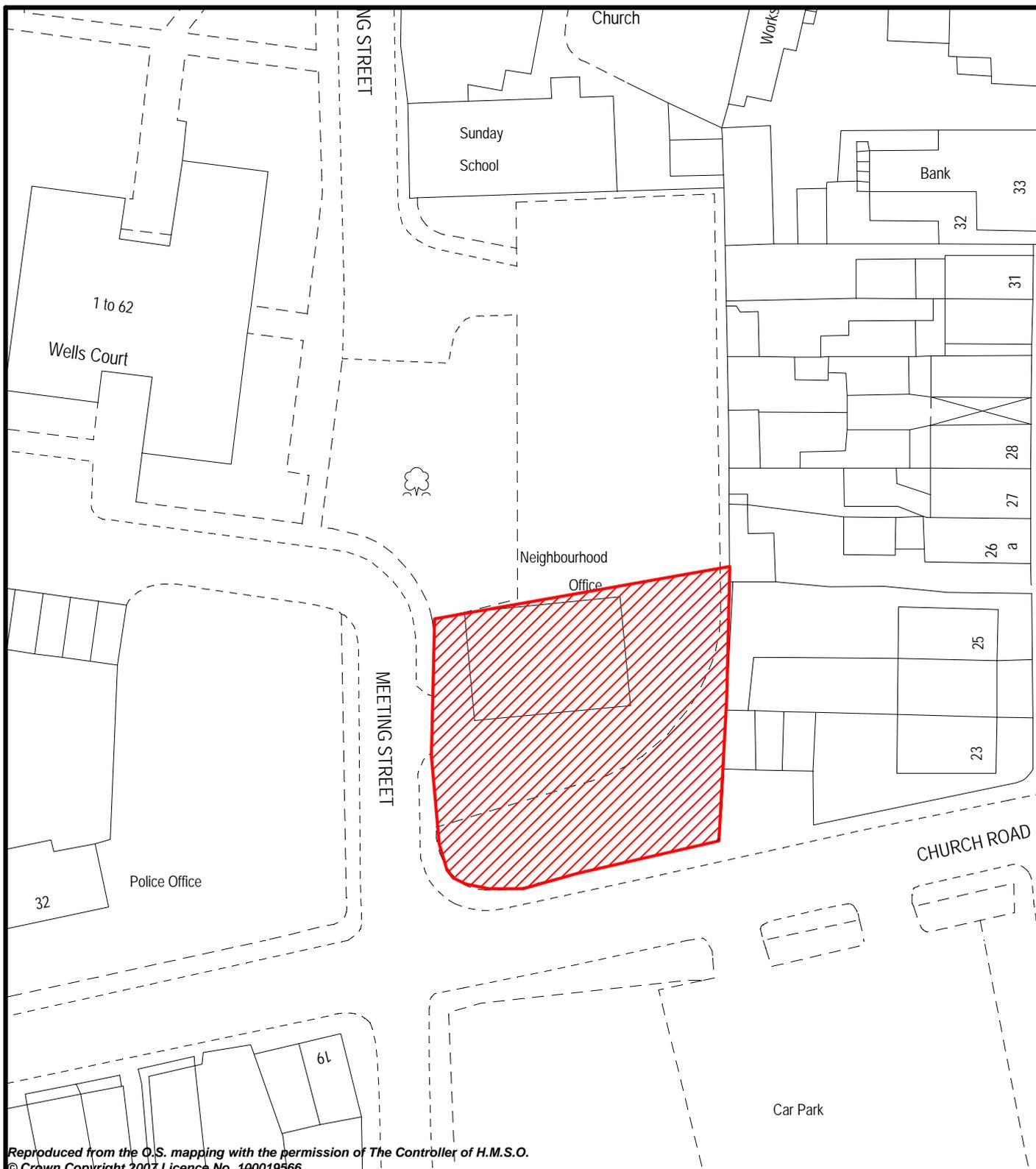
That the Area Committee advise the Cabinet Member for Housing to declare the site at Church Road, Netherton, surplus to requirements to be disposed of upon terms and conditions to be negotiated and agreed by the Director of Law and Property.

Background papers

1. Letter(s) from the applicant.
2. E-mails and memos from the Council Directorates.

Contact Officer:

Gill Hudson, Principal Property Manager, Ext.7068



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**Site of Netherton Estate Office.
 Church Road,
 Netherton**



SCALE:
 1 : 500
 DATE:
 07-NOV-2007

Corporate Estate Services
 Directorate of Law and Property
 3 St James's Road
 DUDLEY
 West Midlands
 DY1 1HZ



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CREATED BY:

Central Dudley Area Committee

Date: 22 January 2008

Request for: Purchase or lease land

Location: Priory Court, New Street, Dudley
(As shown on the plan attached)

Background

An application has been received from the landlord of the Old Priory Public House, New Street, Dudley, to either lease or purchase the Council owned land at the rear of Priory Court, New Street, Dudley as shown marked on the plan attached.

The land is under the control of the Directorate of Law & Property and is amenity space for the Council's tenants at Priory Court. The Old Priory Pub has a right of way over the site.

The applicant requires the land for use as a smoking area outside his pub. The Smoke-free (Premises and Enforcement) Regulations 2006 which came into force on the 1st July 2007, prohibits smoking in enclosed premises. The landlord has stated that his customers dislike using the street when they wish to smoke and that he would prefer to offer them the use of the area at the rear of Priory Court.

