



**PORTFOLIO: HOUSING AND  
FINANCE AND SUPPORT**

**CABINET 7 NOVEMBER 2001  
STILLWATER PARK, RINGWOOD HAMPSHIRE**

**1.0 INTRODUCTION**

- 1.1 Following Cabinet Meeting on 1<sup>st</sup> August 2001 Members resolved to investigate the possible market interest in a disposal of Stillwater Park, North Poulner, Ringwood, Hampshire.
- 1.2 The purpose of this report is to update Members on the results of those investigations and to explore the possible options now open to Members.

**2.0 EXPRESSIONS OF INTEREST**

- 2.1 To gauge the level of interest in a possible disposal of the Park, advertisements were placed in both local and national press (the Property Advertiser, Estates Gazette and Property Week).
- 2.2 Expressions of Interest were invited from parties interested in running the facility as a mobile home park. An information pack was supplied to all interested parties, in total, 88 packs were sent out.
- 2.3 Parties were requested to include within their response the following information:
  1. Level of bid should the Authority be minded to sell its interest
  2. Funding details.
  3. Proposals for future management of the park.

**3.0 RESPONSE**

- 3.1 The deadline for written responses was 12 noon, 12<sup>th</sup> October 2001.
- 3.2 The details of those parties expressing an interest can be found in Report A – Agenda Item 5, which will be considered in private session as the information contained therein makes specific reference to named parties and offers they submitted. Those parties submitting an expression of interest can be classified into three distinct groups.

Commercial Operators  
Registered Social Landlords  
Private individuals and existing tenants

Although Ringwood Town Council have expressed an interest in acquiring the Park in the past they did not submit an Expression of Interest through this exercise.

## 4.0 WAY FORWARD

- 4.1 It is important to appreciate that in the event of a sale of the park to any of the categories of interested persons set out above, the tenants' existing rights, by virtue of the Mobile Homes Act 1983 will continue. This Act specifies inter alia, the right of occupiers not to be unlawfully evicted from the site.
- 4.2 The occupiers of mobile home parks, such as Stillwater Park have a comprehensive set of rights set out in the legislation and it is hoped that any potential purchaser would act in good faith and not seek to circumvent the statutory protection set out in the legislation or seek ways to undermine the rights of such occupiers.
- 4.3 There are a number of options that may now be taken. These are; (in no particular order)

### 4.1.1 Retain ownership

Alternatively referred to as the "do nothing" option.

Number of Interested Parties	N/A
Advantages	Disadvantages
Of all the options available maintaining the status quo is potentially least contentious	There would obviously be no capital receipt Still retains some level of uncertainty over the long term future of the park

### 4.1.2 Sale to Private Commercial Park Operator

Number of Interested Parties	10
Advantages	Disadvantages
Potential to maximise capital receipt, which would not require Secretary of States Consent. Disposal of non core activity A commercial operator is likely to invest in the park's future	Likely to be the most contentious option certainly with the existing tenants. Rents or service charges likely to be increased or programme instigated for the upgrading or replacement of older homes on site. Slight possible risk that site may be redeveloped in the future if for example, the new owners were to obtain vacant possession over time. Imposing restrictive covenants on the future use of the site may be difficult, costly and complicated legal procedures could be involved to enforce such covenants.

### 4.1.3 Sale to Registered Social Landlord

Number of Interested Parties	3
Advantages	Disadvantages
An RSL is likely to be least contentious of the "commercial" buyers	Would not maximise capital receipt although consent to sell at under value

RLS's already have track record of good tenant management. Potential to work with RSL for future management/ development of the Park	likely to be obtained from Secretary of State. Option not favoured by tenants
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**4.1.3.1** It is worth noting that the papers submitted by one of the housing associations, whilst providing details of future management plans for the park, also makes specific reference to the possible future redevelopment of the park for housing purposes. Although the "price" quoted was not the highest in initial capital value, it does provide for a share in future capital value upon any redevelopment.

