

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

REPORT TO: Leader and Cabinet 14 December 2006
AUTHOR/S: Executive Director / Lands Officer

DISPOSAL OF 57/59 HIGH STREET, SAWSTON

Purpose

1. To seek Cabinet's decision on the disposal of 57/59 High Street, Sawston following the decision of the Housing Portfolio Holder on 9th November 2006:

In the event of no further RSL interest in the redevelopment of 57/59 High Street, Sawston and subject to further local consultation and to independent valuation advice that supports an expectation of a higher capital receipt with residential planning permission for no. 57:

- i) obtain planning consent for change of use of 57 to residential and
- ii) place whole property for sale on open market, valued for retail use (no 59) with potential for residential use above (no 57).

Executive Summary

2. The leases for 57 and 59 High Street have expired and both premises are vacant. Potential exists to redevelop no 57 for residential use but investigation of RSL interest in using this potential to create affordable housing has been exhausted. Should Cabinet approve the sale of this site on the open market, this would enable a capital sum to be realised by the Council. Obtaining planning permission for change of use of the upper floor to residential will increase the value of the site. Cabinet is recommended to endorse the decision of the Housing Portfolio Holder.

Background

3. 57 High Street, Sawston is a first floor premise that was leased to Sawston Parish Council as office accommodation until 20th May 2006. Annual rent to the Council was £4,725.
4. 59 High Street is a ground floor premise that was leased to Unwins Wine Group Ltd (now in liquidation) for retail purposes until 20th May 2006. Annual rent to the Council was £9,000.
5. The land in Council ownership adjacent the premises includes parking spaces for 6 cars and a grassed rear 'garden'.
6. Earlier this year interest was sought from a number of RSLs in the possibility of redeveloping the premises for affordable housing.
7. Kelsey Housing Association expressed interest in redeveloping the upper floor for affordable housing and on 23rd January 2006, the following decision was made by the Housing Portfolio Holder:

Subject to planning permission for change of use, on expiry of both leases, offer the first floor to an RSL for redevelopment as affordable housing. Offer

the ground floor for sale on the open market, subject to valuation for commercial use.

8. A valuation was obtained from the District Valuer in June 2006 based on the existing uses of the building, as follows:

57 High Street

Market rental value as offices £6,000 pa

59 High Street

Market rental value as retail £10,500 pa

Open market value of both together as existing use £190,000

9. After investigation Kelsey confirmed that it was not cost-effective for them to take on the project. Similar interest was received from Hundred Houses Society and after consideration they too declined to take on the project.
10. Considerable interest has been received from other sources in purchasing or leasing the premises, including that from developers who would look to convert the upper floor to residential accommodation.

Considerations

11. 57 and 59 High Street are the only commercial premises owned by the Council.
12. Advice from Planning regarding a possible change of use of these premises is as follows: " Policies in the development plan seek to resist the loss of retail premises where the loss would result in a significant reduction in the level of retail provision locally available (Local Plan Policy SH6 and Structure Plan Policy P3/4) and state that the loss of commercial premises will be resisted unless the existing use is generating environmental problems such as noise, pollution or unacceptable levels of traffic or where it is demonstrated that the site is inappropriate for any employment use to continue having regard to market demand. One exception to this may be for the redevelopment of the site for affordable housing under the exceptions policy (Local Plan Policy HG8)."
13. 57/59 High Street is not a Listed Building but the adjoining building at no. 61 is Listed. Advice from Conservation regarding a proposed change of use of 57/59 is as follows: "This building was originally a public house before its conversion to a shop, and makes a positive contribution to the streetscene in the Conservation Area. The conservation section would have no objection to the idea of using the first floor of this building for residential accommodation. However, we do have some concerns over the ground floor. The ground floor windows are still essentially unchanged and we are keen that they remain in this form. We can foresee a potential conflict between the need for privacy in a ground floor flat and our desire to keep the windows at their current size and form. Also, we are keen that Sawston High St remains a vibrant commercial street.
14. Therefore our preference would be to retain the existing building, but with appropriate alterations (eg the flat roofed extension to the rear could be removed and possibly a new extension added to provide independent access to the first floor) to enable some form of commercial use to be retained on the ground floor, with residential use (one or two flats) above."

15. The potential open market value of the premises with planning consent for no 57 for change of use to residential and retaining no 59 in retail use has been assessed by external valuers at approximately £300,000.

Options

16. Obtain planning consent for change of use of 57 to residential and place whole property for sale on open market, valued for retail use (no 59) with potential for residential use above (no 57).
17. Place both premises for sale on the open market, subject to valuation for office/commercial use only.
18. Retain the property in Council ownership and offer both floors for commercial lease.

Implications

Financial	By disposing of this site on the open market for commercial and residential use, a capital receipt could accrue to the Council.
Legal	The sale of this site is not subject to the Right to Buy legislation.
Staffing	None
Risk Management	None
Equal Opportunities	None

Consultations

19. Sawston Parish Council have been consulted and agree to the sale and change of use of 57/59 High Street. They also request that the following condition of sale could be made: if during refurbishment the Cross Keys pub sign and Lacons Brewery tile are to be removed that they are given to the Parish Council to be kept in the proposed new village museum.
20. Councillors Bard, Hatton and Matthews have been consulted. Councillors Bard and Hatton have confirmed that they agree with the views of the Parish Council.

Effect on Annual Priorities and Corporate Objectives

Affordable Homes	The first floor of the building offers potential for redevelopment for affordable housing under the exceptions policy but there is no further RSL interest in the site.
Customer Service	None
Northstowe and other growth areas	None
Quality, Accessible Services	None
Village Life	Redevelopment of these premises could increase the supply of low cost housing in Sawston
Sustainability	The first floor of the building offers potential for redevelopment for low cost housing.
Partnership	None

Recommendations

21. It is recommended that planning consent be sought for the change of use of 57 to residential and place the whole property for sale on the open market, valued for retail use (no 59) with potential for residential use above (no 57).

Background Papers: the following background papers were used in the preparation of this report:

1. Site plan showing boundary of SCDC ownership, **Appendix A**
2. Photograph of premises, **Appendix B**

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