Comments

All the relevant Council Directorates have been consulted.

The Director of Law & Property object to the proposal as the land in question is subject to the rights of the Tenants of Priory Court. They have the right to pass on foot at all times and the right to use the yard. Any disposal of the property will need to be subject to the rights granted in the existing Leases and the Council reserving the rights for the future benefit of the Priory Court Properties. Due to these rights, exclusive use of the yard could not be granted.

The Director of the Urban Environment has expressed concerns regarding the annoyance that the use of the land for a smoking area would cause for the Tenants and other local businesses.

The opinion of the tenants was sought. They complained that they already suffer from smoke and noise from the customers of the pub. There have been a number of break-ins and the tenants believe that their premises will be more insecure if the request is granted. They are therefore against granting the request for the use of the courtyard by the customers of the pub.

Proposal

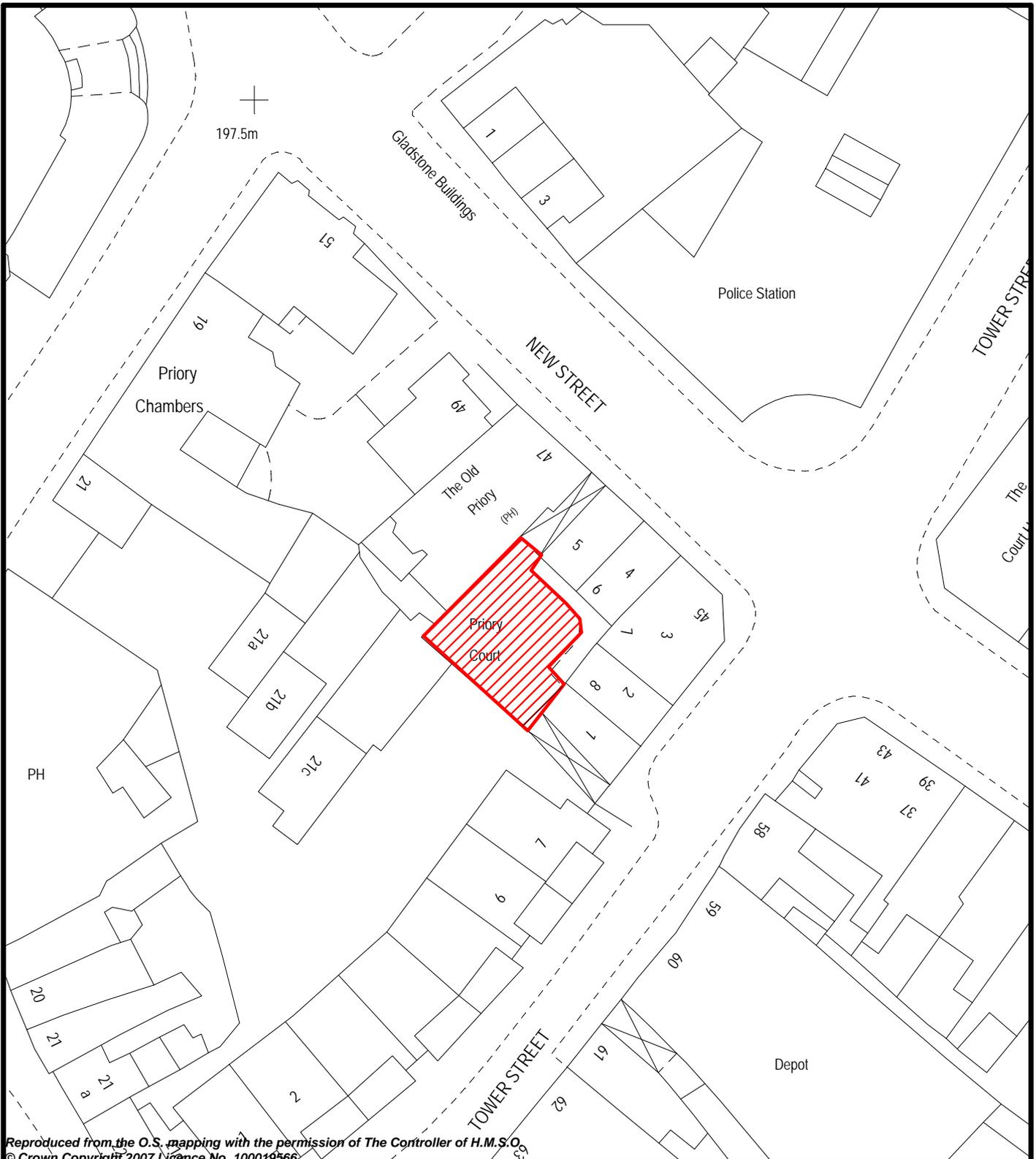
That the Area Committee advises the Cabinet Member for Law & Property to refuse the application to lease or purchase the land at Priory Court.

Background papers

1. Letter(s) from the applicant.
2. E-mails and memos from the Council Directorates.

Contact Officer:

Alan Nugent, Property Manager, Ext.5351



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TITLE:
**Priory Court
 New Street
 Dudley**

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CREATED BY:
Alan Nugent, Property Manager, ext 5351



SCALE:
1 : 500

DATE:
10-OCT-2007

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