



DERBY CITY COUNCIL

**COUNCIL CABINET
8 NOVEMBER 2005**

ITEM 9

Cabinet Member for Personnel, Performance
Management and Economic Development

Disposal of Land at Greenwood Avenue, Chaddesden

SUMMARY

- 1.1 Terms were agreed by Cabinet on 16 March 2004 for the disposal of this site to Home Housing Group Limited for the sum of £146,000 based on nine flats.
- 1.2 The Planning Application for nine flats was refused and a new application has been made for six units on the site which is likely to be acceptable. The value has been reassessed based on the lower density development.

RECOMMENDATION

2. To approve the sale of the land at Greenwood Avenue to Home Housing Group Limited for the sum of £106,000.

REASON FOR RECOMMENDATION

3. To conclude the sale at a revised market valuation.



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Report of the Director of Corporate Services

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SUPPORTING INFORMATION

- 1.1 Four offers were received for this site, three being from housing associations and one from a private developer. The initial offer from Home Housing was significantly higher than the other three offers, the highest of which was £105,000.
- 1.2 The second and third highest bids were for eight and 11 flats respectively, which would also be unacceptable on planning grounds. The reduced number of units has made the plot less valuable than originally anticipated. The revised offer of £106,000 is higher than the other offers received and also is comparable with values for similar sites. Home Housing have also already secured support from the Housing Corporation for this development.

OTHER OPTIONS CONSIDERED

2. The option of remarketing the site was considered. There were a number of reasons why this was rejected...
 - Only four offers were received when the site was last marketed, three of which are below the revised offer from Home Housing.
 - Home Housing are in a position to complete the sale quickly and commence development on the site very early in 2006.
 - This proposal has Housing Corporation support and will provide an additional six affordable homes in the city.

For more information contact: Julie Basford (25)5545 e-mail Julie.basford@derby.gov.uk
Background papers: None
List of appendices: Appendix 1 – Implications
Appendix 2 - Plan

IMPLICATIONS

Financial

1. The Council will obtain a capital sum which is the market value of the site and which will be 100% usable.

Legal

2. Since the sale price is demonstrably the market value, no consent will be necessary from the Secretary of State to dispose of the site to the housing association.

Personnel

3. None.

Equalities impact

4. The proposed development will provide six affordable homes.

Corporate objectives and priorities for change

5. The proposal comes under the Council's Objective of providing **a shared commitment to regenerating our communities.**