#### **4.1.4 Sale to Existing Tenants Association**

Number of Interested Parties	1
Advantages	Disadvantages
Least contentious option for tenant's. Obtain some capital receipt	Would not maximise capital receipt; sale would therefore require Secretary of State's consent for disposal at under value, which may be hard to justify. Risk although slight of future disposal/development by tenants. Tenants may require assistance with establishing an effective Estate Management Plan

#### **4.1.5 Sale to private party**

Number of Interested Parties	1
Advantages	Disadvantages
Obtain some capital receipt	Would not maximise capital receipt; sale would therefore require Secretary of State's consent for disposal at under value. Which could not be justified. Unknown quantity with no past experience in park management Risk although slight, of future disposal/redevelopment.

#### **4.1.6 Sale to Ringwood Town Council**

Although the Town Council did not submit and expression of interest such a disposal should also be considered

Advantages	Disadvantages
Obtain some capital receipt Town Council may be seen by some as similar body to District Council.	Would not maximise capital receipt. Sale at under value would require Secretary of State's consent Risk although slight of future disposal/development.

## **5.0 DISPOSAL AT UNDER VALUE.**

- 5.1 It should be remembered that although none of the figures quoted by interested parties are binding it is evident from the exercise carried out that the “value” of the Park could be very significant. Any sale below the highest offer could be argued as being a disposal below market value.
- 5.2 By virtue of Section 123 of the Local Government Act 1972 a Local Authority may dispose of land and property howsoever they wish, provided they obtain the best price. Any sale at less than the full value will require the Consent of the Secretary of State for the environment
- 5.3 Although officers endeavoured to obtain an informal opinion from the Secretary of State’s office, whether consent for a disposal at under value would be forthcoming in these circumstances, this was not forthcoming as the level of discount and the successful party were unknown quantities.
- 5.4 From time to time the Secretary of State grants General Disposal Consents permitting authorities to sell at under value. The Secretary of State has in the past agreed to sales at under value to Registered Social Landlords and Other Local Authorities.

**6.0 RESIDENTS COMMENTS**

- 6.2 As detailed in an earlier report to the Cabinet the views of residents on a possible sale indicated the following preferences with regard to a prospective new owner.

Purchase by residents	74%
Purchase by Ringwood Town Council	13%
Remain with NFDC	9%
Abstentions	4%

**7.0 ENVIRONMENTAL IMPLICATION**

- 7.1 There are no environmental implications arising out of this report

**8.0 CRIME AND DISORDER IMPLICATION**

- 8.1 There are no crime and disorder implication arising out of this report

**9.0 FINANCIAL IMPLICATIONS**

- 9.1 As detailed in Report A (Agenda Item 5) should members be inclined to proceed with a disposal of Stillwater Park there is the possibility of obtaining a significant capital receipt for the Council.

**10.0 CONCLUSION**

- 10.1 Any sale of Still Water Park is likely to be received with great interest and the level of capital receipt that could be obtained from a disposal is quite significant.
- 10.2 Members need to decide on the objectives of any future disposal, i.e. tenants views, future management, or the maximisation of capital receipts.

- 10.3 If Members are minded to consider a disposal with subsequent development potential, they may wish to have the Park marketed specifically with this option in mind.
- 10.4 In the event that Members recommend a sale at either under value or full value it will be essential to impose a “claw back” provision to ensure the Council receive an appropriate proportion of any future development value of the site.

## **11.0 RECOMMENDATION**

- 11.1 It is recommended that members decide on a way forward in respect of the disposal of Stillwater Park; and
- 11.2 Having decided upon which option Members would prefer to follow, officers are requested to develop that strategy and to bring a further detailed report back to Cabinet for a final decision.

### **Further information**

#### **Housing Issues**

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#### **Valuation Issues**

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### **Background Papers**

Reports to Housing Committee  
19 January 1999 and  
17 November 1999

Report to Advisory Cabinet  
6 December 2000, 7 March 2000,  
2 July 2001 & 1 August 2001